

Buenos Aires, March 7, 2019

LETTER FROM THE CHAIRMAN

To the Shareholders:

As Chairman of the Board of Directors, I hereby submit the Annual Report of Grupo Supervielle S.A. corresponding to the year ended December 31, 2018.

By way of introduction I would like to make an overview of the macroeconomic context during the period under analysis.

According to recent International Monetary Fund (IMF) estimates, the world economy grew by 3.7% in 2018, a slight deceleration as compared to the 3.8% growth recorded in 2017. This growth deceleration occurred in a context of decrease in the growth rate in world trade due to the US-China trade conflict, the rise of international interest rates, particularly in the USA, and the financial crisis in Turkey and Argentina, which gave rise to doubt with regard to growth in such year. Regarding emerging economies, in the Latin America and Caribbean region, the growth estimated by the IMF was 1.1% in 2018.

Commodities maintained the positive trend recorded from mid-2017 to the first half of 2018 to then go down as a result of the US dollar strengthening in such stage. Thus, they ended 2018 on average in a price level 12.4% lower than that at the close of 2017. In particular, the prices of commodities exported by Argentina fell by 1.7%

During the year, the US Federal Reserve continued with the upward rate cycle which began in December 2015, increasing on three occasions its reference interest rate (March, June and December) by 0.25% until reaching 2.5% per annum with a lower limit of 2.25%. However, the level reached remains too low as compared to historic values. Stock markets showed a marked volatility featured in particular by the Federal Reserve rate policy and by capital movements from emerging to developed countries. Thus, according to the MSCI index, shares went down by 10.4% at global level (in 2017 they had gone up by 20%), while emerging markets declined 16.6%.

During 2018, practically all the currencies of Argentina's business partners depreciated as compared to the US dollar in nominal terms, which boosted even more the Argentine peso's depreciation during the year.

At national level, 2018 was featured by the discrepancy between the market expectations at the close of 2017 and what finally happened during the year. In the BCRA's Market Expectations Survey (REM) of November 2017, economists estimated that the inflation rate for the year would be 16.6%, the Currency Policy Rate (TPM) would end at 22%, the Nominal Exchange Rate (TCN) would close at \$20.3 and the economy would grow by 3.1%. Final data were far from expected.

Part of the explanation for such discrepancy lies on the international context described above which, despite the expectations at the beginning of the year, changed dramatically as compared to what had been observed during 2016 and 2017. This change made Argentina suffer more than the rest of emerging countries as a result of its vulnerability due to its high twin deficits (tax and checking account deficits) which reached historical maximums, with the need of foreign currency short term financing. This change in the international context, together with the rise in oil prices and the increase of country risk, led to the adoption of the decision to seek assistance from the International Monetary Fund (IMF) so as to receive preventive financing, leading to a new agreement for US\$57,000 million, in exchange of which the Government agreed to fiscal balance targets, which included meeting the primary balance target in 2019 and a primary tax surplus of 1% in GDP terms in 2020.

The handling of the monetary policy did not contribute to mitigating the complex situation, which was observed in the pressure repeatedly exerted on the exchange market at the beginning of April. Its effects could not be counteracted with interest rate rises and BCRA interventions. Finally, a new monetary and exchange program was implemented aimed at having monetary

aggregates as anchor, leaving aside inflation targets, as agreed in the Memorandum of Understanding entered into with the IMF. The new monetary and exchange plan included the commitment to not increase the monetary base until June 2019, except for December 2018 and June 2019, which are the months when there is an increase in the demand of money. The instrument used to implement this policy is the daily auction of Letras de Liquidez (LELIQ) [Liquidity Bills] with banks, through which the BCRA establishes a bidding objective in line with the monetary base; the interest rate is the result of such auction (which became the Monetary Policy Rate, TPM). The new monetary policy scheme was supplemented by the determination of exchange rate intervention and non-intervention zones applicable to the nominal exchange rate (TCN). Said limits were adjusted daily at a monthly 3% rate during the last quarter of 2018. Above the non-intervention zone, the BCRA may sell up to US\$150 million per day to generate an additional monetary contraction when the peso weakens. Conversely, the BCRA may buy foreign currency in case the peso appreciates and is below the non-intervention zone. Within that zone, the exchange rate may fluctuate freely.

At the same time and throughout the year, the BCRA fulfilled the commitment to redeem the outstanding Letras del Banco Central (LEBACs) [Central Bank Bills]. Bank holdings were replaced by LELIQs. On the other hand, balances held by institutional investors and individuals went down from the maximum recorded in the first quarter of 2018 to 0 by the end of the year.

As regards the activity level, the economy ended 2018 in recession, with an accumulated fall of 2.2% as of November of such year. The activity level was affected, in addition, by a severe draught which significantly reduced agricultural sector contributions. This contraction can be compared to the 2.9% expansion in 2017. International reserves at the BCRA rose by US\$10,751 million, ending the year with a stock of US\$65,806 million. However, this year was marked by the strong reduction of international reserves on several occasions as a result of the sale of foreign currency to contain the devaluation, which reduction was later set off by loans mainly from the IMF. The nominal exchange rate at the end of 2018 was \$37.8, up from \$19.03, which accounts for a devaluation of 101.4% as compared to the prior year closing. Throughout 2018 fiscal balance remained a key issue for the administration which had to accelerate the fiscal deficit reduction in pursuance of the commitment assumed with the IMF to have a primary fiscal deficit of 2.7% in 2018. This year closed with a fiscal deficit of 2.4% vis-a-vis the GDP, reducing the primary deficit by 1.4 p.p over the previous year and exceeding proposed targets. The inflation rate showed a 47.6% increase as compared to the 24.8% inflation rate recorded in 2017.

As regards the banking industry's evolution, private sector total deposits in the financial system increased by 61.7% in 2018, well above the growth of loans. Deposits in Pesos increased by 41%, while deposits in US dollars but measured in Pesos increased by 120.9%, as a result partly of the rise of the nominal exchange rate and measured in US dollars, deposits increased 9.7%. On the other hand, total loans to the private sector finally grew only 33% in the year, well below the inflation level. Loans in pesos to the private sector rose 17% as a result of high interest rates and economic recession.

Grupo Supervielle ended 2018 with a net income attributable to owners of \$2,568 million, a comprehensive income attributable to owners of \$3,030 million, assets for \$141,116 million, loans and leasing for \$80,171 million, deposits for \$94,906 million and an attributable shareholders' equity of \$17,156 million.

Return on equity was of 19.5%. The attributable comprehensive income was 61% higher than the comparable 2017 result.

Throughout 2018, Grupo Supervielle, through its subsidiaries, increased its credit generation in line with the industry's growth levels, while its deposits generation was above growth levels of the industry average.

The Corporate Banking portfolio recorded a strong growth in the first quarter of 2018 to then decelerate in the ensuing quarters due to the rise in the interest rate and the evolution of recession.

During the year the Oil&Gas team was completed with a view to developing the Oil and Gas industry value chain, serving mainly SMEs suppliers of such value chain.

Under the customer relations management guidelines, we continued growing in the Plan Sueldo portfolio, ranking second among private banks in net customer growth in the year.

The SMEs customer generation project continued both in the SMEs and Entrepreneurs & SMEs segments.

The Entrepreneurs and SMEs segment continued with its development plan although in a more challenging macroeconomic context than that of SMEs. During the year the subsegments Franchises and Transportation launched in 2017 consolidated and a new specific value proposition was generated oriented to the health subsegment.

Retail Banking continued offering a wide array of financial products and services aimed at meeting the needs of their individual customers and designing tailored products. The customer service model seeks to achieve maximum efficiency, preserving contact and the customized assistance required by strategic segments; after analyzing the requirements of each customer, products and services are tailored to their needs, through a sub-segmentation of customers that provides a service level suitable to each profile.

Additionally, in line with the path traced in the previous year, substantial changes were promoted in Service Centers, modernizing daily operations and meeting the needs of senior citizens. With the implementation and expansion of automated solutions for queries and cash withdrawals that include biometric identification, the banking sector has paved the way for the operation of future generations of senior citizens.

With a renewed offer, special lines to suit the needs of the different segments and to digital channel sales, the placement of personal loans was leveraged.

In addition, in view of the market expansion generated following the establishment of UVA Mortgage Loans, a communicational and management strategy was launched to position the bank at the top in order to increase its market share. To such end, the Bank posted banners in one of the major real estate portals of Argentina and entered into agreements with brokers, large developers and realtors to strengthen lead generation. UVA Mortgage Loans started in 2018 with a strong dynamism, positioning Banco Supervielle among the first 5 private banks in terms of placement of these loans. However, the peso devaluation, the rise of inflation and the macroeconomic uncertainty had a negative impact on this product.

On the other hand, the Bank restructured Pledge Loans with the purchase of Mila and the expansion of marketing channels, through the incorporation of several car dealers, focusing mainly on pricing redefinition, a new initial cross selling model for borrowers, and the commencement, by the end of the year, with the transactions for UVA loans.

In 2018 the network's area of influence was expanded with the opening of three new branches. These openings sought to identify those locations leveraging our commercial strategy and were intended to consolidate the Bank's presence in areas with high density of stores and achieve full coverage in commercial corridors where SMEs are established. These openings include the first Supervielle branch in the Province of Neuquén.

As regards the consumer financing segment developed mainly through Cordial Compañía Financiera, the difficult macroeconomic context had a negative impact on its customer segment and a decision was made in March to curb the growth of this segment. In order to mitigate the risk, strong adjustments were introduced in credit policies, increasing cut-off points and restricting the borrowing capacity of customers and leads. During the second quarter of 2018 two additional negative effects were added: rising bank funding rates and a strong decrease in demand, which affected the profitability of the different channels. Thus, in August, the consumer segment was restructured with a view to adapting it to a new reality.

Cordial Servicios, our subsidiary dedicated to marketing non financial products, now part of the consumer division, continued consolidating its value propositions during 2018, offering a wide array of products, although it also suffered the reduction of its sales as a result of economic recession. Through the telephone channel we continued to offer health prepaid services and catalogue sale of electronic and home appliances. In the digital channel, the home appliances, technology, home and furniture, sports, wellness and beauty, perfumes, tires and accessories categories were marketed through Tienda Supervielle marketplace. The Tienda Supervielle travel

category continued growing as a sales channel and developing new products. In November 2018, Tienda Supervielle Viajes became a part of the rewards program of Banco Supervielle, becoming the major supplier of flights and hotels.

During 2018, Banco Supervielle created the customer centric organization-wide Transformation area, which encompasses end-to-end digital processes. In addition, due to digital innovation, new businesses, processes and technologies may be explored to establish the vision of a bank of the future. Focused on the Bank's efficiency and customer experience, digital strategy is implemented by segment and by channel. Continuous improvement of information governance also allows measuring the status and degree of advance and, particularly accelerate transformation. Transformation involves the use of new working methodologies, new technologies and a strong cultural change within the organization. Agile methodologies arise in response to current needs, where the willingness to change and the prompt delivery of value are a competitive advantage. Under this working methodology, independent, highly efficient work teams are formed with short turnaround times.

SAM, our mutual funds manager, reduced by 7% the amount of assets managed at the end of 2018 as compared to the prior year showing a similar behavior to that observed in the mutual funds industry, which was one of the financial industries most affected by the foreign exchange crisis in Argentina.

As regards insurance, in its on-going process of introduction of new products for its different customer segments, in 2018 Grupo Supervielle through Supervielle Seguros began to market the Integral Insurance policies for Entrepreneurs and SMEs.

In May 2018, within Grupo Supervielle's initiatives of selective acquisitions to supplement its strategy, we incorporated two new businesses. The first acquisition was Micro Lending S.A. (MILA), a company specialized in the car loans financing, which allows Grupo Supervielle to supplement the offer and play a relevant role in the attractive car loans market for the acquisition of new and used automobiles - which market has a financing level of only 8% of the sales total in Argentina - which creates cross-selling opportunities in all Grupo Supervielle companies. We subsequently purchased InvertirOnline, a broker with a platform specialized in online trading of stocks, bonds and derivatives, which is among the top five companies in the online broker segment in Argentina, and a referent within the Fintech sector in the country. InvertirOnline provides at the same time online training services and advice to its customers on finance and investments, promoting the adoption of responsible investment decisions in line with customers' knowledge and risk appetite.

Work continued on our Corporate Governance model, incorporating the best international practices. Thus, during the year, we separated the roles of Chairman and CEO, focusing on the CEO's role on executing the Company's Digital Transformation strategy, driving growth and enhancing efficiency and profitability. As Chairman I will remain fully dedicated to Grupo Supervielle setting the strategic direction for long-term success of the business.

Grupo Supervielle has become an important referent of the Argentine financial system with a high visibility potential in its community actions. Its social commitment has grown on a sustained basis and, at present, Corporate Social Responsibility has a significant place in Grupo Supervielle's agenda. In 2018 we continued focusing on our social and community activities with 20 programs grouped in 4 main lines of action: Education, Childhood, Senior Citizens, and Institutional Strengthening. Grupo Supervielle issues on a yearly basis the Sustainability Report following the guidelines and standards established by the Global Reporting Initiative (GRI). The report surveys the achievements made and the challenges ahead in its ongoing sustainability commitment, describing the performance of the different companies controlled by Grupo Supervielle in the economic, social and environmental areas.

As regards the international context this year looks bleak as a lower economic growth is expected than in 2018. Regarding Argentina, economic consulting firms gathered in the BCRA's Market Expectations Survey expect a negative economic growth rate of 1.2% as a result of the 2018 activity collapse but, as from the second quarter a positive rate of 1.5% is expected, resuming the growth dynamics. Likewise, the inflation rate is expected to fall from 47.6% (at the end of the year) to 29.0% while the Nominal Exchange Rate is expected to be \$48.0, i.e. a year-on-year depreciation of 26.8%.

We expect the recovery of the financial system after the 2018 deceleration, as the economy grows and the inflation rate goes down in a context of lower volatility and greater confidence in the local currency. Finally, the current high liquidity level, together with the good performance of deposits in the last part of the year will, following the recovery of the loan demand, accelerate the process of savings channeling to sustain and accelerate the economic recovery which will allow the sustainable development and improvement of the quality of life of people.

In short, we are moderately optimistic regarding the outlook for the year as the Government is launching a program for structural fiscal deficit reduction, a key cause of the recurring crises in Argentina. Our estimates are that challenges will continue at the macroeconomic level during the first half, but later there will be a gradual improvement. The next presidential elections may pose a certain degree of uncertainty. In this context, our approach remains loan origination as a factor to boost the real economy and preservation of a good credit quality. Franchise is well positioned and we trust in our capacity to resume growth in a better macroeconomic context.

I am proud to share with you that we have received two awards during the year. In October, Grupo Supervielle received the First Prize of the XII Edition of the Enrique Shaw Award of the Asociación Cristiana de Dirigentes de Empresa (ACDE) “Towards a Business with a Human Face” (Category Large Companies) for the Abuelos En Red (AER) Digital Inclusion Program. Then, in November, Grupo Supervielle received the “Transparency” Award from the Inter-American Council of Commerce and Production (IACCP) in alliance with the Buenos Aires Stock Exchange and Alliance for Integrity. Finally, I take great pleasure in announcing that during 2018, Grupo Supervielle became part of the first Sustainability Stock Index of the Argentine Market created by BYMA together with the Inter-American Development Bank, which evaluates the performance of issuers in the four ESG-D pillars, based on the information reported and available to the general public.

Finally, I would like to especially thank our teams, suppliers and customers, key players in our past, present and future. To all, on behalf of the board, thank you for your support and confidence.

Julio Patricio Supervielle
Chairman

LIST OF OFFICERS

Board of Directors

Chairman

Julio Patricio Supervielle

First Vice Chairman

Jorge Oscar Ramírez

Second Vice Chairman

Emérico Alejandro Stengel

Directors

Atilio María Dell 'Oro Maini

Richard Guy Gluzman

Laurence Nicole Mengin de Loyer

Gabriela Macagni

Jorge Mocetti

Members of the Statutory Audit Committee

Statutory Auditors

Enrique José Barreiro

Carlos Alberto Asato

Valeria Del Bono Lonardi

Alternate Statutory Auditors

Carlos Enrique Lose

Roberto Anibal Boggiano

Carlos Alfredo Ojeda

Certifying Accountant of the Financial Statements for the fiscal year ended 12/31/2018

Sebastián Morazzo

Price Waterhouse & Co. S.R.L.

CEO

Jorge Oscar Ramírez

CFO

Alejandra Gladis Naughton

Corporate Management reporting to the CEO

Chief of Legal Affairs and AML

Sergio Gabriel Gabai

Chief Credit Officer

Pablo Di Salvo

Chief of Human Resources

Santiago Enrique Batlle

Chief of Central Services & Supply Management

Claudia Silvia Andretto

Chief Officer of Technology & Operations

Marcelo Vivanco

Corporate Management reporting to the Board of Directors

CRO

Javier Conigliaro

Head of Internal Audit

To be appointed. Hugo Roland and Valeria Duthu, both Executive Managers of the internal audit team, temporarily hold the position together

Compliance Officer

Moira Almar

Chief Executive Officers of Grupo Supervielle Subsidiaries:

Banco Supervielle¹

Jorge Oscar Ramirez

Cordial Compañía Financiera / Tarjeta Automática / Micro Lending S.A. / Espacio Cordial de Servicios (Consumer segment)

Juan Martín Monteverdi

Supervielle Seguros

Diego Squartini

Supervielle Asset Management

Guillermo Guichandut

InvertirOnline

Jose Vignoli

¹ As of December 31, 2018, Nerio Alfredo Peitiado was the CEO until he resigned in February 2019 and such position was filled by Jorge Oscar Ramirez, as approved by BCRA on February 8, 2019.

Table of Contents

I.- About Grupo Supervielle

II.- Main Indicators of the Consolidated Balance Sheet

III.- Annual Report

IV.- Report on the Degree of Compliance with the Corporate Governance Code

I.- ABOUT GRUPO SUPERVIELLE

Grupo Supervielle S.A. is an Argentine local financial services company and the controlling company of the 7th largest private bank of Argentina in terms of loans, and the 10th bank if we also consider public banks. It has a long history in the Argentine financial system with 130 years of operation in the country and a leading competitive position in certain strategic market segments. Grupo Supervielle S.A. offers financial and non-financial products and services, especially designed to cover the different needs of its customers through multiple platforms and brands. Grupo Supervielle operates through different segments: Retail Banking, Corporate Banking, Treasury, Consumer Financing, Insurance and Asset Management and other services.

As of December 31, 2018, Supervielle's assets amounted to AR\$141,115.5 million in accordance with Argentine Banking GAAP.. As of the date of this report, Supervielle had 344 access points and approximately 2 million active customers.

Grupo Supervielle's shares are listed on and traded in Bolsas y Mercados Argentinos (BYMA) and in the New York Stock Exchange (NYSE) since May 19, 2016. As of December 31, 2018, Grupo Supervielle had 456,722,322 issued shares, and floating shares in the capital markets represented 65% of its capital stock.

Grupo Supervielle is a corporation organized in Argentina in 1979 that operates as a financial services holding of the following financial services subsidiaries: a bank, Banco Supervielle S.A.; a consumer financing entity, Cordial Compañía Financiera; a consumer financing company, Tarjeta Automática; an asset management company, Supervielle Asset Management (SAM); the recently acquired company specialized in car financing, Micro Lending, and an online trading broker, InvertirOnline. Additionally, and based on its expertise and leadership in the financial services business, Grupo Supervielle aims at reinforcing its commercial offer for its customers and has expanded its offer in the last years with other business segments such as marketing of non-financial products through its controlled company Espacio Cordial de Servicios and its insurance business through Supervielle Seguros. Finally, the portfolio is completed with Sofital S.A.F. e I.L., a company mainly involved in the holding of interests in Grupo Supervielle companies.

II.- MAIN INDICATORS

Grupo Supervielle S.A., Consolidated

MAIN INDICATORS	Dec. 2018	Dec. 2017	Change%
Net income for the period attributable to the owners of the controlling Company	2,567,569	1,819,842	41.1%
Comprehensive income for the period attributable to the owners of the controlling company	3,029,982	1,878,429	61.3%
Assets (in thousands of Pesos)	141,115,541	92,202,420	53.0%
Liabilities (in thousands of Pesos)	123,945,364	77,682,252	59.6%
Shareholders' Equity (in thousands of Pesos)	17,170,177	14,520,168	
Shareholders' Equity attributable to the owners of the	17,155,555	14,369,575	19.4%

controlling company		
Shareholders' Equity attributable to non-controlling interests	14,622	150,593
ROAE ⁽¹⁾	19.5%	19.1%
ROAA ⁽²⁾	2.6%	2.7%
Net Income from services/ (Net Income from services + Gross Financial Margin) ⁽³⁾	21.6%	25.6%
Net Income from services/ Administrative Expenses ⁽³⁾	38.0%	41.9%
Non-performing loans / total loans	4.1%	3.1%
Provisions / Non-performing loans	100.0%	88.0%

- (1) Comprehensive income for the period attributable to the owners of the controlling Company divided by the average shareholders' equity, calculated on a daily basis
- (2) Comprehensive income for the period attributable to the owners of the controlling Company divided by the average assets, calculated on a daily basis
- (3) Including Income from insurance

III.- ANNUAL REPORT

A. EVOLUTION OF THE ECONOMY AND THE FINANCIAL SYSTEM

A.1. Macroeconomic Context in 2018

i) International Scenario²

According to recent International Monetary Fund (IMF) estimates, the world economy grew by 3.7% in 2018, a slight deceleration as compared to the 3.8% growth recorded in 2017. This economic expansion is the result of a 4.6% estimated growth in emerging countries and a 2.3% estimated growth in developed countries. This growth deceleration occurred in a context of decrease in the growth rate in world trade (4% in 2018 vs. 5.2% in 2017) due to the US-China trade conflict, the rise of international interest rates, particularly in the USA, and the financial crisis in Turkey and Argentina, which gave rise to doubt with regard to growth in such year.

Regarding emerging economies, in the Latin America and Caribbean region, the growth estimated by the IMF was 1.1% in 2018, which represents a slight 0.2% fall as compared to 2017. On the other hand, Brazil recorded an estimated 1.3% growth, an improvement over last year's figure (1.1%) in spite of the turmoil generated by the presidential elections and a difficult international financial context.

After accelerating its economic growth rate, China would be decelerating again, from a 6.9% expansion rate in 2017 to an estimated 6.6% in 2018. India, on the other hand, would be accelerating from 6.7% in 2017 to 7.3% in 2018.

Developed countries decelerated their growth in 2018 (an estimated 2.3% over 2.4% recorded in 2017) even when an improvement was recorded in the performance of economic activities in the USA with an estimated growth of 2.9% in 2018 (vs. 2.2% in 2017). On the other hand, the Eurozone's performance decelerated 0.6 p.p. (percentage points) to 1.8% due to the fact that its main economies were affected both by an international context featured by less commercial growth and by domestic affairs. By way of example, Germany and Spain recorded worse performances than in 2017: 1.5% (vs. 2.5% in 2017) and 2.5% (vs. 3.0%), respectively. On the other hand, France faced social turmoil due to the increase in fuel prices while Italy formed a weak government coalition while attempting to fight its fiscal deficit (which is about 1.6% according to the IMF). Thus, their growth rate for 2018 was an estimated 1.5% and 1%, respectively, as compared to 2.3% and 1.6%, respectively, in 2017. Japan continues to be trapped in its low inflation scenario with low growth rates and decelerated its 1.9% rate of last year to an estimated 0.9%. The Brexit remains a burden to the United Kingdom economy which might decelerate its economic expansion rate again to 1.4% from 1.8% in 2017 (2.2% in 2015).

² Provisional data. The source used was the IMF World Economic Outlook, published in January 2019.

During 2018, practically all the currencies of Argentina's business partners depreciated as compared to the US dollar in nominal terms (except for the Japanese Yen and the Swiss Franc), which boosted even more the Argentine peso's depreciation during the year. In addition, due to tax and Payment Balance deficits, and within a context of capital flight from emerging countries, the local currency suffered a greater punishment than that of its peers. In real terms the peso depreciated 23.5% on average (and 35.5% year-on-year in December 2018) according to the BCRA (Central Bank of Argentina)'s Multilateral Real Exchange Rate Index.

Commodities³ maintained the positive trend recorded from mid-2017 to the first half of 2018 to then go down as a result of the US dollar strengthening in such stage. Thus, they ended 2018 on average in a price level 12.4% lower than that at the close of 2017. In particular, the prices of commodities exported by Argentina fell by 1.7% as compared to figures recorded by late 2017. However, on average the commodities price index prepared by the BCRA went up 3.7%.

During the year, the US Federal Reserve continued with the upward rate cycle which began in December 2015, increasing on three occasions its reference interest rate (March, June and December) by 0.25% until reaching 2.5% per annum with a lower limit of 2.25%. However, the level reached remains too low as compared to historic values.

Stock markets showed a marked volatility featured in particular by the Federal Reserve rate policy and by capital movements from emerging to developed countries⁴. Thus, according to the MSCI index, shares went down by 10.4% at global level (in 2017 they had gone up by 20%). Emerging markets reached a growth peak by the end of 2018 following the positive trend of 2017 to then record a negative trend throughout the year and close with a 16.6% fall, impacted by the pace of Federal Reserve interest rate rises.

ii) Argentine Economy

2018 was featured by the discrepancy between the market expectations at the close of 2017 and what finally happened during the year. By way of example, in the BCRA's Market Expectations Survey (REM) of November 2017, economists estimated that the inflation rate for the year would be 16.6%, the Currency Policy Rate (TPM) would end at 22%, the Nominal Exchange Rate (TCN) would close at \$20.3 and the economy would grow by 3.1%. Final data were far from expected as can be seen below.

Part of the explanation for such discrepancy lies on the international context described above which, despite the expectations at the beginning of the year, changed dramatically as compared to what had been observed during 2016 and 2017. This change made Argentina suffer more than the rest of emerging countries as a result of its vulnerability due to its high twin deficits (tax and checking account deficits) which reached historical maximums, with the need of foreign currency short term financing. This change in the international context, together with the rise in oil prices and the increase of country risk, led to the adoption of the decision to seek assistance from the International Monetary Fund (IMF) so as to receive preventive financing. The first Stand By agreement was entered into on June 12, 2018. However, pressure on the exchange rate and the increase in the country risk continued, leading to a new agreement with the IMF for credit assistance, from the initially agreed upon US\$50,000 million to US\$57,000 million, including even tougher targets than the tax balance target, which included meeting the primary balance target in 2019 and a primary tax surplus of 1% in GDP terms in 2020.

The handling of the monetary policy did not contribute to mitigating the complex situation, which could be noticed in the pressure repeatedly exerted on the exchange market at the beginning of April. At first, the idea was to counteract such effects with reference interest rate rises and exchange rate interventions, which did not bring about the expected results. However, as the situation worsened, on June 14, Federico Sturzenegger resigned to his position as BCRA governor and was replaced by Luis Caputo (former Minister of Finance). Caputo's management sought to increase interest rate rises and foreign exchange interventions with constant increases in legal maximum reserve requirements in order to control foreign exchange volatility. Nevertheless, the expected results were never achieved and only three months after taking office, Caputo resigned and was replaced by Guido Sandleris (former Secretary of Economic Policy of the Ministry of Economy) who implemented a new monetary and foreign exchange program

³ According to Thomson Reuters CRY index.

⁴ Taking as a reference the MSCI indices prepared by MSCI Inc.

aimed at having monetary aggregates as anchor, as agreed in the Memorandum of Understanding entered into with the IMF.

Economic Activity

According to Instituto Nacional de Estadísticas y Censos [the National Statistics and Census Bureau] (“INDEC”), the economy would end 2018 in recession, accumulating a 2.2% fall as of November of such year. As regards the annual dynamics, the economic activity recorded a positive year-on-year growth rate only in the first quarter (3.9%) and then negative rates in the second (-4%) and third quarter (-3.5%). In contrast, the activity level in 2017 had marked a year-on-year average 2.9% expansion. According to REM, the annual average growth for 2018 would be -2.4%⁵.

Foreign Trade and Foreign Exchange Market

During 2018 the trade balance deficit amounted to US\$3,820 million, which implies a drop as compared to the US\$8,309 million deficit of 2017. The change in the dynamics of the trade balance is the result of the fall in the activity level which began as from mid-year, and of the foreign exchange depreciation which improved the relative prices of exports vis-a-vis imports. While exports increased 5.1% during the year, imports dropped 2.2%, recording a greater fall in the last months (27.1% for the last month). Exports recorded a 0.5% fall caused by the drop in sales of primary products and agricultural manufactured goods, which were affected by the draught of the first months of the year. On the other hand, imports fell 6.5% due to the fall of capital goods and vehicles.

As was the case in 2016 and 2017, international reserves at the BCRA rose by US\$10,751 million, ending the year with a stock of US\$65,806 million. However, this year was marked by the strong reduction of international reserves on several occasions as a result of the sale of foreign currency to contain the devaluation, which reduction was later set off by loans mainly from the IMF. The most relevant reduction events were on June 21, when international reserves reached a minimum of US\$48,478 million to then go up on the next day as a result of the first IMF disbursement, and on October 29, when reserves reached a minimum again (US\$47,867 million) to then rise again on the next day, and in December, as a result of successive IMF disbursements and the Swap entered into with China.

The nominal exchange rate at the end of 2018 was \$37.8, up from \$19.03, which accounts for a devaluation of 101.4% as compared to the prior year closing. The year was marked by periods of strong devaluation, the most relevant being those recorded in May (+20.6%), June (+15.7%) and August (+35.8%), which forced the BCRA to intervene on a daily basis in the foreign exchange market through sales of US\$15,968 million with a view to containing the rise of the nominal exchange rate, but no successful results were achieved.

Labor Market

In 2018, total wages grew by 29.7% year-on-year as a result of the 30.4% rise of the total number of registered employees and of 27.2% of the private sector non-registered employees. On the other hand, the wages of private sector registered employees grew by 30.4% and those of the public sector by 30.3%. In all cases, wages grew well below inflation, thus causing the fall of real wages.

The unemployment rate of the first, second and third quarter was 9.1%, 9.6% and 9%, respectively, averaging 9.2% in the first 3 quarters of the year. Comparing the average unemployment rates of the first three quarters of 2018, there was an increase of 50 basic points (from 8.7% in 2017 to 9.2% in 2018). On the other hand, the activity rate increased from 46.3% in the third quarter of 2017 to 46.7% in the third quarter of 2018.

Fiscal Balance

One of the critical aspects of the year was access to financing by the Federal Treasury. While at the beginning of the year (with a country risk of 349 basis points at the end of 2017) the Government managed to secure foreign financing for US\$9,000 million, external and internal shocks caused a constant increase of the country risk, which rose to 612 basic points (a 263 basic

⁵ REM as of November 2018.

point increase). This put an end to foreign financing and led to the execution of an agreement with the IMF for the first time since 2005. Thus, on June 12, the first stand-by 36-month agreement was entered into with the IMF, which established certain fiscal and monetary targets. In exchange, the country obtained DEG⁶ 35,379 million - equivalent to approximately US\$50,000 million - the first disbursement being of approximately US\$15,000 million on June 20 and then US\$2,900 million quarterly disbursements as from September, until June 2021, provided the agreed upon targets are met. However, after the first disbursement, the government was forced to renegotiate the IMF agreement due to the greater volatility, the rise in the nominal exchange rate and the increase in the country risk to about 800 basic points by late August (811 basic points at year end). On October 17, the Government entered into a second stand-by agreement with the IMF increasing the agreement amount by DEG5,335 million (approximately US\$7,100 million) reaching a total of US\$57,000 million, in addition to the rescheduling of disbursements, advancing funds until December 2018 for DEG9,600 million (approximately US\$13,400 million) reaching a total of US\$28.400 million in the year, and DEG16,300 (approximately US\$22,650 million) in 2019. At the end of 2019, 90% of the agreed amount will have been disbursed if all targets have been achieved.

As a result of the IMF agreement, the Government accelerated the fiscal deficit reduction in order to gain access to the IMF disbursements. In such regard, the Government committed to having a primary fiscal deficit of 2.7% (as compared to the 2018 GDP), achieving the primary fiscal balance target in 2019 and a primary fiscal surplus of 1%, as compared to the 2020 GDP. Nicolás Dujovne, the Minister of Economy, announced on January 18, 2019 that the government achieved the IMF target of 2.4% primary deficit as compared to the GDP, which was reduced by 1.4 p.p. as compared to the previous year. This was possible thanks to the rise in income during the year by 30.2% while primary expenses rose to 22.4% due to the limits imposed to capital expense (+1.1%) and other current expenses (+19.6%) which included, among other, discretionary transfers to the provinces. However, the financial deficit closed at 5.2% as compared to the PBI, with a 0.8 percentage points decrease as compared to the primary deficit, due to the 72.9% increase of interest rates during the year. Looking to 2019, the Government had the Argentine Congress approve the national Budget which complied with the IMF targets. To meet the primary balance target new taxes would have to be imposed (export taxes and increase of personal assets tax) and expenses would have to be reduced, mainly of capital and subsidies (transfer of subsidies to the provinces and increase in utilities rates).

Monetary Policy

As from October 1, the BCRA introduced major changes in the monetary and foreign exchange policy as a result of the high nominal instability recorded since May, which led to a significant rise of the nominal exchange rate and of prices in general, which resulted in the abandonment of the “Inflation Targets” program which has been implemented since 2016. The BCRA decided to establish a strong, immediately noticeable and verifiable commitment to not increase the monetary base (control system of monetary aggregates) until June 2019, except for December 2018 and June 2019, which are the months when there is an increase in the demand of money. The instrument used to implement this policy is the daily auction of Letras de Liquidez (LELIQ) [Liquidity Bills] with banks, through which the BCRA establishes a bidding objective in line with the monetary base; the interest rate is the result of such auction (which became the Monetary Policy Rate, TPM).

At the same time and throughout the year, the BCRA fulfilled the commitment to redeem the outstanding Letras del Banco Central (LEBACs) [Central Bank Bills]. Bank holdings were replaced by LELIQs. On the other hand, balances held by institutional investors and individuals went down from the maximum recorded in the first quarter of 2018 to 0 by the end of the year. To achieve such target, the BCRA mainly increased the minimum liquidity requirements for Banks so as to moderate the monetary expansion derived from the gradual reduction of the renewed amounts to be invested in other assets than those issued by the BCRA.

On October 8 the LELIQs annual interest rate reached a maximum of 73.52% and fell to 59.25% at year-end (a 14.3 percentage points decrease). The interest rate recorded its lowest level in November due to a reduced nominal volatility, the inflation expectations and the decline of the

⁶ DEG: IMF currency.

high inflation levels recorded in September and October. However, the decrease in interest rates slowed down as from December due to the recovery of the amount of money in circulation, which was higher than usual for that period.

The BCRA over fulfilled the monetary base target all the months since the launching of the new scheme: \$19,000 million in October, \$15,000 million in November and \$14,000 million in December. The contractionary bias of the monetary policy, strengthened by the new scheme, enabled regaining control of the economy; the monthly inflation decreased from 6.5% in September and 5.4% in October to 3.2% in November and 2.6% in December. However, inflation is still high in spite of the fact that the monetary policy is lagging.

The new monetary policy scheme was supplemented by the determination of exchange rate intervention and non-intervention zones applicable to the nominal exchange rate. The lower-bound non-intervention zone (October 1, 2018) was initially established at \$34/1 US\$ and the upper-bound non-intervention zone at \$44/1 US\$. Said limits were adjusted daily at a monthly 3% rate during the last quarter of 2018. Above the non-intervention zone, the BCRA may sell up to US\$150 million per day to generate an additional monetary contraction when the peso weakens. Conversely, the BCRA may buy foreign currency in case the peso appreciates and is below the non-intervention zone. Within that zone, the exchange rate may fluctuate freely. In addition to the aforementioned changes, the BCRA announced its commitment to put an end to money issuance resulting from temporary advance transfers to the Treasury, the remittance of profits from purchase of foreign currency and the redemption of Lebac.

Inflation

The inflation rate (measured by the Consumer Price Index) increased by 47.6% while the core inflation rate (excluding regulated and seasonal goods prices) increased by 47.7% in 2018, as compared to the 24.8% inflation rate and 21.1% core inflation rate of last year. The inflation rate was well above the 15% inflation target determined by the monetary authority at the beginning of the year and the market expectations. Price increase accelerated in the third and fourth quarters due to successive devaluations, particularly following the increase of the nominal exchange rate at the end of August, and inflation reached its peak since 1991. Notwithstanding the foregoing, in October the Government implemented a new monetary plan based on the control of monetary aggregates and a nominal exchange rate flotation band which is adjusted on a daily basis to anchor the economy and lower inflation expectations.

The highest price increases were recorded in the Patagonia (50.6%), Cuyo (49.5%), Northern region (47.8%) and Pampeana region (47.6%) while in the City of Buenos Aires and Greater Buenos Aires it was below the average (47.1%)

As regards inflation components in 2018, the price expansion was led by goods, with increases of 50.5%, while services increased by 42.8%. This was due to the fact that great devaluations have a greater impact on tradable goods than in non-tradable ones (services). This may be clearly seen in the wholesale inflation rate (mostly affected by price increases due to devaluation), which was of 73.5%, well above retail inflation.

A.2. The Financial System in 2018

Financial System

During 2018 the financial system liquidity increased due to the increase in deposits, well above loans, in a scenario of rising interest rates. The broad liquidity ratio (including not only cash but also BCRA instruments and the 2020 Bond of the Argentine Treasury recorded as reserve requirements) of the banks in aggregate reached 56% of deposits in December, recording an increase of 16.3 percentage points in the year.

A significant aspect to be taken into account is that the financial system continued presenting good solvency ratios during 2018, in spite of the strong rise in the nominal exchange rate. The regulatory capital adequacy ratio of the sector totaled 15.6% of the risk weighted assets, according to November data, which represents an 82.4% adequacy in excess of that under applicable regulations.

As of November, profits of the financial system went up to 3.8% of assets and 34.1% of net worth, which represents a 0.8% and 8.3% increase, respectively, as compared to 2017.

Deposits and Loans

In 2018 private sector total deposits in the financial system increased by 61.7%, closing the year at \$3,143,508 million. By currency, deposits in Pesos increased by 41% and totaled \$2,047,370 million, while deposits in US dollars but measured in Pesos increased by 120.9% totaling \$1,096,138 million, as a result partly of the rise of the nominal exchange rate (measured in US dollars, deposits increased to US\$ 28,992 million, representing a 9.7% increase). By type of deposit of the private sector in Pesos, the increase was led by CER/UVA adjustable Fixed Term Deposits (+858.4%) and Non Adjustable Fixed Term deposits (+63.5%) while transactional deposits recorded a lower activity (Savings Accounts and Cchecking Accounts grew by 23% and 24%, respectively). Fixed term deposits had a good performance mainly in the last three months, as a result of the 50% growth of the year generated by the new monetary plan implemented by the BCRA which, in addition to restricting the holding of LEBACs throughout the year by institutional investors and individuals, which moved funds to the financial system, tried to attract said deposits by increasing interest rates.

Besides, private sector loans recorded a year-over-year increase of 33% and totaled \$2,133,212 million. Private sector loans in Pesos grew by 17%; the poor performance was due to the increase of the interest rate and the strong economic recession. By product, credit card loans grew by 30.5%, personal loans by 19.2%, advances 17.4% and pledge loans by 10.7% while unsecured documents targeted to the corporate segment fell by 12.8%. Mortgage loans recorded a 62.4% increase, partly due to the good beginning of year and partly to the 47.6% inflation rate, used to adjust UVA loans, which represent a significant part of the portfolio.

Interest Rates

At the end of the year the BADLAR interest rate of Private Banks was 26.3 percentage points above the 2017 level (49.5% in 2018 vs. 23.3% in 2017) and the TM20 (for deposits above \$20,000,000) recorded a similar behavior, with an increase of 28 percentage points. The call interest rate among private banks was 60.3% at the end of the year, as compared to 29.2% at the end of 2017. All interest rates climbed as a result of the rise of the reference rate implemented by the monetary authority to hold back devaluation and the rise of prices.

A.3. The Insurance Industry in 2018

The total insurance portfolio is made up of 37% of Automobile insurance, 17% of other Property insurance, 17% of Personal insurance and 29% of Occupational risk insurance.

The share of insurance in the Argentine GDP was 2.9% in 2017, as compared to 8.1% in developed markets and 8.6% in Brazil and 6.5% in Chile.

In 2017 there were 187 insurance companies, 16 of which offered Retirement insurance, 36 offered only life insurance (which includes Collective, Individual, Pension and Retirement, Health, Personal accidents and Burial), 13 offered only Occupational risk insurance and 5 offered public passenger transportation insurance. The remaining 117 offered Property Insurance or “mixed” policies (Property and Personal insurance).

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
TOTAL	185	184	179	181	181	202	214	213	213	212	211
Aseguradoras	184	183	178	181	181	181	186	185	185	186	187
Reaseguradoras Locales	1	1	1	0	0	21	28	28	28	26	24

[References: Aseguradoras: insurance companies
Reaseguradoras locales: local reinsurance companies]

Outlook

The outlook for the insurance market is encouraging, with an expected growth of the insurance market in aggregate, provided that the macroeconomic so permits.

We expect that homeowners' insurance, special multiple peril and trade credit insurance, among other, -currently with low market penetration- will continue growing as in recent years as a result of a higher insurance awareness.

The Life and Retirement segments show growth prospects that will depend to a large extent on the improvement of tax incentives to this type of insurance and the state policies regarding financial inclusion, stability and development.

A.4. The Mutual Funds Industry in 2018

The industry's growth measured in terms of monthly average balances as of December 2018 as compared to December 2017 recorded an 8% increase, and if only Mutual Funds in pesos are taken into account, it represents 6%. During the year mutual funds in US dollars recorded a 20% increase – measured in Pesos - due to the devaluation of the local currency, and a 44% decrease measured in US dollars.

The increase was well below inflation data, interest rate levels and Peso depreciation during the year. Until April the industry showed a sustained growth; however, as from May, due to the devaluation and the rise of interest rates, a decrease was recorded in managed balances due to the volatility in their valuation that lasted 5 months, until September. During the last quarter of the year, with the stabilization of these variables, the fall stopped and showed an increase driven by institutional and corporate customers through lower risk products such as cash funds and Argentina short term fixed income funds.

During the year investments were made in money market funds. With a 172% year-on-year growth, these funds represented 10% of the industry in December 2017, to reach 25% in December 2018. Said growth was due to the almost null volatility in returns (which were 34% on average during the year – a year featured by high volatility-), and the immediate liquidity at redemption.

The Argentina Short Term (t+1) Fixed Income funds in Pesos were the most affected by the financial crisis. They recorded a 43% fall during the year, and represented 22% of the industry's aggregate managed funds in December 2018, as compared to 42% in December 2017. Its valued feature of having returns similar to those of fixed term deposits, with low volatility and 24-hour liquidity, suffered due to the sudden increase of interest rates in Pesos, and recorded negative returns in certain periods. At the same time, the Peso devaluation speeded the redemption by individuals, who chose to "dollarize" their investments. During the last quarter there was a slight recovery driven by stability and returns.

The Argentina Fixed and Mixed Income funds in US dollars showed a similar behavior. Its managed funds increased by 15% during the year, measured in Pesos, as a result of the devaluation, but in US dollars they recorded a 47% fall. Thus, its share in the industry's total was 17% in 2018, as compared to 16% in 2017. These products had experienced a strong growth in 2017, with good returns and low volatility. However, as from May investors began to flee due to the negative returns caused by the fall of prices of local government and private bonds. Although there was a certain degree of stabilization during the last quarter, managed funds still don't show a recovery.

The Argentina Mid and Long Term Fixed and Mixed Income funds in Pesos recorded a 16% growth, and increased their share to 19% in December 2018, as compared to 18% in December 2017. Although these products were also affected by the high volatility of their returns, their portfolios are made up of foreign currency assets and may also use hedging financial instruments; and since their major investors are Institutional customers they did not fall as significantly as t+1 products and Argentina funds in US Dollars.

The Argentina and foreign Variable Income funds maintained their 4% share of the industry, with a 3% year-on-year growth. It continues being a segment that does not raise the interest of local investors.

The 8% growth of the local industry may be broken down as follows: corporate investors fell by 11%, institutional investors rose by 41% and individuals fell by 8%. As of the end of 2018, 42% of Mutual Funds investors were corporate investors, 43% were institutional investors and 15% were individuals.

2018 was featured by a decrease in the investments of corporate customers and individuals mainly in Argentina Short Term (t+1) Fixed Income funds in Pesos and Argentina Fixed and Mixed Income funds in US Dollars; together with a growth of Institutional investments in Money Market funds. Besides, taking into account these circumstances, there was a lower share of fund managers related to the main private Banks, which fell from 52% in December 2017 to 48% in December 2018, and an increase in the share of independent managers of bank groups, which increased their share by 37% in December 2018 as compared to 29% in December 2017.

A.5. 2019 Outlook

As regards the international economic scenario, one of the risks is deceleration of world growth. The outlook is not favorable as the world economy is expected to grow in 2019 by 3.5% (revised downwards in January as compared to IMF estimates of October) which would imply a deceleration of the growth estimated for this year. What could mitigate the deceleration of the world growth rate and, mainly of the USA, is the decline in the market expectations with respect to the rise in interest rates by the Federal Reserve Bank in 2019. However, for Argentina, the picture looks different basically because no deceleration is expected of world trade (which is estimated to grow 4% at the 2018 pace). As for Brazil, Argentina's main trade partner, an acceleration is expected in growth of approximately 2.5% (as compared to 1.3% growth in 2018), which will be beneficial, in particular, for those industry-related activities. Finally, the expectations regarding international interest rates, unlike what happened in 2018, could favor emerging bonds in general and those of Argentina in particular.

Economic consulting firms gathered in the BCRA's Market Expectations Survey expect for our country a negative economic growth rate of 1.2% as a result of the 2018 activity collapse while a null growth is expected for the first quarter (quarter-on-quarter level, deseasonalized). As from the second quarter a positive rate of 1.5% is expected, resuming the growth dynamics.

Likewise, the inflation rate is expected to fall from 47.6% (at the end of the year) to 29.0% (December-December year-on-year variation) which would lead to disinflation. The monthly average of the Nominal Exchange Rate is expected to be \$48.0, i.e. a year-on-year depreciation of 26.8%, representing a deceleration as compared to the 2018 devaluation.

We expect the recovery of the financial system after the 2018 deceleration, as the economy grows and the inflation rate goes down in a context of lower volatility and greater confidence in the local currency. Finally, the current high liquidity level, together with the good performance of deposits in the last part of the year will, following the recovery of the loan demand, accelerate the process of savings channeling to sustain and accelerate the economic recovery.

In short, we are moderately optimistic regarding the outlook for the year. Our estimates are that challenges will continue at the macroeconomic level during the first half, but later there will be a gradual improvement. The next presidential elections may pose a certain degree of uncertainty.

B. EVOLUTION OF GRUPO SUPERVIELLE

B.1. Acquisitions

On May 2, 2018, Grupo Supervielle purchased Micro Lending S.A. (MILA). MILA specializes in the car financing. With its 36 branch network and agreements with over 5,000 car dealers across the country, MILA allows Grupo Supervielle to supplement the products offer and play a relevant role in the attractive car financing market for the acquisition of new and pre owned – which market has a financing level of only 8% of the sales total in Argentina - which creates cross-selling opportunities in all Grupo Supervielle companies.

Subsequently, on May 24, 2018, Grupo Supervielle purchased 100% of the capital stock of InvertirOnline (“IOL”), through the acquisition of 100% of the capital stock both of InvertirOnline S.A. and of InvertirOnline.com Argentina S.A.

IOL is a broker with an integrated proprietary platform specialized in online trading of stocks, bonds and derivatives, which is a leader among the top five in the online broker segment in Argentina, and a referent within the Fintech sector in the country. InvertirOnline provides at the same time online training services and advice to its customers on finance and investments. It thus promotes the adoption of responsible investment decisions in line with customers’ knowledge and risk appetite, attracting more users to alternative savings instruments whose markets have a great potential in the country. The capital market in Argentina, both in terms of transacted volumes and of capitalization sizes, is within the smallest of the region. This purchase is within Grupo Supervielle’s initiatives of selective acquisitions to supplement its strategy, in this case of digital transformation. This acquisition clearly represents a qualitative leap in Grupo Supervielle’s customer experience and at the same time offers new significant opportunities to IOL customers, who become part of the platform of Grupo Supervielle and thus gain access to its traditional products.

B.2. Corporate Image, Positioning and Communications

From Supervielle’s Marketing area, the main advertising campaigns launched in 2018 were: Mortgage Loans; the positioning of Tienda Supervielle in the world of e-commerce; and in the last quarter of the year the “Lo grande de ser una Pyme” campaign, based on Supervielle’s strategic positioning in this segment. The Health Subsegment was launched as part of this last campaign.

Most of the aforementioned communication campaigns were developed in mass media, with brand presence through non traditional ads in the most viewed TV shows, reaching a higher audience percentage beyond the traditional ads. These campaigns were also developed on cable TV, in shows such as: “Naturaleza Salvaje” (Discovery) and -Argentine Superliga - Soccer tournament - (TNT Sports). Supervielle was also present in large formats in the streets, subways and buses and in the major FM and AM radio stations at country level.

As regards the customer service proposal, during 2018, Supervielle was present in the Atlantic coast, sponsoring beach clubs in Mar del Plata, launching the Summer action: Barrileada de Reyes de Supervielle [Kite Flying] on January 6, where over 500 families flew kites. During the winter season, Supervielle was present in Bariloche, with exclusive benefits. Within the framework of the celebration of Children’s Day, the winter season at Cerro Catedral concluded with a Fair for kids with games and Supervielle gifts. At the same time, in Mendoza, the Bank was the Main Sponsor at the Green Market Festival and, in Buenos Aires, it was present in the Plaza de las Banderas in Tecnópolis during the Unicef’s event “Un Sol para los chicos.” By late 2018, the Bank was for the first time the Main Sponsor of a concert in a soccer stadium, with more than 30,000 people, where a strong presence and exposure were achieved through the exclusive presale, media plan and brand presence at the stadium.

2018 marked the 10th anniversary of the Bank’s celebrating La Vendimia [the grape harvest festival] in Mendoza, with the exclusive event Vía Blanca for more than 250 customers. This event has been in the province’s cultural agenda during the last years.

In connection with the digital area, there was an increase in microsegmentation and in the number of deliveries in the email marketing strategy. Automatic deliveries were also generated according to behavior in the first life cycles of customers by segment (customer journey). Supervielle was present in major digital media. In massive campaigns, funnel retargeting was used in programmatics to improve conversion and maximize business objectives (mass media and google). In the social area, participation in campaigns AlwaysOn. A more aggressive strategy in searchers (Google) with performance strategy (traffic, lead generation, etc.).

B.3. Corporate Social Responsibility (“CSR”) and Creation of Sustainable Value

Corporate Social Responsibility Strategy

Putting Values into Action

Grupo Supervielle has become an important referent in the Argentine financial system with high visibility potential in its community activities. Its social commitment has been growing in a sustained fashion and the strong regional presence of its main subsidiary, Banco Supervielle, allows it to take action in certain sectors where social investment is insignificant.

We have four strategic objectives for all actions taken:

- Become an agent of change and creator of sustainable social value.
- Develop an innovative and transforming strategy with measurable and high-impact actions.
- Synergize CSR initiatives with local communities in which the bank has commercial activity.
- Build a cooperative and co-responsible organizational culture, through initiatives in partnership with different NGOs and Corporate Volunteering.

Grupo Supervielle's CSR Strategic Plan was developed basically through the Bank with 20 programs (in addition to Voluntariado Capitanes) grouped in four lines of action:

Senior Citizens: We promote an active and healthy aging, social participation and prevention of dependency to go through the process of aging in a joyful and active manner.

Childhood: We help fight against child poverty and malnutrition and promote social transformation through art.

Education: We promote opportunities to build a better future through education.

Institutional Strengthening: We contribute to the development of a long-term public agenda.

Context:

According to INDEC's 2010 census, 10.2% of the Argentine people are 65 years old or older.

20% to 30% of senior citizens suffer from lack of family appreciation and affection and this gets worse in the lowest social strata. 50% of senior citizens consider they are not sufficiently appreciated in all their capacities.⁷

Programs:

Abuelos en Red

Proprietary Program

Abuelos en Red is a digital and financial inclusion program designed by Banco Supervielle and aimed at active senior citizens who are fully integrated in their community, where they can find opportunities for generational exchange both at real and virtual level.

The program was launched in 2007 with a view to training senior citizens in the use and benefits of new technologies.

The program also seeks to promote financial inclusion in senior citizens through modules which bring customers closer to new automatic channels and to the use of banking products.

Abuelos en Red is delivered through a Training Center Network made up of public and private universities and training institutes which are attended by senior citizens, free of charge. This year 12,133 training sessions were held at 33 training centers of 21 universities within the Bank's area of influence. Additionally, senior citizen customers have a fanpage @AERSupervielle in Facebook where they can contact other senior citizens, exchange their experiences, participate in activities and games on line.

⁷ Social Debt Barometer, regarding senior citizens. <http://www.uca.edu.ar/uca/common/grupo81/files/2016-Prensa-Barometro-Personas-Mayores.pdf>

Concurso Grandes Autores, Relatos Cortos

Proprietary Program

For the fourth consecutive year, the Bank organized a literary contest aimed at its senior citizen customers. The contest seeks to connect with senior citizens and add value to the bank-customer relationship, placing senior citizens in roles where they can have an active participation in the community. The stories are their expression, a reflection of their lives, of their experience throughout the years and of their own way of looking at our history and our time. In addition, the contest generates hope, stimulating imagination and creative activity.

In 2018, 772 short stories were presented by contestants from Buenos Aires, City of Buenos Aires, Chaco, Entre Ríos, Misiones, Río Negro, San Luis, San Juan, Mendoza, Santa Fe, Tucumán and Córdoba. The average age of participants was 71. Customers aged 55 to 98 participated in the contest.

This initiative also includes the participation of volunteer employees who preselect the stories. This year, 60 Grupo Supervielle volunteers worked on the preselection.

The first prize received \$35,000 and the right to the radio adaptation of the story for Radio Cultura, the second received \$26,000 and the third one \$18,000. The three winning works and the finalists were printed in La Cita newspaper and the website www.supervielle.com.ar.

La Cita Newspaper

In partnership with Proyecto Surcos

This newspaper, which is free of charge, provides information to raise awareness about health care, healthy aging, and prevention of dependency. The newspaper has a monthly print-run of 105,000 copies distributed in 123 Service Centers and Branches. Along with Proyecto Surcos, the Bank contributes to the construction of social support networks that allow senior citizens to identify problems and concerns common in their generational group and exchange information and solutions. In 2017, the program was expanded to the Social Media through the production of contents in different formats (graphic and audiovisual) to promote active and healthy aging through advice, trivia, games, quizzes and drills, among others.

Childhood: We support organizations fighting against child poverty and malnutrition and foster social transformation through art.

Context:

- 48% of Argentine children are poor and 8.4% are extremely poor.
- Almost half of the deaths of children under 5 years of age is due to malnutrition.
- 2 out of 10 children live in unsafe homes in terms of food. These conditions jeopardize their rights and evolution.⁸

Programs:

Donar alimentos es donar futuro

The Bank works in partnership with NGOs to promote the prevention of, and recovery from, child malnutrition. The Bank's commitment to children includes early childhood care and nutrition.

In the second year of the matching funds campaign with Banco de Alimentos in Buenos Aires, Córdoba, Tucumán, Mendoza and Mar del Plata \$65,410 were raised per month, ensuring the supplementary feeding of 4,354 persons per month. 4.01% of individual donors of Banco de Alimentos are Supervielle customers.

⁸ Source: UNICEF / UCA's Social Debt Observatory.

Combatir la Desnutrición Infantil

In partnership with Fundación Pilares and A.C. Pequeños Pasos

Fundación Pilares - Barracas CONIN Center: Since 2012, the Bank supports the CONIN Center of slum Villa 21-24. The contribution this year was used to finance part of the Supplementary Feeding Assistance attended by 39 children, 43 mothers and 4 pregnant women.

Each shift includes pediatric, nutritional, social work, child development consultations, health and cooking workshops and the delivery of food bags.

In addition, during the year, Supervielle participated in the Fundraising Dinner organized by the Fundación and as part of its community service activities it arranged the delivery of 25 Christmas boxes for families participating in the program.

Asociación Civil Pequeños Pasos: the Bank supports Espacio de Primera Infancia, in San Martín. Its investment in the Program Nutrición de Primera Infancia represented 70% of the yearly cost of the infant room attended by 49 children 45 days to one year old.

Socializar a Los Niños a Través del Arte

In partnership with Casa Rafael

The Bank assists Fundación Casa Rafael in stimulating resilience in socially vulnerable children through art and psychological and social support. Since 2006, Casa Rafael has provided services to some 230 children between 4 and 18 years old in the Chinese neighborhood of La Boca. Casa Rafael takes care of children exposed to miscellaneous risks arising from the place they live in. Workshops are spaces where the kids can socialize and grow, taking advantage of their creative resources, to become active and positive community builders.

The direct financial contribution was used to cover 89.28% of the cost of the two teachers of the Audiovisual Arts Workshop (attended by 20 children over 10 years old and 30 children aged 7 to 10), 73.79% of the cost of the Espacio JugArte teachers (attended by 35 children between 4 and 7 years old) and 30.64% of the cost of the two teachers of the Hip-Hop Workshop (attended by 35 children aged 7 to 17).

All of the funds received from Banco Supervielle in 2018 were used for the teaching area and represent 11.87% of the budget for professionals in direct contact with beneficiaries, excluding all administrative expenses.

A contribution was also made for a wall painting (by 38 children aged 7 to 17). The activity included a community service day with the participation of 5 Bank volunteers who shared an afternoon with workshop children and helped them make part of the wall painting on the streets.

In 2018 two workshops were held thanks to the Bank's contribution made in 2017 for projects personally introduced by professionals of Casa Rafael under the Cultural Patronage System.

Education: we create opportunities to build a better future for youths through education

Context:

- 1 out of 2 youths DROPS OUT of secondary school.
- 9 out of 10 youths DO NOT complete university studies.
- The year-on-year drop-out rate in secondary school is 15.8% - the highest in Latin America.⁹

⁹ Source: IDESA

Futuros Egresados

In partnership with Cimientos

Cimiento's work is focused on supporting students who attend schools in vulnerable socio-economic contexts by providing economic and academic support, helping them develop skills and improve school performance, better their chances in life and project their future with greater opportunities. In 2018, a total 80 scholarships were granted to students: 25 scholarships were maintained at school No. 51 Maestro Faustino Segundo Mendoza in San Luis, 15 scholarships for 4th year at school No. 11 "Benito Juárez" in Villa Mercedes, 21 scholarships for 5th year of "Escuela Ernesto Sábató" in Mendoza and 19 more scholarships at Escuela No. 4148 Manuel Belgrano for 3rd year students. In December 21 scholarship recipients of Mendoza graduated. 10 of the Mendoza graduates will take part in the paid apprenticeship Construyendo mi Futuro in 2019.

The total 80 scholarships were financed this year by the Bank's customers who became active donors of Cimientos in 2015, 2016 and 2018.

As part of the Corporate Volunteering Program, 44 employees of the Bank are sponsors of one or two scholarship beneficiaries, allowing them to meet and connect with professionals who, in turn, may inspire them to dream big. Sponsors receive semi-annual reports on the beneficiaries' school record and their life situation and are encouraged to contact the children through a platform managed by the NGO.

Construyendo Mi Futuro

In partnership with Enseñá por Argentina

Support continued to Fundación Enseñá por Argentina, which fosters inclusion and quality of education through leaders committed to promoting quality education opportunities for everyone. The work done by Enseñá por Argentina impacts on two large groups of beneficiaries. On the one hand, students in socially vulnerable environments who face important daily challenges to remain in the education system and wish to make it to university. On the other hand, young professionals who, motivated by the desire to make a change in society, are trained to educate in schools in vulnerable locations convinced that inequality and social injustice can be reduced through education.

In 2018, the Bank financially supported the training of 10 professionals that impact on the school performance of some 1,200 students.

On the other hand, the Human Resources area of the Bank organized the ninth edition of Construyendo mi Futuro with the participation of 83 youths, 32 of which were children of employees and 43 were graduates from schools where the NGO Enseñá por Argentina works and 8 children of Fundación Germinare. Participants worked one to two months at Service Centers, Branches and Central Bank Areas.

The program seeks to bring youths closer to the first job experience. In addition, they are provided the tools to develop both at personal and professional level and helps them become aware of the importance of a professional career looking to the future.

Becas Universitarias Anpuy

In partnership with Fundación Anpuy

In 2018, the Bank continued financing 24 university scholarships for youths together with Fundación Anpuy which is part of the Cimientos network, in the province of Salta. These youths were raised in the small town of La Unión, Rivadavia district, and currently study in Orán, City of Salta and Tucumán. The youths receive economic and academic support throughout their courses of studies so that they may achieve academic success. 4 youths graduated this year.

Las Ventajas de Permanecer en la Escuela
In partnership with Junior Achievement

In 2018 6 programs “Fundamentos Empresariales” were held at 4 schools in the city of Mendoza. The program was delivered by 12 bank volunteers and attended by 174 5th grade students.

Aprendiendo a Ahorrar
In partnership with the Central Bank of Argentina

For the second year in a row, the Bank and the BCRA delivered financial education workshops at schools in the province of Mendoza. The workshops were organized in coordination with the Schools Department of the province.

The workshops, in charge of CSR personnel, were intended to teach youngsters the benefits of saving over consuming to achieve objectives which cannot be attained without specific financial planning or decisions. The workshops also offered basic financial knowledge for the use of money and information on the different savings options in the banking system.

4 workshops were delivered which were attended by 306 5th year students.

Formación de líderes educativos
In partnership with Consejo Empresario Mendocino

The Program is aimed at improving the management of transformative programs in public and private schools in the Province of Mendoza, with the heads of said schools as key players of this process.

Managing an educational organization requires distinctive skills and qualifications, therefore it is critical to train education professionals with a comprehensive managerial vision.

The aim of this Program is to promote the switch from a traditional bureaucratic and process centered management model to an achievement oriented model.

The Program’s methodology, developed by Fundación Córdoba Mejora, was first implemented in 2012 in the Province of Córdoba, and later transferred to Consejo Empresario Mendocino (CEM) through a cooperation agreement entered into in 2014.

The duration of the program is two years. In 2018, the Bank financed 19 scholarships and 80 scholarship recipients have graduated since 2015.

Formación de becas universitarias Bisblick
In partnership with Bisblick

Bisblick’s aim is to support low income youngsters during their education and labor inclusion process through the granting of scholarships for college or university studies, so that they may develop their interests and talents, improve their labor prospects and therefore their quality of life.

Institutional Strengthening: we contribute to the development of a long term public agenda.

Context:

In our country, the average confidence in institutions is lower than 50%. Confidence in government officers is 41%, only exceeding confidence in mass media, which is at a floor of 39%.¹⁰

¹⁰ Source: Trust Barometer Edelman 2018

Integridad y Transparencia

In partnership with RAP

The Bank continued supporting Red de Acción Política (pluralistic and non partisan association) in the training and strengthening of political leaders. Created in 2002, RAP is a space of coordination for:

- Men and women actively engaged in politics who are invited to join RAP (Políticos RAP), and
- Citizens and institutions engaged in public life and with an interest in making a contribution to the country from a non partisan place.

The Bank, which is part of a network formed by other institutions and individuals, gives financial support to RAP (Associate Member).

Dinero y Política

In partnership with CIPPEC and Poder Ciudadano

Work was done for the fourth year in the project intended to improve the current campaign financing system and contribute to the implementation of new mechanisms with a view to enhancing transparency in campaign financing and strengthening the controls exerted by electoral authorities.

Observatorio de la Justicia

In partnership with CIPPEC

The project seeks to promote and strengthen the capacities of the Council for the Judiciary. It proposes monitoring the degree of effectiveness of the courts in corruption matters and considering sensitive areas as part of the public agenda in order to improve the administration of justice.

EDULAB

In partnership with CIPPEC

The mission of EDULAB consortium is to be an innovation catalyst for educational justice in Argentina. Its objective is to think, design and make possible, together with other institutions, actionable maps of the educational system of the future.

Barómetro de la deuda social con las personas mayores

In partnership with UCA and Fundación Navarro Viola (FNV)

The Bank supports the research work of UCA's Social Debt Observatory for Argentina on the living conditions of senior citizens, based on the UN's Universal Declaration of Human Rights and the promotion of Comprehensive Human Development of senior citizens. Together with FNV we promote the exchange of scientific information among sociologists, psychologists, educators and social workers. Three thematic bulletins are published with primary information collected through the Argentina Social Debt Survey [Encuesta de la Deuda Social Argentina].

MAMBA

In partnership with MAMBA

Banco Supervielle partners with Asociación Amigos del Moderno to support the institution as a strategic partner of the Museum of Modern Art (MAMBA). This initiative allows Banco Supervielle to consolidate its presence in the art world and offer its clients and employees new benefits related to culture in the City of Buenos Aires.

The Bank's contribution ensured sustainability and allowed long-term planning to the museum's management. This resulted in an increased number of visitors to the museum, which grew year upon year, from 87,500 in 2014 to 200,000 in 2018.

In addition, this year, 12,000 school teachers participated in specific training sessions on art, 20,000 persons participated in the museum's educational activities and 1,000 persons participated in institutional visits.

During 2018, 8 national and international exhibits were staged in which 130 national and international artists participated. 7 artist catalogues were published and 95 events were held at the museum.

Community work

Voluntariado Capitán

Proprietary Program

In 2018 the Bank launched the third edition of the program *Voluntariado Capitanes*. This program focuses on enhancing the commitment of Grupo Supervielle's employees to the community and creating real impact in the communities where Grupo Supervielle is present. The volunteers, led by a captain, organize cooperation projects with NGOs. Projects must focus on local development and community strengthening and must relate to one of the four CSR pillars: Education, Institutional Strengthening, Childhood or Senior Citizens.

In 2018, 20 programs were carried out, 9 of which were in the City of Buenos Aires and Greater Buenos Aires, 6 in Mendoza, 2 in Córdoba, 1 in Mar del Plata, 1 in Tucumán and 1 in San Luis. 13 of these programs were related to childhood, 5 to education and 2 to senior citizens. Among the main activities, volunteers refurbished spaces, equipped rooms and carried out activities with children, youngsters and adults. All the 20 projects were carried out by employees of Banco Supervielle, CCF, Cordial Servicios and Supervielle Seguros.

B.4. Evolution of Operations

Grupo Supervielle's strategy lies in consolidating the growth path achieved during its long history, strengthened by the capital expansion in 2016 and 2017, and offering, through all its companies, multi-brand (financial and non-financial) products especially designed to meet the needs of its customers. Its companies focus on multi-segment customers and have a great cross selling potential. Due to its scale and diversity, Grupo Supervielle seeks to achieve high efficiency levels through the development of shared corporate services.

BANCO SUPERVIELLE

Banco Supervielle is the 7th largest private bank in Argentina in terms of loans and ranks 10th including public banks. It has a long history in the Argentine financial system, operating in the country for the past 130 years, with a leading competitive position in certain attractive market segments which are strategic for Grupo Supervielle. The Bank offers miscellaneous financial products and services, especially designed to meet the different needs of customers through multiple platforms and brands.

Banco Supervielle is also the controlling shareholder of Cordial Compañía Financiera, a consumer finance company operating at Walmart Argentina stores as financial service provider for its customers. Banco Supervielle is the main subsidiary of Grupo Supervielle.

The Bank has direct presence in major regions and cities of Argentina, particularly in the metropolitan area of the Greater Buenos Aires, which is the most densely populated area in the country and the most important one in commercial terms, and in the Cuyo region, which includes the provinces of Mendoza, San Juan and San Luis.

As of December 31, 2018, its infrastructure supported its multi-channel distribution strategy, with a strategic presence nation-wide through 309 access points, including 182 bank branches (78 of which are bank branches operating as payment centers for senior citizens), 22 sales and collection centers and 79 points of sale of Cordial Compañía Financiera located at Walmart supermarkets; 26 branches of Mila offering car loans for the acquisition of automobiles (in addition to its 209 related car dealers), 526 ATMs and 217 self-service terminals. On the other hand, as of December 31, 2018, it also provided financial services through the 35 branches of Tarjeta Automática and through other points of sale in other retailers.

Corporate Banking Segment

The Corporate Area of Banco Supervielle's Corporate Banking segment is made up of three commercial areas, three product areas and one Commercial Intelligence and Planning area. Corporate, Mid-Sized and Large Companies and SMEs areas are located in the City of Buenos Aires (CABA) and the Greater Buenos Aires (GBA). The rest of the country is served by the Interior area, present in Mendoza, Santa Fe, Córdoba, Tucumán, San Juan, San Luis and Neuquén. On the other hand, International Trade, Leasing and Transactional Banking – all product areas – give advice on, and generate, new businesses with Corporate and Retail Banking customers through their highly trained officers. The structure also includes the Commercial Intelligence and Planning area which provides support to Banking teams in the analysis of data, information generation, management follow-up and commercial planning.

The Corporate Banking segment operates with all company segments, mainly focusing on small and mid-sized companies. By the end of 2018, its portfolio was of about 4,934 customers, managed by account officers and marketing assistants.

The customer service model is based on regionalization. Services to SMEs and large companies in the City of Buenos Aires and its vicinities are provided through regional branches located in the most densely populated industrial and commercial areas.

2018 – year of consolidation of the Corporate Banking Strategic Plan.

Its main pillars were:

- Prioritizing investments and efforts in segments, regions, chains and specific products intended to develop a unique competitive position.
- Growing in the SME segment with focus on key sub-segments leveraging strengths in products.
- Developing proposals focused on comprehensive relationships, aiming at becoming our customers' first choice bank and at attaining reciprocity and high cross-selling capacities.
- Enhancing the business profitability improving productivity and efficiency of commercial and operational areas.

Products and services for companies

Corporate Banking businesses are generated through the main lending products and focusing on corporate cash management through borrowing products and commissionable services.

The main credit assistance products include overdrafts, check discount, invoices and work certificates, discounts (unsecured or secured) financial loans, loans secured by Mutual Guarantee Societies (MGS), Foreign Trade financing lines and Leasing in its different types.

With the intent to provide to our customers agile and simple cash management solutions, during the past years the Corporate Banking segment focused on increasing the functionality of its collection and payment products and on increasing the set of available transactions through Online Banking Empresas. This improved the performance of Cash Management products and of Foreign Trade products, supported by traditional checking accounts and special checking accounts. Additionally, the Bank offers a wide array of Mutual Funds for management of financial surpluses adjusted to companies' liquidity and profitability needs.

In synergy with the Retail Banking, the services also include payroll payments through Planes Sueldo and products for the High Net Worth segment (customer Company executives).

SMEs Segment

AMBA SMEs

- New Customers: +32% of new customers as compared to 2017.
- Average Asset Volume: +16% as compared to 2017.

Lead Generation Model

- The sales force focused exclusively on attracting the taxpayers segment known as Responsables Inscriptos.

- Generation of leads: identifying prospecting sources and working with each relevant area to turn such data into future customers.

Channel Prioritization and Selection

A referral protocol was developed based on invoicing and channel type (Branch, E&P Sales Force and SMEs officer).

Customer Service Model

- Greater development in the customer service model.

The largest 20 branches of the Bank offer tailor made services, and have 2 executive profiles: one with a reduced customer portfolio and focused on high turnover companies, and another who is focused on low turnover Entrepreneurs & SMEs. This facilitates the provision of specialty services to large companies and greater agility for small companies; thus, 85% of branches and 92% of customers received a personalized service, and resulted both in customer base growth and service level maintenance.

Banco Supervielle continues providing a close and effective service to SMEs, and to that effect its business executives assist a lower number of customers than the average in other banks, thus ensuring that customers receive an adequate service to promote their business.

- Launching of the Node Service Model.

The Node Service Model is intended to balance customer portfolios managed by SMEs officers; to that end a dedicated officer is assigned every two or three branches so as to increase the synergy between the Corporate and the Retail Banking segments. In this line, the regions and nodes of both Banking segments were also mirrored. In addition, the “SMEs Week” was implemented, whereby the branch manager and the SMEs officer work together to generate new Plan Sueldo accounts among its Corporate Banking customers.

- NPS.

In 2018, the NPS measurement was implemented in the SMEs segment of Corporate Banking, which averaged a ratio of 33%. In the Entrepreneur and SMEs segment, the NPS reached 32%.

Subsegments

The proposals of the Franchises and Transportation subsegments launched in 2017 consolidated in 2018. The customer base grew by 71% and 23%, respectively, as compared to December 2017.

In line with the Bank’s intent to become the Bank for SMEs, a value proposition was launched in November 2018 aimed at the Health sector, in line with the positioning started in 2017. During 2019, Supervielle will continue launching special proposals for different sectors and/or industries which encompass more than 50% of the country's SMEs.

Franchises

Following the path started in 2017, the focus was placed on lead generation, which recorded a 140% increase as compared to 2017. On the other hand, the customer base went up 68%.

In order to expand the universe of qualified customers and not only assist prequalified brands (40), in July the SGRs joined in to assist customers under a franchise agreement who do not have a credit track record (start up).

As part of its exclusive value proposition, Banco Supervielle finances up to 40% of the initial investment (cap of \$800 thousand for new franchisees), offering preferential rates and a 6 month grace period for repayment of principal.

Transportation

In spite of the economic situation and the increase in rates, pillar of the proposed lead generation, the origination of new customers went hand in hand with the segment’s pace, increasing the customer base by more than 23%.

Health

A value proposition intended to cater for the needs of Health and Diagnostic Centers, Outpatient Doctors’ Offices, Laboratories and Pharmacies was presented in November and to that end, focus groups were held with sector companies and customers. The proposal is featured by promptness in loan granting and agreements with vendors. As regards credit, requests for

amounts less than \$10 million were answered within 24 hours and requests for amounts above \$10 million were answered within 72 hours.

Foreign Trade

During 2018, the simplified exchange regulations prevailing in the previous two years for foreign trade continued, which has led to a more agile settlement process.

The commercial action developed by foreign trade teams resulted in the Bank's market share growing by 25% in terms of goods exports.

As regards the financing of foreign trade, the rising trend of the past year continued during the first half. However, on reaching the third quarter, the imports segment started to contract as a result of the first peso devaluation. Over the end of the year a strong recovery was recorded in the exports business of the Bank's customers.

By the end of October and with a view to promoting Argentine exports and the inflow of foreign currency, the Ministry of Production and Labor invited Banco Supervielle to take part in the Argentina Exporta Program oriented to prefinance sales abroad of Argentine SMEs. The program grants financing for up to US\$200 thousand, at a maximum nominal interest rate of 7% and for a maximum term of 1 year. The facility is secured by Garantizar SGR, Acindar Pymes SGR and Fogar. As from November, the Bank launched a lead generation campaign under this program, which will continue throughout 2019.

As to settlements and foreign trade transactions, in 2018 the Bank continued with the digitalization of its transactions and achieved an 80% paperwork reduction.

Following on this digital trend, the E-Comex channel continued to consolidate. Importer and/or exporter customers make inquiries on their ongoing transactions and manage payments and/or collections through Corporate Online Banking. The digital tool was updated during 2018 for the purposes of agility and simplicity.

Banco Supervielle remains the only bank in the Argentine financial system to operate in the International Factoring market, through FCI (formerly called Factor Chain International).

In December 2017, a customer service center was created called "Contacto Comex," staffed with a team of experts fully dedicated to respond foreign trade inquiries from our customers and over 5,000 customer cases were dealt with during 2018.

Leasing

The Leasing Management meets the leasing needs of all commercial banking areas of Banco Supervielle. While leasing remains a very attractive instrument for companies to finance investments related to business growth and operating efficiency, the rise in interest rates and the deceleration of economy caused a significant fall in the volume of contracts executed.

During 2018, processes were improved to achieve benefits resulting from the merger of Middle Office and Back Office teams, and enhancing the customer's experience. Due to the digital transformation the product will continue being highly accepted in the market.

Wines Sector

During 2018 the Wines Division of Banco Supervielle consolidated as a benchmark in the industry, being the only Argentine Bank with a division dedicated to servicing wine cluster companies, which has a deep knowledge of the sector's complexities.

The quarterly report has become a source of reference for company executives of the value chain. The main officers of sector companies as well as specialized journalists are invited to the presentation of the annual report, which in 2018 was held at the Hyatt Hotel of Mendoza in early May.

The Sitevinitex, the largest fair of wine industry suppliers in South America, took place from May 16 through 18 at Arena Maipú in Mendoza. Wine-related goods, supplies and services are exhibited there. The 2018 edition had over 200 participants and more than 15,000 visitors. The Bank was a Platinum Sponsor of the fair and had an active participation with a stand and sponsoring the talk by economist Gustavo Reyes. The Leasing Community for capital goods was

launched at the fair, which is formed on the one hand, by wine makers and business units and on the other hand, by suppliers of capital goods for the wine industry. This helps community members to obtain better terms in connection with their investment plans.

The Bank was one of the first entities (which is not a vineyard) to become a member of the Cámara de Bodegueros de San Juan [Vineyard Chamber of San Juan]. With more than 80 years old, the Chamber gathers the main bottling vineyards of the Province of San Juan. In the annual Chamber meeting held in June in the City of San Juan, the Bank delivered a talk on the wine industry scenario.

The Bank's Wines Division organized the "Innovation Week," a joint effort with Universidad Nacional de Cuyo, the Andean Development Corporation and the Chilean Consulting Firm Transforme. This program invited 25 wine industry related companies to a one week intense training and work meeting to deal with matters related to Innovation in the Wine Industry. This was the first step for the future establishment of a center for Innovation in the Province of Mendoza. In 2018 the primary sector continued to be supported through Harvest and Carriage loans and financing of grape purchases by wine makers. By late 2018, the Vineyard Tour was launched to support wine tourism. Through this program, Banco Supervielle cards holders obtain significant discounts in visits, wine tasting and restaurants of member vineyards.

Agricultural Plan

The Ministry of Agriculture of Argentina rated the 2017/18 Agricultural Campaign as the worst ever in the past 50 years(*). In addition to this dramatic yield reduction, during 2018 there were other local economic variables, such as a more than 100% depreciation of the US\$/exchange rate, with the resulting increase of export taxes, also for agricultural products, as well as international variables related to agricultural commodity prices, which were affected mainly due to the "US-China trade war."

As regards those products intended for domestic market, the most affected were those highly dependent on corn. Their cost is stated in US dollars while domestic consumption is stated in pesos. These activities include mainly cattle finishing, poultry and dairy farms mainly.

Considering the profile of the customers generated following the implementation of the Agricultural Policy of Banco Supervielle, the decision-making matrix of which is based on climate risk, giving priority to farm owners, and on risk diversification by type of production and area, the default rate of this portfolio was very low.

In the Province of San Luis the Bank was present at major events (Rural Exhibitions, Technical Talks, Auctions by well-known cattle farms and related provincial events), and maintained its leadership in the Agricultural Segment in such Province. The Bank also had a greater presence in other areas where it has branches, such as the NOA and Mesopotamia regions through the Tucumán and Rosario branches, respectively.

Mutual Guarantee Societies (SGRs)

During 2018, the Bank continued operating with 70% of the SGRs authorized in the country (24 over 35 authorized SGRs and Guarantee Funds). The Bank remained a sector leader, being recognized as the Bank for SGR Bank by the Cámara Argentina de Sociedades y Fondos de Garantías [Argentine Chamber of Guarantee Societies and Funds] (Casfog), by other banks and by the Control Authority (Ministry of Production/Sepyme).

Banco Supervielle was also a leader in innovation for being the first private Bank to operate with the Digital Guarantee Certificate issued by Garantizar SGR - (No. 1 entity in the country - 50% of the market share) and also for executing an agreement with this MGS to offer a Business Credit Card with guaranteed purchase limit.

Due to its expertise and the sector's recognition, Banco Supervielle was elected by the Ministry of Production to execute with the BICE the Agreement for receipt of guarantees issued by the Fondo de Garantía Argentina, thus becoming the first private Bank in the country to develop these operations basically oriented to loans for SMEs.

Together with some SGRs, financing facilities were developed for SMEs, members of the value chain, entrepreneurs and franchises.

Oil & Gas Project

The Bank considers that the oil sector has a high growth potential. Therefore, in 2018, the Bank decided to lay the bases for the development of this project. The Bank worked together with an international consulting firm specialized in the sector and a multi-disciplinary team. The implementation of this project began in 2018 and will extend throughout 2019. Oil and gas activities record a sustained growth, though with cycles. The most attractive oil and gas areas, the Neuquén and San Jorge gulf basins, are located in the Patagonia and concentrate 80% of the country's oil and gas production and investments.

An important milestone was the opening in April of a new branch in the city of Neuquén, in addition to the existing customer service model. This allows for a close contact with the value chain of large operators and an improved competitiveness through the incorporation of new Planes Sueldo of individuals with high purchasing power residing in the area.

According to estimates, the development of the Vaca Muerta oilfield has a significant potential for several value chains, to wit: Services for Extraction, Operation & Maintenance and Transportation, to mention the main three.

An Oil & Gas Team Leader was hired for the Corporate and Large and MEGRAs Area, who shall coordinate the marketing actions for this sector to fulfill the anticipated lead generation and development plan.

Transactional Banking

The Bank continued with the investment process of previous years, improving the offer of collection and payment products, with a view to increasing transactional banking activities with customers.

Corporate Digital Banking

2018 was a turning point for Banco Supervielle's Digital Banking due to the merging of the Corporate Digital Banking and the Individual Digital Banking areas into a new Transformation Area. The most important milestones for companies were the opening of two new operation channels, the New Corporate Mobile Banking and a new Corporate Digital Banking platform which will replace the current Corporate Home Banking.

In addition to the implementation of new technologies, a new form of work, Agile, was implemented, and the Corporate Digital Banking was the first Project of the Bank developed according to this methodology.

It was implemented in 2018 and was gradually applied to all customers, entering a new construction and functionality migration stage.

The most relevant achievements include the new Business Online Banking, with a new design and technology, a menu with everything only 2 clicks away, a modern consolidated position, new paper-less self-management processes, a better help and search module, user surveys and health monitoring modules and Analytics.

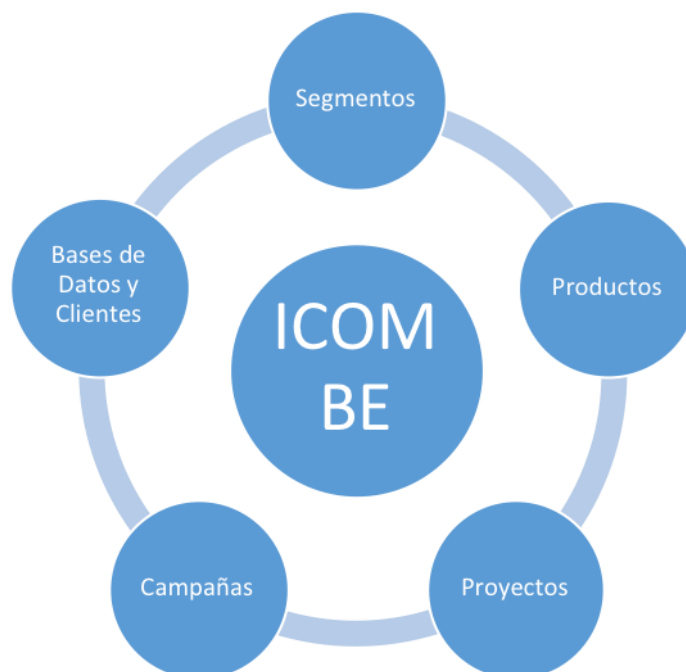
The new Business Online Banking incorporated new functionalities and improvements:

- New Corporate Credit Card queries,
- New DEBIN/CREDIN product.
- new Débito Directo product
- integration of new Club de Puntos.
- New transfer concepts.
- UX improvement in Foreign Trade transactions.
- Improvements in Custody and Factoring (unified application and better reports).
- New collections and escrow account queries.
- Management of Banelco Depósito cards.
- New Corporate Mobile channel, unified in a single app with: authorizations Module, Balance and Movement queries, Face biometrics for App access, self-management of key unblocking/new keyword, new DEBIN/CREDIN products, Analytics module.

- More functionality in the App for checks: improvements in check image capture, adjustment of information messages, health monitors and Analytics, iPhone X optimization (new splash, images), Optimization of 4K, WQHD, FHD and large screen devices, usability improvements.
- Improvements in the iFactus channel: possibility to receive invoices in other standard formats, first Bank in Argentina authorized by GS1 International for electronic data exchange, new health monitors and Analytics, debt reporting and payment button for collection.
- More services in Interbanking: regulatory adjustments through Communication A 4835 and A 4928 (new types of transfer).
- Updating of Swift services: Statements of more than one account MT940, Balances as at value date.

Commercial Intelligence and Planning

Focusing on data analysis and data transformation into information and knowledge aimed at increasing business volumes and consequently the results of the Banking segment, an interdisciplinary work was carried out during 2018 for an internal restructuring, through a new non-vertical form of work to achieve more agile and collaborative work methodologies.



[Segmentos: Segments
 Productos: Products
 Proyectos: Projects
 Campañas: Campaigns
 Bases de Datos y Clientes: Data and Customer Bases]

2018 achievements worth mentioning include:

- Implementation of Machine Learning Services to model and analyze data for the standardization of behaviors based on information supplied as cases.
- Initial segmentation of the customer portfolio of the Bank and of the Banking sector in particular
- CRM
 - Implementation of Comex and Leasing contact service circuits.
 - 360° Survey – Legal Persons
 - Opportunities Module – Loading and follow up of Account Planning.
 - Training of officers in the provinces, Cuyo and AMBA
- Account Planning Project – Customer portfolio development
 - Gathering and availability of information for commercial teams
 - Implementation of the methodology to increase the commercial productivity of executives
- Campaigns

- Information was generated for over 30 campaigns throughout the year

Customer Satisfaction

A new edition was conducted in 2018 of the Annual Satisfaction Survey of the Corporate Banking sector. As compared to the 2017 survey, the general result reflected the impact of the negative business expectations on the valuation of members and suppliers, and represented the Bank's strategy, focused on customers that concentrate all their transactions with Banco Supervielle. In this regard, the NPS (Net Promoter Score) of the customers using Supervielle as their secondary bank went down while it increased for those who use it as their main bank.

The mostly used channel remains the Business Officer, which confirms that interpersonal closeness is key in commercial relationships. There is a unique communication opportunity for officers specialized in the different products to meet customers' needs to a greater extent, based on their availability and expertise.

Retail Banking Segment

Banco Supervielle's Retail Banking offers a wide array of financial products and services designed to meet the needs of individuals, small businesses and entrepreneurs: Personal Loans, Mortgage Loans, Bank Guarantee for Tenants, Salary Advances, Secured Loans, Payroll Payment Plan (Planes Sueldo), Credit Cards, Debit Cards, Savings Accounts, Time Deposits, Checking Accounts, and financial services and investments such as Mutual Funds, Insurance and Guarantees, and Senior Citizens Benefit Payments.

The focus is on automatic channels to provide greater functionality to face-to-face and digital automatic platforms, not only to expedite transactions but also to generate new marketing channels.

The service model seeks to achieve maximum efficiency while maintaining personal contact and customized assistance required by customers of strategic segments; once the specific needs of each customer are assessed, specific products and services are designed to meet their needs, through a sub segmentation of customers to offer the adequate service level to each customer profile. The personal service model is enhanced to suit high net worth customers, "Identité," and individuals engaged in business and small companies "Entrepreneurs & SMEs," reaching an 85% + network coverage of Identité customers and 90% of Entrepreneurs and SMEs.

In 2018 the network's area of influence was expanded with the opening of three new branches. These openings were intended to consolidate the Bank's presence in areas with high density of stores and achieve full coverage in commercial corridors where SMEs are established.

Additionally, continuing with the path set in the past year, substantial changes were promoted in Service Centers, modernizing daily operations and meeting the needs of senior citizens. With the development and expansion of automatic solutions for queries and cash withdrawals that include biometric identification, the bank has paved the way for future generations of senior citizen customers.

Products and Services

During 2018 the Bank promoted bankarization at all levels, promoting streamlined transactions and enhancing the use of automatic channels.

In line with the development of strategic segments the specific needs of customers were evaluated with a view to designing products and services that meet the requirements of each sub-segment. These launchings are based on the knowledge of customers' life cycle so as to actively support their development and that of their community and foster employment generation.

In the senior citizens segment, the coverage and functionalities of the biometric network was enhanced so as to make face-to-face service processes more efficient, thus achieving significant improvements in transactional times, a positive perception of the Bank-Customer relationship and a better experience for senior citizens.

In 2018 the programs Aeris, Aeris Empresas and Club Supervielle merged, giving rise to a new loyalty program with a new brand and visual identity of the public site, extending the benefits to the Bank's general portfolio and making access options to tourism products and services more flexible through greater synergies with the suppliers. The next steps include the integration with Tienda Supervielle Productos and the development of a specific program aimed at the senior citizens.

Investments

With focus on the efficiency of operations the Bank continued strengthening and developing autonomous channels for a comprehensive management of investments operations. Following the past year's development of the Centro Integral de Inversión for a personalized service, in 2018 the Bank started preparations for the merger of management platforms, to offer more agile products and better investment alternatives to its customers, which will lead to a greater penetration in terms of management of funds of current customers and an increase of lead generation of high net worth customers.

A high percentage of time deposits, mutual funds and purchase and sale of shares, bonds and currency was made through automatic channels, supported by communicational actions and the establishment of specific benefits. In addition, UVA-denominated time deposits were launched, with an attractive proposal to use automatic channels.

Insurance

In 2018, the Integral Insurance policies was launched which completes the services offered mainly to Entrepreneurs and SMEs, which service is fully processed by Supervielle Seguros.

The group's perception was strengthened by the design of new products, in an interdisciplinary effort by Supervielle Seguros and the Product areas and Retail Banking Segment, especially designed to cater for the actual needs of each customer segment. The Bank seeks to add value to the new lifestyles and new habits, incorporating a pet insurance, bicycle insurance and a policy covering high-end products for VIP customers.

Work continued in the improvement of products, such as the online quotation and purchase of car insurance policies, and life insurance and burial insurance for Senior Citizens, which are highly valued by that segment. In addition, the Home insurance was repositioned as civil liability coverage for occurrences of daily life.

Digital development is undoubtedly the new paradigm for insurance sales. To be available to customers wherever they may be, so that they can purchase, give an opinion, simulate and compare through digital channels. Insurance policies for Protected Bag, Protected Technology, Protected Contents and ATM Robberies are available in Online Banking. The Banking segment worked hard on the incorporation of greater and more expanded offers in digital channels and in the continuous improvement of processes to ensure savings and a greater efficiency, promoting usability to guarantee the best customer experience.

Loans

The placement of personal loans was boosted by a renewed offer and special facilities in line with the needs of each segment, together with the sale through digital channels.

During 2018, in view of the widening of the market following the implementation of the UVA Mortgage Loans, a communicational and management strategy was launched to position the bank at the top in order to increase its market share. To such end, the Bank posted banners and mortgage calculators in one of the major real estate portals of Argentina and entered into agreements with brokers, large developers and realtors to strengthen lead generation.

With a view to generating a better experience for customers, the bank engaged in the detailed study of the mortgage management end-to-end process, which resulted in considerable benefits both for the bank and the customers. From the bank's perspective: obtaining a greater understanding of the web and the operating flow, management and performance indicators of the Bank and of third parties, identification and automatization of key processes with reduced processing times, planning of the investment in digital agencies and channels. From the customers' perspective: obtaining a more fluid communication as well as real time visualization of

the proceeding status, streamlined mortgage management and a significant reduction in times from the first contact to loan settlement.

These achievements had a significantly positive impact on the product's performance during the first half of the year. However, as the product is highly dependent on the changes in the country's economic situation, in the second half of 2018 the product's performance remained well below expectations. Nevertheless, the Bank continued to focus on the increase of its market share and is highly prepared to obtain it.

By mid-year, the pioneer "Bank Guarantee for Tenants" product started to be offered also in areas outside the Greater Buenos Aires area. The product was developed taking advantage of the change in customers' preferences and needs, and relying on the management of its own Mortgage Nodes, represented by officers specialized in real estate products and by a wide network of brokers, which gave the product nation-wide scope.

The Bank also restructured the Pledge Loans focusing mainly on pricing redefinition, a new initial cross selling model for borrowers, expansion of marketing channels through the incorporation of several car dealers and the commencement, by the end of the year, with the transactions for UVA loans.

Focusing on efficiency, the Bank redefined policies, the contract framework of transactions and macro processes with special emphasis on critical issues. By the end of the year, the sections related to the definition of credit policies applying to the product were under way.

Means of Payment

During 2018, traditional debit cards were replaced by chip debit cards for the segments more exposed to the skimming. The Bank thus managed to rank high in the system due to the introduction of chip Debit Cards.

In line with the Digital Transformation, strong focus was placed on the incorporation of contactless technology in Mastercard Platinum and Black cards. By late 2018, the International and Gold cards were added, thus completing the whole Mastercard portfolio, offering innovating products to meet the demand of customers and facilitate their daily transactions.

Still focusing on Digital Transformation, migration continued from paper to digital card statements, and automatic processes were developed for delivery of card statements by email.

A delivery service was implemented for Credit Cards, optimizing card delivery times and activation.

During 2018, E&P executives and Sales Force Officers received training so as to start 2019 focused on new merchant settlements.

Segments

Entrepreneurs and SMEs

The Bank worked on lead generation and on the development of contact and generation networks through agreements with SME associations and with presence in specific events related to economy, finance, investment and franchise. As a result, the Bank recorded a significant growth in the specific Franchises and Transportation subsegments established last year.

Taking into account the good results obtained by the subsegments developed, and based on the survey of the life cycle behavior of companies engaged in various activities, the Health subsegment was recently launched with high expectations, with tailor made value propositions, like its predecessors.

Development of the differentiated service model continued to include over 80% of the branches and over 90% of the segment's customers. The Bank relied on specific executive profiles for assistance of its customers, offering specialized services to larger SMEs and streamlined services to smaller SMEs. As regards lead generation, the Bank has a special sales force trained through the "Universidad PyME" with a fully developed commercial management model based on specialists.

Hand in hand with the hard work done in lead generation and acquisition, campaigns were launched in the media (“Lo Grande de ser una Pyme”) as well as products (the new Occupational Risk insurance [ART]), focusing on the migration to automatic channels of the larger transaction flow of involved customers.

Identité

The High Net Worth segment of Banco Supervielle continued to strengthen in 2018. With a 360° turn, changes were made in the segment’s vision as regards customer contact and assistance. Based on this new style, to announce the brand and architecture redesign, a rollout campaign was launched via web and email. This change of vision required revisiting the way of thinking and doing, adopting the good practices developed in other segments and improving the segment’s distinctive aspects.

Under this premise, focus was placed on the customers’ life cycle, with the emphasis on the first stages with a view to quickly activating and digitalizing each customer, reducing maturities and promoting the redirection of transactions to automatic channels at an early stage. This resulted in the creation of new service protocols compatible with these actions, and training sessions were carried out at different structure levels and new internal service agreements were executed to render lead generation and assistance circuits more fluid and consistent, reduce response times and, therefore, enhance the customers’ satisfaction standard from the first contact.

One particular event that took place in 2018 was the launching of the Bank’s referral program, for the design of which the online channel (Homebanking) was adopted as a primary means of communication. The program is based on significant incentives for the referring party and more benefits for the referred party, including product rebates, preferential rates and savings on credit card consumptions, seeking additionally to favor the cross selling ratio of the newly referred customers.

During the year, considering that investment is one of the distinctive aspects of high net worth customers, developments were implemented for the consolidation of holdings and investments, so as to boost the growth of the segment.

Senior Citizens

Banco Supervielle monthly pays ANSES benefits to over 1 million beneficiaries, including pensions and social plans, and thus is the private bank with the largest presence in this segment.

In 2018 the Bank continued offering products and services in line with the needs of senior citizens while further developing improvements in the value proposition and service model. Based on the knowledge of the customers’ life cycle and their distinctive characteristics, the redesign was promoted of the commercial management model with focus on the penetration in high net worth customers and the implementation of specific policies to obtain the greatest risk/benefit ratio in low income segments.

The service model was enhanced through Caja Rápida (Cash dispenser with biometric identification) in its Service Centers, reaching a 100% coverage of the network and directing the necessary effort to communication and training of its handling to favor acceptance and acquaintance by senior citizens, with clear benefits in terms of waiting times and operation agility.

Based on the good results obtained, pilot tests were conducted to make this equipment available at Service Center lobbies, allowing 24-hour use, thus reducing the customers flow during bank hours.

In line with the efforts to improve our service level, a new customers flow manager was implemented from which allow for a better management, control and study of transactions and customer segments, as well as referral to the most favorable transaction channel according to the transaction requested, streamlining daily transactions.

Individuals

In 2018, focus continued on the portfolio digitalization process, to further develop these channels for placement of products and transactions of customers.

Ambitious lead generation objectives were maintained but special focus was placed on retention processes taking into account the economic scenario, by providing benefits to retained higher value customers.

By the beginning of 2018, credit policies of the Plan Sueldo subsegment were reviewed which allowed better approval ratios of credit products, improving cross sell and activation ratios. With the strategy of being the first choice bank, by the end of the year the loyalty program was relaunched as the new Club Supervielle, with more and better benefits.

In line with the first choice bank and activation objectives, by mid-year, the new Journey of Customers was defined, improving communication and the proposal within the first 90 days after admission.

Contact Center

The Contact Center manages queries and complaints and sales to customers by phone, e-mail, chat or social media.

The Bank continued working with a specialized team to solve certain money complaints and offer immediate solutions. Management of the leads generated through digital campaigns was enhanced, which allowed for its growth as a sales channel.

With a view to streamlining customer contact, work continued during the year to improve response automatization processes. After the long way gone in this department, a high percentage of queries now receive automatic response.

In 2018 the teams at the contact center, investment center, customer service area and processes and continuous improvement area were integrated with the construction of the new ecological building. Care for detail and the use of state-of-the-art technology permitted the generation of a friendly work environment for work teams, strengthening synergies in the pursuit of commercial and service objectives, which were fully attained during the year.

Specifically, as regards the call center, the implementation of new technological tools has allowed obtaining a full vision of each contact, not only with the monitoring of conversations but also with the detailed information obtained by each representative in order to respond a particular query or request. This feedback was used to standardize the required information and facilitate access and understanding, obtaining higher savings in terms of effort and time and aiming at maximum efficiency in customer contact.

Strategic Leadership, Mendoza and San Luis

The Bank has the most extensive network among private banks in the Province of Mendoza and has taken action to continue its development and growth with a strong regional commitment offering exclusive benefits to its customers. Strong campaigns were launched to attract customers with its own resources and through external marketers.

The Bank is the financial agent of the municipalities of the city of Mendoza, Godoy Cruz, San Martín and Luján de Cuyo, and participates in bidding processes for services involving public entities, aimed at rendering a quality all-inclusive service based on its expertise with government entities. From the first contact, the Bank focuses on generating a win-win relationship with customers, which is highly valued for the establishment of long term relationships.

In addition, as in previous years, the Bank invested in the most relevant sports, artistic and cultural events in the community of Mendoza.

Banco Supervielle is the leading bank in the province of San Luis, with the greatest presence and the widest geographic coverage. The Bank operates with private business franchises and renders universal banking services to individuals and to small and mid-sized companies. Additionally, the

Bank offers its corporate customers in the Province of San Luis a wide array of financial services, with main focus on infrastructure and construction projects.

The Bank has over 230 employees, 23 branches, 3 service centers, and 125 ATMs and self-service terminals in the Province of San Luis. The Bank has 220,000 customers in the Province, 33,000 of which are civil servants and 18,000 are employees of private companies, whose salaries are paid through the Bank. The Bank's infrastructure represents 50% of all the province's bank branches and service centers. Its extensive network of 24 hour ATMs and self-service terminals has bill recognition, online deposit processing and check image capture features.

The Bank acted as financial agent of the Province of San Luis until February 28, 2017. However, up to this date, the Bank continues rendering financial agency services to the Government of the Province. In December 2018 the Province of San Luis called for a public bidding to appoint a financial agent. The term for submission of the offer ends on March 15, 2019, therefore the Bank is currently working on the documents to be submitted in connection with the bid.

In 2018 the Bank was awarded the bid to become the financial agent of the City of San Luis.

Treasury and Finance Segment

Trading Desk and Institutional Sales

During 2018 Banco Supervielle's trading desk, together with the commercial area, continued dealing in public securities and by mid-year the Bank ranked 12 in the MAE's ranking.

With institutional customers, particularly mutual funds and insurance companies, the Bank's share in the special checking account deposit market averaged 18.3% of the banking system.

Correspondent Banks

During 2018 the volume of foreign credit facilities increased, both as regards applications received and use, which resulted in a clear support by international banks regarding foreign trade and of working capital facilities.

In that sense, international entities offered short and medium term loans, with 3-year disbursements under the IDB program by the end of the first half of the year.

Capital Markets

Banco Supervielle is one of the leading entities in the Argentine capital market. Since 2003 the Bank has acted as arranger and underwriter in issues for over \$42,000 million in the Capital Market, with a wide array of products: financial trusts, negotiable obligations, etc. The Capital Market division has an active role in the arrangement and management of private Syndicated Loans.

During 2018 the Bank acted as arranger and underwriter of Financial Trusts for \$1,832 million, and Negotiable Obligations for \$2,424 million, in both cases combining Banco Supervielle's and third party's issuances, accounting for a 4.23% market share.

Public Sector and Intermediate Entities

In June 2018 the Bank entered into a 12-month agreement with the Province of San Luis to continue providing the services required by the Province throughout the year.

Besides, in October 2018, Banco Supervielle was awarded the bid to be the financial agent of the Municipality of San Luis, thus consolidating its presence in this segment in which the Bank serves all the municipalities of the Province.

Additionally to the services rendered in Mendoza and San Luis, the Bank worked with the public sector in the provinces of San Juan, Córdoba, Buenos Aires and also with National Universities.

Credits and Collections in Banco Supervielle

The Corporate Credit Area's mission is to achieve an adequate credit quality of the asset portfolio in line with the Bank's risk appetite. Credit processes use scoring models in the different customer segments (Senior Citizens, Plan Sueldo, Mercado Abierto) that support admission decisions and credit facilities updates based on behavior models. An admission scoring model is also used in the Entrepreneurs & SMEs segment.

Credit information is provided related to portfolio evolution, recovery levels, collection processes and credit alerts in order to continue training the organization in credit matters and provide information to the commercial areas so that they have credit management indicators and can act directly on their portfolios.

In fiscal year 2018, training in Corporate Credit matters continued both in the Credit Area and in the commercial areas. With the support of external advisors, courses were delivered to commercial officers and analysts of corporate segments.

The Retail Collection Area implemented a new tool for the management of delinquent accounts at the branches, through the daily linking of delinquent accounts, using a Behavior Score for a more efficient collection management of call centers. A new collection call center was opened and a new out-of-court collection strategy was developed by management cycle to ensure a 90-day portfolio turnover. In San Luis the debit against accreditation of defaulting customers was implemented and the agencies audit schedule was changed to include a preliminary cycle and a review cycle for those with results below the defined standards.

The SME's Area continued developing specific policies for the different subsegments, updating existing policies and approving new ones. During 2018 the first review of behavior qualifications was carried out, greatly contributing to the management and requalification of existing SME customers. The different rating versions will contribute to a prompt response of customers and portfolio control. The plan for 2019 is to start with massive qualifications in value chains so as to deliver a significant number of prospective customers to the commercial area.

Regarding the Area of Credit for Large and Medium-Sized Companies and Financial Entities, throughout 2018 the team of credit analysts was consolidated, which allowed facing a challenging year due to the economic context volatility. During the second quarter portfolio review actions were carried out to anticipate which economic sectors and specific customers were likely to be more affected by the worsening macroeconomic situation. Based on these reviews the planned actions for each sector/customer were monitored.

The Credit Intelligence area continued consolidating, with an Analytics team and a Management Reporting team devoted to credit management. Employees with know-how and expertise in the area were hired to improve data generation, making it more specific and timely.

The plan for 2019 is to continue preserving the quality of our credit exposures, reinforcing portfolio review exercises and supporting those customers with sustainable activities and financial capacity which require some kind of debt structure reprofiling.

Consumer Finance Segment

The Consumer Finance business of Grupo Supervielle is developed through its subsidiaries Cordial Compañía Financiera S.A. and Tarjeta Automática S.A. Mila and Espacio Cordial de Servicios were annexed to this segment in 2018.

Products

Cordial Compañía Financiera is a company specialized in consumer finance and financial services. Its business model is based on providing financing solutions to specific target groups, mainly C2 and C3, with focus on two core pillars:

- (i) Accessibility: flexible customer centric proposals adequate for the multichannel concept.
- (ii) Diversification: tailored products that meet the customers' needs in every stage of their life with distinct value propositions for each cluster.

The multichannel concept requires that the company be present countrywide, and it is currently settled in 22 provinces through 114 branches of its 3 main marketing channels:

- Walmart financial services
- Tarjeta Automática
- “Tu Crédito Hipertehuelche”

Results varied largely throughout 2018, with a first quarter in which CCF consolidated as one of the three main companies in the sector. During that period the company continued with its plan to increase the personal loan sector, plus a strategy oriented to increase the number of credit cards and the level of consumption and activity. To achieve this goal, new advertising dynamics, a strong BTL campaign (having the FIFA World Cup as core idea) and an improved global value proposition were developed.

However, in March CCF started to experience a portfolio deterioration as a result of the economic situation, which affected mainly the company’s target segments and increased the non performing portfolios. In order to mitigate the risk, as from the second half of March, strong adjustments were introduced in credit policies, increasing cut-off points and restricting the borrowing capacity of customers and leads. During the second quarter of 2018 two additional negative effects were added: rising bank funding rate and a strong decrease in demand, which affected the profitability of the different channels.

In that scenario, during the second half of the year a deep restructuring of the commercial area was carried out to face the new macroeconomic environment of Argentina, which implied a decrease of placements. The restructuring included staff downsizing, the unification of channels and reduction of businesses with higher risk potential. Besides, the use of shared services was optimized and costs were subject to strict control.

The commercial strategy focused on the customer portfolio, strengthening the basic promotional dynamics and reducing those proposals that might lead its customers to over indebtedness.

Once this process was over, the company focused on the preparation of a strategic plan to be implemented in the last months of 2018 and during 2019, which is aimed at improving CCF position as benchmark in the consumer financing segment, through the controlled development of certain products.

It should be highlighted that in said plan the company’s main products were not discontinued but they were adapted to the new reality. A breakdown follows of the main products by entity and their main features:

- Open Credit Card: it is a financial tool that may be used for purchases in the stores of merchants accepting Mastercard and for cash advances, within the limits determined by the entity, which may be obtained in the Permanent Promotion Booths located in Walmart Argentina S.R.L., Hipertehuelche and Tarjeta Automática stores.
- Retail Store Credit Card: these are credit cards issued by a retailer for purchases only in pesos in that retailer’s stores. They are mainly intended to obtain customer loyalty and incremental sales. At present, CCF operates this product only with Walmart Argentina S.R.L.
- Insurance and other non-financial products: insurance policies for Personal Accidents, Protected Bag, Health, Unemployment, Total Protection, Home Emergency, Extended Warranty, Protected Technology and Home, under agreements with certain insurance companies.
- Personal Loans: fixed rate cash loans using the French amortization system.
- Consumer Loans: Credit lines for the purchase of certain products; the transaction is completed upon delivery of the purchased products.

Channels and Regions

The 2019 strategy concentrates mainly on the three channels which are described below, together with its position during 2018, its situation and the competitive advantages to develop the 2019 plan.

Walmart Financial Services

In December 2014 CCF renewed the agreement as exclusive provider of Walmart financial services, until August 2020. Due to the deterioration of the purchasing power of the consumer segment customers in 2018, CCF focused on improving and adapting the credit card's value proposition to the new scheme. Growth drivers were as follows:

- New business dynamics under the concept: “a new benefit every day,” focused on giving our customers access to basic needs products and reducing the offers to purchase electronic and other durable goods.
- Renewed offer of distinctive products and promotions during key events or special dates such as “Black Friday,” “Discount Marathon” and Christmas.
- Renewed business dynamics in Chango Mas, with an increase of cash backs and a proposal adapted to the segment.
- Renewed Promotion dynamics with discounts by category and differential discounts.

The Bank also continued improving the global value proposition through the implementation of new attributes which improve the quality of the program:

- Implementation of Phase 2 of the Mobile App
- Migration from paper statements to E-Statements
- Customer Loyalty: part of the activity focused on finding improvements to increase customers' average tenure.

At present the Walmart channel concentrates much of the monthly placement of financial products. The strategy in this business is to provide financial products for personal consumption tied to the Walmart brand, with the co-branded Mastercard Walmart card being the main payment instrument. The total product portfolio is as follows:

- Mastercard open credit card
- Walmart credit card
- Personal protection and health insurance
- \$YA cash loans
- Consumer loans

In order to strengthen its presence and maximize customer satisfaction and leads, CCF has financial services booths in all formats (large and medium-sized) in 79 sales and customer service points.

The commercial strategy is focused on providing a broad product portfolio to meet the needs of customers and leads both inside and outside the chain.

Competitive Advantages

CCF's competitive advantages are as follows:

- Exclusivity agreement with Walmart to market financial products until 2020.
- Tie to the Walmart brand, which enhances customer loyalty.
- High levels of traffic due to its presence in one of the largest retailers in Argentina.
- Wide products portfolio to meet the needs of the segment.
- Business dynamics shared with the supermarket, which allows:
 - Exclusive promotions (discounts, interest-free installments)
 - Exclusive sales events

- Exclusive offers on special dates
- Experience Model Branches: a unique mix between a bank branch and a financial retailer, which facilitates the customer experience through self-service terminals, exclusive services areas, token displays, etc. 50% of the branches have this format.
- High levels of cross selling through multiple channels.

Tarjeta Automática

In December 2012 CCF began to market loans and cards under \$YA and Carta Automática brands through Tarjeta Automática branch channel of Grupo Supervielle.

Tarjeta Automática consists of a network of branches created in 1996 with a strong positioning in the Patagonia region. At present it has 20 own branches in 9 provinces. CCF's commercial strategy in this channel is to offer a wide array of financial services, such as:

- \$YA cash loans
- Mastercard Carta Automática open card
- Individual protection insurance

The channel's objective is the leadership in the Patagonia region through a differential proposal: services similar to those of a bank but with an approach similar to that of a regional financial entity. To meet the demand of our customers the network focuses on the marketing of loans as the gateway.

Competitive Advantages

CCF's competitive advantages in this channel are as follows:

- Widespread brand recognition of Carta Automática, especially in the southern region.
- Wide portfolio of competitive financial products.
- Excellent location of branches at both region and city level.
- Segmented promotions similar to bank offers.
- High levels of cross selling through multiple channels.

CCF is the leader in the consumer loan segment in the Carta Automática markets, with high satisfaction and brand awareness levels among its customers (source: 2018 Quantitative Survey).

“Tu Crédito Hipertehuelche”

In 2017 CCF renewed for another three years the exclusivity agreement with Hipertehuelche. The purpose of the new agreement is to further develop the financial services program in order to reach those segments that still do not have access to financing, and also develop a differential financial proposal to tie customers to the retail. To that end CCF launched miscellaneous financial products, each of them associated with different purchasing behaviors. In turn, new products and processes were implemented to offer financing to those segments with low bankarization.

As in the Walmart channel, one of the core actions during 2018 was to increase the share of CCF payment methods in Hipertehuelche. To this end the Bank worked along three lines:

- Improved limits and value proposition
- “Anniversary Month” campaign
- Launching of products for segments with low bankarization
- Exclusive offers for purchases paid with CCF payment methods.

This resulted in a 10% increase in CCF's share in several months, which evidences a consolidated interdependence between both companies.

Currently the retail has 15 branches in the main cities in the southern region of Argentina. There is a financial services stand in each branch where CCF's products are marketed.

The financial services offered are:

- Mastercard Carta Hipertehuelche card
- Individual protection insurance
- “Tu Crédito” consumer loans
- “Mi Vivienda”

This agreement allows CCF to strengthen its presence in one of its target regions and to focus on the consumer loan niche, which is still little developed in the C2 and C3 segments.

Competitive Advantages

CCF’s competitive advantages in this channel are as follows:

- Widespread brand recognition of Carta Automática, particularly in the southern region, which is used as umbrella brand in the open credit card product.
- Wide portfolio of competitive financial products.
- Exclusivity Agreement with Hipertehuelche.
- Business dynamics shared with the retailer.
- Consumer product for construction with high maximum amounts.

2018 Projects

In spite of the market difficulties, Cordial continued investing in the development of projects, focused on improving the customer experience and the customer journey through the optimization of touchpoints. To that end Cordial developed new information channels, improved the existing technology and optimized many of its processes.

Within that framework, the following projects were developed:

- Launching of Mobile App Phase Two, which consists of:
 - Statement preview
 - Loan status
 - Chat
 - Push Message
 - Recent movements preview
- Card embossing in all the Experience WMs branches
- New activation processes for inactive customers
- New improvements in the consumer loan origination system which shortens and simplifies both back end and front end processes.
- New commercial model for Carta Automática branches. A pilot plan was developed, in association with electronic goods and services suppliers to make an integral offer to customers
- New model of Telemarketing management, which increased productivity three fold.
- New Phase of customer project. An external consultant was retained to cooperate with CCF in the building of a new customer experience, which resulted in the:
 - Implementation of a new NPS to measure portfolio loyalty
 - Mapping of customer Journey, to attack all break points
 - New segmentation based on the archetypes created during 2017, to adjust product offer to each cluster
 - Implementation of actions for a variety of moments of truth

In order to be positioned as the company with the largest financing products offer, CCF reached an agreement with MILA (a company of Grupo Supervielle specialized in the marketing of car

loans) to offer car financing through car dealers using MILA channels. Thus, Cordial contributes to Grupo Supervielle's strategy to become a player in the car financing market. As this new product is backed by a security interest, the ratio of non-performing loans is reduced.

In line with the launching of new products, during 2018 a new insurance strategy was developed, focused not only on the placement but also on all the customer journey. This new plan has two phases:

1. Phase 1: partly implemented in 2018, it is focused on communication channels and loyalty strategy.
2. Phase 2: to be implemented in 2019. It consists of the launching of new products specific to each customer archetype defined during 2018.

2019 Projects

In line with the strategy defined in 2018, during 2019 CCF's management will be oriented to the offer of more sophisticated financial products in order to enhance the customer experience along its life cycle. Based on this objective, these will be the main projects to be developed:

- Implementation of a new product origination application
- New digital marketing strategy
- New loan settlement
- New Insurance strategy:
 - Launching of new products
 - Pets
 - Rental insurance
 - New unemployment product
 - Education insurance
 - Women's health
 - Bike insurance
 - Development of new channels
 - Development of new experiences and communication channels
- New processes within the "Customer Experience" framework
- New customer acquisition models through indirect channels
- Development of existing digital channels: 3rd Phase of the mobile app for Walmart and Carta Automática channels
- Implementation of secured cash loans
- Implementation of contactless technology for all Mastercard cards
- Re-branding of all portfolio brands

Digital Strategy

The aim of the digital strategy area for 2019 is to develop a 100% digital business of the various business units of the Consumer Division. The digital strategy area is made up of the following areas: KYC (in charge of the origination), Digital Engagement (in charge of the commercial and operative management of digital channels), Data Analytics (formerly Commercial Intelligence) and Digital Channels. These agile teams will be in charge of startup of the new origination infrastructure which includes the decision engine, the process manager and the api, with focus on the digital channel.

- Creation of the digital channel area in charge of the development of apps and public webs
- Rebranding and Reengineering of digital channels. New app in iOS.
- Co-creation with Marketing the digital marketing area and defining an advertising strategy in Facebook/Instagram, Google and Youtube.
- Automatization of the marketing processes related to communications with customers (web push, push, mail, sms) and event detection (touchpoints) in physical and digital channels. Development and implementation of a contracting policy for our customers.
- Development of product and service self-management within digital channels. From the origination to product renewal, developing an experience throughout all the life cycle of our customers (servicing).

- Development of the digital ecosystem of the car business, from financial products such as secured pledge loans to the marketing of third parties involved in the value chain.
- Implementation of a loyalty program by consumption and behavior (Gamification)
- Implementation of QR Payments in digital channels through the SPS Decidir gateway
- Implementation of Digital Refund through the debit card
- Development of the digital pledge pilot aimed at achieving 24 hour transfers.
- Operative efficiency (e-Statement, Technology and communications expenses)
- Integration with MasterCard network functionalities such as: Consumption Analysis (PFM), Credit Card Functionalities
- Creation of the data governance model with all core areas.
- Moving towards a Data Self-Management culture.
- Conversion of the data generated in the social media and our digital channels into actionable information (Digital Analytics)
- Maintenance and evolution of experience metrics such as NPS.
- Joint work with the Human Resources area to offer better solutions to our employees and foster organizational change with a view to a more agile management.

Marketing and Communications

The goals of the Marketing and Communications area will be the creation, development and positioning of a new digital Brand, the strategic planning and implementation of the digital marketing plan: Google Ads, RRSS, Universal app campaigns and the strategic definition and implementation of content Marketing.

Credit and Collection

The Company is carrying out a reengineering of the application assessment process to update its processes and assessment systems.

This reengineering will allow for a faster and more flexible implementation of its credit policy. The assessment process will continue to be centralized and seeks to automatize and streamline most controls using information available from credit bureaus or, for example, Central de Deudores [Debtors Central].

Besides, the management of credit policies was included in the Integral Risk Committee, securing a more encompassing view of the assessment of said policies.

Since late March 2018 changes were implemented to the origination and cross sales policies to limit the credit offer to those segments more exposed to the uncertainties caused by the macroeconomic situation. In addition, the model of internal behavior Scoring used in cross sales activities was improved and updated, and an improved model is being developed for the evaluation of leads and customers without the required length of bank-customer relationship.

Models for income inference provided by credit bureaus were added to the existing processes, thus improving the repayment capacity assessment and limiting customer indebtedness.

Finally, and taking into account the increase of the nonperforming portfolio ratio during 2018, a thorough review was conducted and changes were implemented in strategies and collection teams so as to offer adequate assistance to nonperforming customers. Statistical tools were incorporated to set collection management priorities, introducing data enrichment processes and improving collection agency assignment and control tools.

As a result of all those changes and adjustments in credit and collection processes, indicators of early delinquency and non performing portfolios were stabilized during the second half of the year.

Espacio Cordial de Servicios (Cordial Servicios)

As a result of the restructuring conducted in August 2018, Cordial Servicios became part of the consumer financing sector of Grupo Supervielle.

Cordial Servicios was established in October 2012 and started doing business in December of such year. The business was created to sell various types of goods and services related to

insurance, tourism, health care plans and/or services and other goods and services provided for in its corporate by-laws.

During 2018 Cordial continued operating and growing in the direct and indirect channels already developed. Regarding the open channel, it continued growing through sales points located at service centers of Banco Supervielle throughout the country, trading mainly home appliances, health plans, prepaid services and tourism with new products and group tours for senior citizens. In Alliance with Cordial Compañía Financiera, it was present in six branches of the supermarket chain Emilio Luque and in La Plata branch of Carta Automática.

As regards indirect channels, the telephone channel continued to be used for the sale of prepaid health services and catalog sales of home and electronic appliances.

The digital channel, through Tienda Supervielle Marketplace, was used to sell home appliances, technology, home and furniture, sports, wellness and beauty, toys, perfumes, tires and accessories. As regards the tourism category, Tienda Supervielle continued growing as a sales channel and developing new products related to flights, hotels, trains, travel assistance and experiences such as the FIFA World Cup 2018. In November 2018, Tienda Supervielle Viajes became a part of the Rewards program of Banco Supervielle, as the main supplier of flights and hotels. In the services category, the sale of health plans continued through a strong online strategy in the social media and developing digital self-management products.

During 2018, 65,000 home appliances were sold, which generated an income of over \$280 million, and 100,000 service plans, which generated an income of over \$423 million.

The goal of Cordial Servicios for 2019 is to increase the income in its 78 sales points and the indirect sales channels already developed. As regards insurance and services categories, new products are being developed for the face to face and online channels, and for alliances with certain strategic partners. As regards Tourism, the B2B channel will begin to be developed, with the corporate sale to Banco Supervielle. As regards Tienda Supervielle, the travel section will expand to new customers through the Blanca Brand, and the product category will expand to sections such as apparel, supermarket, cars, among other, and will be integrated to Club Supervielle.

Microlending S.A.U (Mila)

Microlending S.A.U (Mila) is a Company devoted to originating car financing loans and was acquired by Grupo Supervielle on May 2, 2018.

In 2018 the Company originated pledge loans for a total of \$ 660 million from 6,948 transactions. That represented a year-on-year decrease of 17% in terms of capital and 29% in terms of transactions.

The abovementioned performance occurred in an economic environment featured by a strong reduction in the sale of cars, both new and second hand. In 2018 a total of 772,477 new cars (167,406 of which were financed through pledge loans) and 1,565,045 second hand cars (98,807 of which were financed through pledge loans) were sold in Argentina. As compared to 2017, the sale of new cars fell by 10% while the sale of second hand cars fell by 7%. The financing of new cars fell by 25% while the financing of pre owned cars fell by 22%.

Throughout the year MILA operated with five insurance companies, offering a wide array of products, and generated an income that represents about 20% of the total income of the Company.

The goal for 2019 is to expand the placement of transactions, and therefore an increase of the sales force of MILA in different regions of the country to achieve a greater capillarity to its network.

Besides, commercial actions will be strengthened to increase penetration in the car dealers channel (increased supply through the launching of loans with UVA interest rates).

Superviella Asset Management (SAM)

SAM offers mutual fund services designed to cover a broad range of possibilities in investment objectives and risk profiles. It manages the PREMIER family of funds.

The PREMIER family of funds consists of a Money Market Fund (Premier Renta CP in Pesos), three Argentina Short Term Fixed Income funds in Pesos (Premier Renta Plus, Premier Renta Fija Ahorro, Premier Capital), five Argentina Fixed Income and Mixed Income funds in Pesos (Premier Renta Fija Crecimiento, Premier Commodities, Premier Inversión, Premier Balanceado and Premier Renta Mixta), two Argentina Fixed Income funds in US dollars (Premier Renta Mixta in US Dollars and Premier Performance), a Variable Income fund (Premier Renta Variable), and an Investment Fund in SME securities (Premier FCI Abierto PyMEs).

Assets managed at the end of 2018 show a decrease of about 7% (in average as of December), similar to the results of the sector.

The Money Market fund showed an increase of 262%, mainly due to the investments of institutional customers, representing 40% of the managed funds in December 2018, as compared to 10% in December 2017.

The Argentina Short Term Fixed Income funds in pesos (t+1) fell by 57%, and its share on the total managed funds fell to 28% in December 2018, as compared to 61% in December 2017. As from May, due to the devaluation and the rise of interest rates, the yield became significantly volatile and corporate and individual customers began to redeem their funds. The funds managed showed a recovery as from the fourth quarter of the year, due to the stabilization of interest and exchange rates.

The Argentina Fixed and Mixed Income funds in US dollars recorded a 17% growth in terms of pesos. However, in terms of US dollars the funds recorded a 43% fall. The share on the total managed funds increased to 21% in December 2018 as compared to 17% in December 2017. In spite of the fact that during the last quarter the fall ceased, investments in this segment have not yet recovered.

The three product segments mentioned above concentrate 89% of the managed funds, and constitute the core business of SAM's Mutual Funds business.

As regards type of customer of the portfolio, corporate customers fell by 11%, institutional customers grew by 36% and individual customers fell by 60% in 2017. Thus, the customer base changed as compared to 2017, and at present corporate customers represent 49% (51% in December 2017), institutional customers represent 42% (29% in December 2017) and individual customers represent 9% (20% in December 2017).

Products are marketed through the channels of the Depositary Company, Banco Supervielle, representing 99,6% of managed assets, and External Placement Agents, which make up the remaining 0.4% of the managed assets.

Banco Supervielle places funds through the face-to-face channel of its Branch network, Centro Integral de Inversiones (call center) and mainly through the Home Banking online channel.

Transactions carried out by corporate customers through Home Banking reached 60% in December 2018, which rises to 87% if Retail Banking corporate customers are considered.

In December 2018, 95% of the transactions carried out by individual customers were through Home Banking.

In June 2013, SAM was ISO 9001 certified for meeting the requirements of the quality management system on "Design and development, marketing, management, administration and control of Mutual Funds." In October 2018, IRAM's review audit recertified SAM, updated to the IRAM ISO 9001:2015 standard.

In July 2018, the Centro Integral de Inversiones of Banco Supervielle started operations related to Mutual Funds transactions.

In December 2018 Premier mutual funds began to be marketed through the IOL platform under a Mutual Funds Distributor agreement.

The objectives for 2019 are based on the following pillars:

Launching of New Products:

Following the regulation of certain recently amended laws, new mutual funds will be developed for Qualified Investments, Pension Savings and Foreign Funds.

Commercial Policies:

More marketing and communication actions will be taken to increase the share of Premier Mutual Funds within the Mutual Funds Industry of Argentina.

The Premier Mutual Funds page will be renewed with a new look and feel and the incorporation of Investor's Profile and Investment Simulator.

Automatic Channels:

The update of the Home Banking channel platform for Banco Supervielle customers is scheduled for the second half of the year. A new version of the VFHome app, improved for customer experience, will be included.

InvertirOnLine

InvertirOnLine.com is a technological Company of the financial sector, which was created by the end of 2000 as a company that could seize the growth opportunity of the e-trading segment in a region where both the financial sector and the new technologies were lagging as compared to other more developed regions. The company's team work understood that the globalization process lies on three pillars: "democratization of information," through video cable networks, satellites, cell phones, Internet and the Access to information in general, "democratization of technology," due to computers and Internet, and "democratization of financial services" whereby everyone may have access to various financial services such as the Stock Exchanges.

Nowadays InvertirOnline.com (IOL) specializes in "Online Trading," its mission being the "Democratization of Financial Services," based on the following pillars: technology, innovation and scalability. Some of its competitive advantages are:

1. . More than 15 years of experience in the market
2. . Created and designed as a 100% online broker
3. . Wide array of services through a user friendly platform
4. . "1 to N" scalability
5. . Proprietary technology. Knowhow of the Fix protocol
6. . It is the most visited Investment and Finance website of Argentina
7. . Education platform to democratize brokerage services
8. . Leading position in the social media

Pursuant to Provision No. 2.392 of the Argentine Securities Commission, dated September 22, 2014, InvertirOnline S.A. was registered as a (non-distributor) Broker-Dealer [Agente de Liquidación y Compensación Propio] under number No. 273. Besides, pursuant to Provision No. 2.926 of said body, dated November 24, 2015, the Company was registered as Mutual Funds Distributor [Agente de Colocación y Distribución Integral de Fondos Comunes de Inversión] under No. 1.

As part of Grupo Supervielle the Company will be able to leverage its growth and take advantage of the synergy of the different businesses of Supervielle.

The 2019 projects include the development of products aimed both at sophisticated users, such as financial products operated in ROFEX, and at users who are not acquainted with financial products, such as primary and secondary offer of LECAPs, US dollar Treasury Bills, purchase and sale of foreign exchange, among other. Besides, early in 2019 it started to offer Access from the Argentine account to the main markets in the USA, such as NYSE Arca, NASDAQ, CBOE Edge, CBOE BATS, with a wide offer of products.

Superviella Seguros

In 2018 the Company incorporated the marketing of special multiple peril policies focused on the Entrepreneurs and SMEs segment.

The company is continuously offering new products to the different customer segments of Grupo Supervielle companies: high net worth individuals (Identité), senior citizens, Entrepreneurs and SMEs, customers of the Consumer Financing and Medium and Large companies segments. We will be developing different marketing channels.

Superviella Seguros S.A. focuses on the marketing of insurance policies, such as Personal Accidents, Protected Bag, Life, Home, Protected Content, Total Protection, Broken Bones and Protected Technology through the networks of Banco Supervielle S.A. and Cordial Compañía Financiera S.A, as well as on Credit Related and other insurance intended to meet the needs of their different channels and customers.

Though the current organizational structure remains flexible, focused on critical strategic and control duties, supporting the remaining processes with core areas of Grupo Supervielle S.A. and with the advice of independent specialists through the implementation of services agreements, the company began during this year with the survey of processes to determine the investments required in technology and infrastructure, with a view to optimizing its processing capacity.

Objectives for 2019

The objective of Supervielle Seguros for 2019 is to consolidate the company's current insurance business and the development of the business of Health and Unemployment Insurance, among other, focusing on the Entrepreneur and SMEs, medium and large companies, senior citizens and Consumer Financing segments. Additionally, an evaluation shall be performed of all those products that contribute to the provision of financial services and insurance to Grupo Supervielle's customers.

Superviella Seguros will continue implementing the defined information technology to optimize the commercial management and internal processes, implementing all the available technology for the digital transformation of the businesses.

Other Companies

Sofital

Sofital is mainly a holding company.

B.5. Information Technology and Operations

During 2018 the Corporate Technology and Operations Management of Banco Supervielle continued adapting its functional scheme to its strategy, in line with the business, and enhancing the existing capacity.

The area's strategic planning was updated, with a three-year scope, based on the following lines: business strategic plans (initiatives executed by IT in line with the Bank's strategies); the evolution of current technological capacities arising from improvement opportunities; and finally, the definition and execution of IT strategic plans, which correspond to technological strategic plans that pave the way for the evolution in areas such as technological infrastructure, applications, service operation, quality and governance.

The business' strategic projects were grouped in 5 programs: Cash Management, Digital Banking, Service Model, Senior Citizens, Commercial Platform and Efficiency. Within these programs the following projects were concluded: new functionalities for Collection, Direct Debit and Securities in custody for companies; renewal of the website with a new use experience accessing from any appliance, improving visibility and the offer of products and benefits offered by the Bank; the implementation of the online sale of account and credit card packages for individuals with digital experience, either through the sales force or self-management; migration of all corporate customers to the new platform, with an improved use experience and functionality; implementation of a new solution for queue management in service centers and installation of Cash Dispensers to improve the service to senior citizens.

As regards the evolution of IT capacities to guarantee an efficient operation model and the positioning of the area as enabler of Online Banking, the advances in Channel architecture, Commercial Platform and Integration are worth mentioning, as well as improvements in Project management and solution-building model through the adoption of agile and modern software technologies.

In line with specific IT projects, we can mention the reengineering of services offered by the integration layer, improvements in the core applications processing scheme and the advances to improve employees' productivity (better WiFi connection and renewal of desktops for notebooks, datacenter improvements (virtualization of low platform servers, data base migration, monitoring) and the adoption of cloud platforms.

Besides, a great advance was made in connection with the Information Security strategy, such as improvements in the cybersecurity infrastructure and a project to improve monitoring and electronic fraud prevention.

Centralized Operations

At the beginning of 2018 the Operations area of Banco Supervielle started a transformation process related to their work and service methodology through the implementation of the LEAN philosophy as pilot test in one of its teams. A dedicated space was prepared, the "LEAN Room," where training and team meetings are carried out. 22 employees from Retail and Corporate areas were trained in the LEAN philosophy and tools. The most significant processes of the pilot area were evaluated to identify problems, waste and improvement opportunities.

Work cells were designed, each in charge of one person, management indicators and visual panels were generated, and training plans on polyfunctionality were established to achieve the expected efficiency.

An initiative originated during the kaizen (continuous improvement) meetings was implemented, which consists in improving the customer experience by reducing the time of response in cases of dispute of charges for local purchases made with debit cards.

Work also started with other Operations teams, with the aim of achieving total implementation by 2020.

B.6. Digital Transformation

During 2018 Banco Supervielle created the Transformation Area, which includes the following areas: Digital Channels and Transformation, Innovation, Customer Experience and Processes, Strategic Projects, Management Control, Commercial Productivity and Data. Transformation encompasses organization-wide, customer-centric end to end digital processes. The focus on digital innovation enables the exploration of new businesses, processes and technologies to determine the vision of a bank of the future. It is focused on the Bank's efficiency and customer experience, by segment and channel, with the aim of redefining the organization. Continuous improvement of data governance facilitates the measurement of status and progress, and enables the acceleration of digitalization.

Transformation includes the use of new work methodologies, new technologies and a strong cultural change within the Organization. To meet the current needs new Agile technologies are adopted, where readiness to change and a prompt delivery of value are a competitive advantage. This results in more collaborative and autonomous work teams, with shorter and more efficient turnaround times.

In the Digital Channel areas, access to the new Online Corporate Banking was implemented gradually, taking the building and migration of functionalities to a new level. The launching was aimed at simplifying and accelerating process times, promoting self-management in the digital channel.

Access to Online Business was unified to the Individuals mobile app, the Bank thus becoming part of the group of Banks offering digital services from a mobile app. New modules were introduced for authorizations, balances and movements, face biometrics to access the application and other services, in addition to the analytic results module.

Through an evolutive process, improvements were introduced in check image capture to accelerate adoption and usability of the Checks application, a mobile app that enables check deposits through images.

Supervielle is the first Bank in Argentina that has been certified by GS1 Internacional (Certification on Electronic Document Exchange) for electronic data exchange. Through the iFactus channel customers may receive invoices in other standard formats, have access to new health and analytics monitors and to debt information, and collect payments using the payment button.

Face biometrics was implemented to access Individuals and Businesses Mobile Apps, in line with security parameters and control monitoring.

In order to improve the Customer Experience, the new Supervielle.com.ar website was created, following the concept of a modern customer experience in line with the best international practices, friendly in terms of use and maintenance, which facilitates access to information related to Banco Supervielle financial services both to customers and leads, with a view to attracting new customers in the platform. This new and modern UI represents a step towards an enhanced image and experience in all the bank's digital assets.

Improvements were made to facilitate access to information of financial products, in implementations within the online Individuals banking such as a new access design, foreign currency exchange with non-residents, online resetting of digital password through SMS, a new referral program for high income customers, unification of Club Supervielle loyalty program and making UVA fixed term deposits.

In line with the growth of UVA Mortgage Loans the www.hipotecarios.supervielle.com.ar website was launched, where those customers interested in these loans may make consultations, simulate instalments and prequalify in three simple steps, and digitally submit the required documents.

As regards Digital OnBoarding, a platform is under way to allow the digital acquisition of financial products. To that end a pilot was used as a model to redefine the experience and work on the design of a new tool during 2019, which will simplify the registration process of New Customers, with an end-to-end vision.

The Customer Experience management prioritizes the customer experience in every initiative and interaction. The aim is to consolidate the capacity to improve projects and processes across the organization. It also enables the unification of methodologies such as Design Thinking and the implementation on business solutions based on *customer journeys*.

In 2018 the active listening of customers was extended both to face-to-face and digital interactions, and relational studies were introduced to achieve an integral Net Promoter Standard. Through continuous improvement actions the average NPS of the branches was improved, and the good levels obtained in 2017 were maintained in the Service Centers. As regards business development the Mortgage Loan product was transformed, based on experience levers, achieving an excellent level of recommendation.

The Processes Management is in charge of the design of processes, measurement of operational performance and internal rules. Its mission is to execute the plans to achieve an efficient and dynamic operational model in line with business requirements. Together with the business and technology areas, these teams participated in more than 30 initiatives and several continuous improvement requirements. During 2018, the objective was process digitalization, with the focus on Origination, products such as Mortgage and Pledge Loans and tactic actions to improve efficiency.

During 2018, the Data Management developed the Data Governance model for the Bank. Some of its most important results include the definition of functional architecture, with specific governance areas, such as Users, Chief Data Officer, Technology, and other, the determination of Policies and Fora for data governance and the design of the Functional Model development roadmap.

During the second half of the year, the Governance Model was implemented and a large set of data was entrusted to the Chief Data Officer, defining the KPIs to determine the quality of governance data.

The Digital Innovation team, together with other areas, designed the first smart digital contracts based on Blockchain technology, which offer greater speed, flexibility and security when hiring services. Thus the Bank is the first entity to develop solutions based on this technology, which has led to a paradigmatic change with the elimination of intermediaries and the decentralization of management.

With the social media and shared security in full blossom, the Digital Innovation team is also trying to offer a simpler and more secure access both to customers and leads, including face and voice biometrics and remote document capture.

In short, the Transformation Management supports the Bank's digitalization and modernization process to increase efficiency and enhance customers service.

B.7. Digital Innovation Developments

In 2018 the BCRA's policy to promote innovation and entrepreneurship continued.

- In May 2018 the BCRA provided for the creation of a Uniform Virtual Code (CVU) which enables the identification and traceability of transfers from sight accounts when at least one of those accounts belongs to a payment services company. The objective of the CVU is to facilitate inter-operability among sight accounts and payment services, and its format is compatible with the Uniform Banking Code (CBU).

- The BCRA initiatives continue, such as the Financial Innovation Program (PIF) and Financial Innovation Desks, a public-private work space formed by experts from the Central Bank, Fintech companies, Banks, entrepreneurs and public and private entities, which aim is to develop tools and solutions to increase financial inclusion and payment infrastructure, technologies and cross cutting systems, alternative credit and savings channels and solutions through the use of Blockchain technology.

Within this context, Banco Supervielle and a group of 7 local capital Banks participated in Arfintech capitalization rounds and invested in investment, payment, insurance and cybersecurity companies. In 2018 Grupo Supervielle also launched an initiative to work in collaboration with fintech and insurtech companies through investment vehicles, with the objective of entering into associations with exponential companies that generate yields for the fund and synergies with certain Group's strategic areas. The aim is to create incremental business opportunities for the companies and the portfolio's businesses. Two capitalization rounds were completed this year by the Trust and investments were made in insurance brokerage companies and solutions for businesses.

C. Board of Directors, Structure and Internal Control

Board of Directors

As set forth in section nine of the Corporate Bylaws, Grupo Supervielle is run and managed by a Board of Directors that consists of three to nine members. The Shareholders' Meeting may also appoint the same number or less of alternate Directors.

At present, the Board of Directors is made up of eight members, with no alternate directors, all of whom reside in Argentina.

As of this date, the members of the Board of Directors are:

Chairman	Julio Patricio Supervielle
First Vice-Chairman	Jorge Oscar Ramírez
Second Vice-Chairman	Emérico Alejandro Stengel
Directors	Atilio Dell'Oro Maini Laurence Nicole Mengin de Loyer Jorge Mocetti Richard Gluzman María Gabriela Macagni

It is the Board's responsibility to promote and review the general business and risk policies and strategies and to control that measures are taken at management level to identify, monitor and mitigate the assumed risks.

It is the Board's duty to manage the Bank's businesses and approve general policies and strategies, in particular:

- the strategic or business plan, as well as management objectives and annual budget;
- investment and financing policy;
- Corporate Governance Code;
- corporate social responsibility policy;
- risk control and management policies and all other measures aimed at regularly monitoring internal data and control systems;
- on-going training programs for directors

The total amount paid or allocated to payment of fees to Directors of Grupo Supervielle S.A. or its subsidiaries amounted to \$124,727,802 in 2018, compared to \$73,152,978 in the prior fiscal year.

Statutory Audit Committee

The Statutory Audit Committee in charge of supervision of the Company is made up of three statutory auditors and three alternate statutory auditors.

Under the Argentine Companies Law, the duties and responsibilities of the Statutory Audit Committee are to supervise that the company's management of Grupo Supervielle S.A. is carried out according to law. Statutory auditors do not take part in the management and cannot hold managerial positions. They are in charge, among other, of the preparation of the yearly report on the financial statements for shareholders.

Statutory auditors are appointed by the Annual Shareholders' Meeting, for a term of one year, and may be re-elected. Alternate statutory auditors take office in case of temporary or permanent absence of statutory auditors.

As of this date, the Statutory Audit Committee is made up as follows:

Statutory Auditors	Enrique Barreiro Carlos Asato Valeria del Bono Lonardi
--------------------	--

Alternate Statutory Auditors	Carlos Lose Roberto Boggiano Carlos Ojeda
------------------------------	---

Corporate Governance

The Corporate Governance Code adopted by Grupo Supervielle seeks to reflect the best corporate governance practices based on stringent standards of full information, efficiency, control, ethics, investor protection, equal treatment of investors and corporate transparency, so as to create and preserve value for the Bank, its shareholders, customers, employees and the general public.

The Corporate Governance Code adheres to the guidelines of the Rules of the Argentine Securities Commission (CNV Rules). The Code also follows the guidelines of the Central Bank of Argentina, which are observed by its subsidiaries Banco Supervielle and Cordial Compañía Financiera.

Grupo Supervielle has also adopted a Code of Ethics that establishes the main guidelines of professional and labor conduct for all employees of the Bank and their suppliers.

C.1. Committees

Committees reporting to the Board of Directors

C.1.1. Audit Committee

By virtue of the Capital Markets Law (No. 26.831) GS must have an audit committee, which is in charge of assisting the Board in the supervision of financial statements and the control of compliance with the policies, processes, procedures and rules set forth by GS and its subsidiaries.

The Rules of the Audit Committee establish its specific duties:

- i. Supervise compliance, adjustment and effective operation of internal control systems to ensure reasonability, reliability, adequacy and consistency of the financial statements and the accounting or financial information of Grupo Supervielle and of the financial statements and information consolidated with its subsidiaries.
- ii. Supervise proper and timely compliance with applicable regulations on money laundering, conducts in securities markets, data protection and disclosure requirements made by competent authorities.
- iii. Ensure that the Code of Ethics and all the rules of conduct codes both internally and before securities markets, comply with the regulatory requirements and are appropriate for Grupo Supervielle.
- iv. Verify that the audit policies are complete and updated, and once approved submit them to the Board of Directors for consideration and approval.
- v. Become acquainted with the risks inherent in businesses of Grupo Supervielle (financial, reputation, legal and operative) and monitor compliance with the policies designed to mitigate those risks.
- vi. Evaluate the quality of internal processes with a view to improving the quality of customer service, risk control and efficiency of Grupo Supervielle's operations.
- vii. Ensure that the Board properly ratifies the decisions made by the Committees when required by corporate governance rules and supervise compliance with said policies.
- viii. Seek to maintain an adequate internal control in all its related companies, aimed at minimizing risks through the consolidation of good control practices generated from the experiences of each of said companies.

Additionally, the Audit Committee prepares an annual work plan which is submitted to the Board of Directors and the Statutory Audit Committee. The members of the Board, of the Statutory Audit Committee and the independent accountants must attend the meetings of the Audit Committee if so required, and provide full cooperation and information. The Audit Committee may retain experts and advisors to help them in their tasks and has unlimited access to all the information and documents of the Company.

The Audit Committee is made up of three directors who, during the fiscal year ended on December 31, 2018 acted as independent directors, pursuant to the provisions of the Argentine Securities Commission.

C.1.2. Anti-Money Laundering and Terrorist Financing Committee (AML and TF).

Grupo Supervielle has an Anti-Money Laundering and Terrorist Financing Committee, in charge of:

- i. Verifying compliance with current regulations on anti-money laundering and terrorist financing applicable directly and at subsidiary level, to ensure that Grupo Supervielle and its subsidiaries have an adequate compliance level in line with the best practices in the subject.
- ii. Becoming acquainted with amendments to applicable regulations, ensuring that the internal policies and procedures manuals are updated accordingly.
- iii. Verifying, and conducting surveys on, the best market practices on money laundering and terrorist financing prevention, promoting their application by Grupo Supervielle and its subsidiaries.
- iv. Ensuring due compliance with the duty of disclosure to the corresponding authorities.
- v. Carrying out all those duties established by the Financial Information Unit (UIF) and other provisions applicable thereto.

Additionally, the Anti-Money Laundering and Terrorist Financing Committee prepares an annual work plan which is submitted to the Board of Directors and the Statutory Audit Committee. The members of the Board, of the Statutory Audit Committee and the independent auditors must attend the meetings of the Audit Committee if so required, and provide full cooperation and

information. The Anti-Money Laundering and Terrorist Financing Committee may retain experts and advisors to help them in their tasks and has unlimited access to all the information and documents of the Company.

The Anti-Money Laundering and Terrorist Financing Committee is made up of two Directors (one of which acts as the Compliance Officer with the Financial Information Unit (UIF) and as Chairman of the Committee and another Director who acts as Alternate Compliance Officer and Reporting Member with due knowledge of Anti Money and Terrorist Financing Policies, who regularly submits to the Committee a report of the situation and relevant facts of each of the related companies.

C.1.3 Risks Committee

The Risks Committee's duties include:

- i. Deal at institutional level with strategies and policies applicable to the management of credit, market, interest rate, liquidity, operational risks and any other risks that may affect GS and its subsidiaries pursuant to the applicable regulations and best practices, verifying their proper implementation and enforcement. Submit to the Board of Directors, for approval, the strategy and policy documents on risk management. Validity of said documents must be reviewed on a yearly basis.
- ii. Define the risk appetite levels and tolerance of Grupo Supervielle at consolidated level and the global risk profile for approval by the Board of Directors.
- iii. Approve the threshold and limit structure for risk management as well as follow up on the corresponding indicators. This includes the standalone Risk Dashboard and Consolidated Risk Maps to control trading transactions of trading portfolios.
- iv. Regularly monitor the different risks of Grupo Supervielle and the application of strategies and policies defined for their management.
- v. Evaluate the capital adequacy ratio of Grupo Supervielle, analyzing the Annual Capital Self-Assessment Report (IAC) prior to submitting it to the Board of Directors for consideration and approval.
- vi. Define the policy and methodological framework for stress tests as part of the risk management of Grupo Supervielle. Approve the scenarios for individual and comprehensive stress tests for different risks; evaluate and discuss the results of stress tests and make recommendations on the contingency plans to be applied, using the results of the tests to consider the application or review of limits and submit all the results to the Board of Directors for approval.
- vii. Design effective information channels and systems to keep the Board of Directors duly informed about all risk management issues.
- viii. Approve the methodological framework and developments of quantitative models used for risk management and the internal methodological framework and internal models developed for the calculation of the economic capital of each of those risks.
- ix. Become acquainted with the information circulars and rules on risks issued by any regulatory agency applicable to any company of Grupo Supervielle, as well as the impact of the application of said information circulars and rules on the Bank's current operations.

The Risks Committee is made up of at least two Directors, the CEO, the CFO, the CRO, the Chief Credit Officer, the Credit Risk and Business Continuity Manager and the Financial Risk Manager.

C.1.4 Ethics, Compliance and Corporate Governance Committee

The Ethics, Compliance and Corporate Governance Committee is in charge of assisting the Board of Directors in the adoption of best corporate governance practices to maximize the growth capacity of GS and its subsidiaries and to prevent value destruction.

The Ethics, Compliance and Corporate Governance Committee's duties include:

- i. Prepare and submit to the Board of Directors for approval the Corporate Governance Program and the Ethics and Compliance Program that will be oriented to the gradual adoption of international ethics, compliance and corporate governance standards by GS S.A. and its subsidiaries.

- ii. Propose to the Board of Directors an annual agenda and schedule for the execution of the Corporate Governance and Ethics and Compliance Programs.
- iii. Define ethics and compliance policies and procedures.
- iv. Foster and supervise compliance with the Corporate Governance and Ethics and Compliance Programs and inform the Board of Directors of any deviation and make any recommendations as may be deemed convenient.
- v. Become acquainted with the information circulars and rules issued in particular by the Argentine Securities Commission, the Central Bank of Argentina, the Superintendence of Bodies Corporate and in general by any other supervisory body, as well as the impact of the application of said information circulars and rules on Grupo Supervielle's corporate governance practices.
- vi. Make recommendations to the Board of Directors regarding the gradual adoption of the provisions of General Resolution No. 516/2007 (as supplemented) of the Argentine Securities Commission on the Corporate Governance Code and the provisions of Communication "A" 5201 ("Guidelines for Corporate Governance of Financial Entities") of the Central Bank of Argentina (as supplemented).
- vii. Become acquainted with the recommendations of the Basel Committee and make recommendations to the Board of Directors for their gradual adoption.
- viii. Submit to the Board of Directors an Annual Compliance Report of the Corporate Governance objectives.
- ix. Review the results of the inspections conducted by the BCRA and other regulatory agencies and consider the independent auditors' qualifications on matters related to ethics, compliance and corporate governance.
- x. Inform the Board of Directors on a quarterly basis on the general status of the Corporate Governance and Ethics and Compliance Programs as well as on incidents and complaints.
- xi. Make proposals to the Board of Directors for possible changes to this Committee's Internal Rules so as to improve its goals and functions.
- xii. Make proposals to the Board of Directors for policies and procedures for the assessment and self-assessment of the members of the Board of Directors and of the Board of Directors' committees.
- xiii. Make recommendations to the Board of Directors regarding its composition.
- xiv. Define policies and guidelines regarding Grupo Supervielle's related parties.
- xv. Perform any such duties as are assigned to this Committee by the Board of Directors.

The Ethics, Compliance & Corporate Governance Committee shall be formed by at least three Directors, the CEO and the Compliance Officer.

C.1.5. Human Resources Committee

The Human Resources Committee is a body of Grupo Supervielle S.A. whose decisions also apply to its subsidiaries in charge of approving and overseeing the incentives systems, including those aligned with the risk appetite established by the Board, and variable compensation (bonuses, variable compensation, profit sharing), participating in the setting of fixed and variable compensation policies and in performance assessment systems.

The Human Resources Committee approves and monitors the compensation policies of Grupo Supervielle and its subsidiaries, and also cooperates in the design of compensation policies and performance assessment systems.

The duties of the Human Resources Committee include, among other:

- i. Submit to the Board of Directors proposals for appointment of directors of Grupo Supervielle and its subsidiaries and of the other officers as decided by the Board of Directors.
- ii. Submit to the Board of Directors proposals regarding directors compensation policies.
- iii. Prepare an annual report on directors compensation policies and submit its conclusions and recommendations to the consideration of the Board of Directors.
- iv. Gather information on regular assessments of the staff of Grupo Supervielle and its subsidiaries.
- v. Determine the mechanism used to search directors, either through an independent human resources agency or directly.
- vi. Approve the hiring of the services of independent human resources agencies.

The Human Resources Committee is made up of three Directors, and the Chief of Human Resources attends the meetings as Secretary.

C.1.6. Credit House Limit Committee

The Credit House Limit Committee is the highest authority in the credit risk decision-making structure of GS and companies under its direct and indirect control with respect to approval of credit limits in excess of their authority.

The Credit House Limit Committee has the following duties:

- i. Approve credit policies and limits of the companies under direct and indirect control of Grupo Supervielle.
- ii. Review and establish credit risk limits vis-a-vis customers and counterparts of the companies under direct and indirect control of GS proposed by the business platforms of said companies relating to facilities, term, guarantees, special conditions and environmental risks in connection with the financing of relevant investment projects.
- iii. Ratify the credit authority approved by the Board of Directors for each of the Credit Committees of the companies under direct and indirect control of Grupo Supervielle.
- iv. Oversee the performance of the Credit Committees of the companies under direct and indirect control of Grupo Supervielle.

It is made up of three Directors of Grupo Supervielle, the CEO of Grupo Supervielle, the CEO of Banco Supervielle, the Chief Credit Risk Officer of Banco Supervielle, the Head of Corporate Banking and/or the Head of Finance and/or the Head of Retail Banking of Banco Supervielle.

C.1.7. Information Disclosure Committee

The Information Disclosure Committee is a body of Grupo Supervielle S.A. whose decisions also apply to its subsidiaries.

The Information Disclosure Committee's duties include:

- i. Supervise the control and procedures system for information disclosure to ensure that (i) the information that must be disclosed to the public (either directly or through the regulatory agencies) is recorded, processed, summarized and disclosed accurately and timely.
- ii. Evaluate the effectiveness of disclosure controls and procedures and determine the need or convenience of making changes to said controls and procedures regarding the preparation of ensuing regular reports.
- iii. Review all the relevant information that must be submitted to the Argentine Securities Commission, Bolsas y Mercados Argentinos S.A., Buenos Aires Stock Exchange, Mercado Abierto Electrónico S.A., US Securities and Exchange Commission, NYSE, Central Bank of Argentina, Superintendence of Insurance of Argentina and other regulatory agencies in connection with: (i) mandatory regular reports, (ii) press releases with financial information, information on significant or material transactions, (iii) the disclosure of relevant facts, (iv) oral communications and written correspondence to shareholders and investors and (v) any other relevant information that must be disclosed.
- iv. Make proposals to the Board of Directors about the Investors Communication Policy, Confidentiality and Use of Privileged information and control compliance therewith.

The Information Disclosure Committee is made up of three Directors, the CEO, the CFO, the CRO, the Chief of Legal Affairs and AML, the Compliance Officer, the Head of Internal Audit, the Head of Accounting and Investor Relations Officer.

C.1.8. Fintech Investments Committee

The Fintech Investments Committee duties include analyzing and making decisions about the following:

- i. Analysis and approval of the company's participation in fintech endeavors, and related products and projects.
- ii. Proposal and execution of cost estimates and investments for each endeavor.
- iii. Follow up of the evolution of endeavors and projects.

The Fintech Investments Committee is made up of at least three directors.

C.2. Compensation Policy for the Board of Directors and Senior Management

The members of the Board of Directors and of the Statutory Audit Committee receive compensation for their performance pursuant to the provisions of the Argentine Companies Law and the rules of the Argentine Securities Commission.

The total compensation to Directors determined or approved by the Shareholders' Meeting held annually to deal with the items of Section 234 of the Argentine Companies Law, can in no event exceed the limits established by the CNV and by Section 261 of the Argentine Companies Law.

If the performance by any Director of technical and administrative tasks justifies payment of compensation in excess of the amounts established by the CNV, said payments may only be made if they are expressly agreed by the Shareholders' Meeting, to which end the matter must be included as an item of the Shareholders' Meeting Agenda.

The Human Resources Committee is in charge of approving all incentive systems and of determining fixed compensation policies and performance assessment systems for the Senior Management and the other members of the staff, excluded the members of the Board of Directors. The most relevant features of the system's design are:

Information relating to design and structure of compensation processes

The underlying concept of the structure compensation of Grupo Supervielle and its subsidiaries is to achieve an adequate balance between obtaining results and managing risks in general. The design of compensation processes aims at remunerating and recognizing employees' contribution in the achievement of individual, unit and company goals in an environment of healthy competition and merit and performance based payment, within a robust risk control framework.

Description of the measures which take into account current and future risks in compensation processes

The variable component of the compensation of Grupo Supervielle executive officers is determined taking into account the achievement of individual objectives, those of their business units and the goals of each company, as well as the achievement of specific goals aimed at keeping the different risks within the desired thresholds.

Some of the risks taken into account in the incentives plan include:

- a) Credit Risk: The objectives of the Credit and Commercial Officers of each company are to keep credit risk below desirable parameters, such as: (i) delinquency; (ii) % of non-performing portfolio (determined by the Board of Directors) over total portfolio, and (iii) loan loss provisions, among other.
- b) Strategic Risk: The objectives of the Chief Executive Officer and Head of Administration and Management Control of each company are to alert about any deviations from the main performance variables of the bank's finances vis-a-vis the annual plan, and to take measures to adjust said deviations.
- c) Market, Liquidity, Rate and Securitization Risk: The objectives of the Finance Officer of each company are to achieve profitability targets by implementing miscellaneous operations within a framework that ensures that the risks assumed are within those ranges accepted by the Bank and those permitted by the regulatory body.

Description of the method implemented by Grupo Supervielle and its subsidiaries to calculate performance-based compensation during the evaluation period.

The Management of each company has a variable remuneration scheme based on the achievement of individual objectives and those of the respective company. Individual objectives define a performance score that impacts on the calculation of compensation. Achievement of the objectives of the respective company is an indicator for increasing or reducing the variable incentive amount.

Description of the method implemented to adjust compensation taking into account long-term performance (including the deferral policy of Grupo Supervielle)

Grupo Supervielle has in place a deferred payment bonus with specific objectives, which is paid at the close of the third year as from its granting.

Description of the different types of variable compensation used by Grupo Supervielle and its subsidiaries and justification of same.

Variable compensation is only paid in cash, in the understanding that cash payment is the most direct and convenient way of compensation.

Managements Reporting to the Board of Directors

SOX Management

Given its condition of foreign issuer before the US Securities and Exchange Commission, Grupo Supervielle created the SOX Management, reporting directly to the CFO of Grupo Supervielle to ensure alignment with the criteria outlined in the "Internal Control Framework" issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO" Report) and meet the requirements of Sections 302, 404 and 906 of the Sarbanes Oxley Law (SOX). Its main activities during 2018 were:

- a) Definition of the annual scope of the SOX certification process, and generation of control matrices supporting said processes.
- b) Inclusion of the accounting and financial reporting processes of companies acquired by Grupo Supervielle during this year in the annual certification process.
- c) Monitoring of compliance with the execution of controls defined as key for each process.
- d) Advice for the continuous incorporation of the best internal control practices for the main processes of Grupo Supervielle (such as Loans, Accounting, Factoring, Checking Account, Insurance, etc.)
- e) Continuous training of Grupo Supervielle personnel, including the employees of companies acquired by Grupo Supervielle.
- f) Implementation of remediation actions in case of deviations detected by the internal or external audit.

Additionally, the Head of SOX certification of Grupo Supervielle was included as permanent guest in the Operational Risks Committee and the Internal Audit Committee.

At the end of 2018 no material control deficiencies had been reported that should be informed to the Internal Audit Committee and therefore that should be included in the accounting reports submitted to the SEC.

Compliance Management

During 2018, the Compliance Management, independent of the business and reporting directly to the Ethics, Compliance and Corporate Governance Committee of the Board of Directors, continued working on the implementation and supervision of the policies and procedures tending to the best market practices.

With a view to promoting an integration culture and to monitoring compliance with the Code of Ethics, the Compliance Management took over the management of the Ethics Line and of the Investigations area, in charge of managing alleged noncompliance reports made and applying penalties.

A program to guarantee the best practices in sales quality was launched by the management together with audit and customer experience and various training courses were carried out in such connection.

In November 2018, Grupo Supervielle received the “Transparency” Award from the Inter-American Council of Commerce and Production (IACCP) in alliance with the Buenos Aires Stock Exchange and Alliance for Integrity. The award was granted during the “Ser y Parecer” business meeting as part of 75th Anniversary of IACCP, and is an acknowledgment to the efforts to make a better country through the development of entrepreneurial awareness, equal opportunities, job generation, construction of a sustainable future and intelligent inclusion of Argentina in the global context.

The Compliance Management continues with the review and drafting of Policies and Procedures that guarantee transparency and the proper behavior by its employees, in line with the best market practices.

D. Risk Governance

As Grupo Supervielle started trading its capital stock in the capital markets, the Board of Directors defined a new Corporate Governance model to ensure the correct alignment of the management of the different business units with a control and risks environment according to international standards. Thus, at Grupo Supervielle, the Chief Risk Officer reports directly to the Board of Directors of Grupo Supervielle and of Banco Supervielle, so as to guarantee the separation of the business and risks managements.

The Chief Executive Officers of each of Grupo Supervielle’s companies, report to the CEO of Grupo Supervielle. The risk governance structure is completed with the board committees and senior management of the specific areas.

E. Negotiable Obligations Program

Negotiable Obligations – Grupo Supervielle

On September 22, 2010, Grupo Supervielle’s Shareholders’ General Meeting passed the adhesion to the public offering regime pursuant Law 17,811 and the creation of a Simple Negotiable Obligations Issuance Global Program, non-convertible into shares, which was passed by the National Securities Commission on November 11, 2010. Said negotiable obligations may be short, medium and/or long term, subordinated or not, with or without guarantee, in pesos, in US dollars or any other currency, for a maximum current amount that shall not exceed, at any time, 1,000 (one thousand million pesos) or its equivalent in any other currency, pursuant to the last amendment of the Program on May, 7, 2015.

Following its IPO and issuance of the new capital stock, Grupo Supervielle has cancelled the Negotiable Obligations on their respective due dates. As of December 31, 2018, Grupo Supervielle S.A. held the following series of negotiable obligations pursuant to their issuance terms:

Class	Date of Issuance	Currency	Amount (in thousands)	Rate	Due Date
Class XIII	01.31.2014	Ps.	23,100	BADLAR + 6.25%	01.31.2019

As of the date of this report, this issuance had been fully repaid on its maturity date.

F. Analysis of the Balance Sheet and Results

Consolidated Data

CONSOLIDATED BALANCE SHEET (in thousands of pesos)	As of December 31, 2018	As of December 31, 2017
Assets		
Cash on hand and cash in banks	33,687,553	11,097,803
Securities at fair value through profit or loss	15,112,115	11,404,286
Derivatives	15,924	26,916
Swaps	-	3,349,822
Other financial assets	1,715,534	1,614,444
Loans and other financing	78,791,903	60,444,044
Non financial public sector	32,802	32,607
Other financial entities	398,551	326,011
Non financial private sector and residents abroad	78,360,550	60,085,426
Other debt securities	4,311,095	359,197
Financial assets used as security	2,007,217	1,301,237
Investments in equity instruments	10,404	46,653
Property, plant and equipment	1,777,403	1,174,057
Investment property	412,822	198,371
Intangible assets	1,961,817	190,638
Assets for deferred income tax	519,231	489,175
Other non financial assets	728,068	403,111
Inventories	61,655	102,666
Non current assets for sale	2,800	-
Total Assets	141,115,541	92,202,420
Liabilities		
Deposits	94,906,014	56,408,685
Liabilities at fair value through profit or loss	268,086	-
Derivatives	94,222	-
Other financial liabilities	4,268,401	3,899,874
Financing received from the BCRA and other	8,033,222	3,524,267
Issued negotiable obligations	9,307,171	8,588,970
Liabilities for current income tax	192,999	692,711
Subordinated negotiable obligations	1,383,817	685,873
Provisions	86,915	80,163
Liabilities for deferred income tax	172	-
Other non financial liabilities	5,404,345	3,801,709
Total Liabilities	123,945,364	77,682,252
Shareholders' Equity	17,170,177	14,520,168
Shareholders' equity attributable to the owners of the controlling company	17,155,555	14,369,575
Shareholders' equity attributable to non controlling interests	14,622	150,593
Total Liabilities and Shareholders' Equity	141,115,541	92,202,420

Consolidated Comprehensive Income Statement (in thousands of pesos)	As of December 31, 2018	As of December 31, 2017
Interest income	25,416,468	13,909,161
Interest expense	(14,954,100)	(5,354,954)
Net Interest income	10,462,368	8,554,207
Fee income	5,121,990	3,862,625
Fee expense	(1,140,506)	(625,652)
Income from Insurance Activities	657,554	479,011
Net fee income	4,639,038	3,715,984
Subtotal	15,101,406	12,270,191
Net income (loss) from measurement of financial instruments at fair value through profit or loss	5,584,803	2,194,972
Difference in quotation of gold and foreign currency	835,758	250,758
Financial income and holding gains (losses)	6,420,561	14,715,921
Other operating income	1,852,306	1,325,483
Loan loss	(4,220,645)	(1,928,766)
Net operating income	19,153,628	14,112,638
Benefits to personnel	7,244,626	5,355,259
Administration expenses	4,599,163	3,365,971
Depreciations and impairment of assets	354,601	303,133
Other operating expenses	3,547,388	2,576,497
Operating income (loss)	3,407,850	2,511,778
Income before tax on business activities	3,407,850	2,511,778
Income tax	814,975	665,611
Net Income (loss) for the year	2,592,875	1,846,167
Net income (loss) for the year attributable to the owners of the controlling company	2,567,569	1,819,842
Net income (loss) for the year attributable to non controlling interests	25,306	26,325
Other comprehensive income (loss)	462,889	58,668
Other comprehensive income attributable to non controlling interests	462,413	58,587
Other comprehensive income attributable to non controlling interests	476	81
Comprehensive Income (loss) for the year	3,055,764	1,904,835
Comprehensive income for the year attributable to the owners of the controlling company	3,029,982	1,878,429
Comprehensive income for the year attributable to non controlling interests	25,782	26,406

Standalone Data

Standalone Comprehensive Income (loss) (in thousands of pesos)	2018	2017
As of December 31:		
Interest income	129,349	3,488
Interest expense	(9,794)	(9,288)
Net interest income	119,555	(5,800)
Net income (loss) from measurement of financial instruments at fair value through profit or loss	703,106	635,339
Difference in quotation of gold and foreign currency	(24,072)	3,041
Other operating income	158,626	95,467
Net operating income	957,215	728,047
Benefits to personnel	176,879	39,044
Administration expenses	95,841	86,190
Depreciation and impairment of assets	14,895	21
Other operating expense	10,264	32,578
Operating income (loss)	659,336	570,214
Income from subsidiaries, associated and joint businesses	2,098,545	1,249,991
Income before tax on continuing activities	2,757,882	1,820,205
Income tax on continuing activities	190,313	363
Net income (loss) for the year	2,567,569	1,819,842
Other comprehensive income (loss)	462,413	58,587
Comprehensive income (loss) for the year	3,029,982	1,878,429

Consolidated Cash Flow (in thousands of pesos)	As of December 31,	As of December 31,
	2018	2017
Cash flow from operating activities	17,498,333	(3,289,957)
Cash flow from investment activities	(4,023,496)	(714,614)
Cash flow from financing activities	5,681,098	13,431,796
Effect of exchange rate change	6,395,255	2,445,729
Total cash flow change	25,551,190	11,872,954

Net income (loss) for the year ended December 31, 2018 attributable to the owners of the controlling company amounted to Pesos 2,567.6 million, up from Pesos 747.7 million as compared to a net income (loss) of Pesos 1,819.8 million in 2017 as a result of an increase of Pesos 848.6 million in the income from investments in related entities (Banco Supervielle S.A. recorded a net profit of Pesos 1,588.7 million as compared to Pesos 715.2 million in 2017), together with a profit of Ps. 193.6 million in income from investments in government securities.

Income by Business

(in thousands of Pesos)

	31/12/2018	31/12/2017
Income from interests in Banco Supervielle S.A.	1,588,667	715,183
Income from interests in Cordial Compañía Financiera S.A.	(30,744)	5,554
Income from interests in Tarjeta Automática S.A.	(79,546)	10,452
Income from interests in Cordial Microfinanzas S.A.	-	1,355
Income from interests in Supervielle Asset Management S.A.	166,438	107,553
Income from interests in Espacio Cordial de Servicios S.A.	143,283	105,515
Income from interests in Supervielle Seguros S.A.	306,278	218,780
Income from interests in Sofital S.A.F. e I.I.	88,570	85,597
Income from interests in Micro Lending S.A.U.	(164,454)	-
Income from interests in InvertirOnline S.A.U. and InvertirOnline.Com Argentina S.A.U.	68,925	-

Income from interests in FF Fintech	11,128	-
	2,098,546	1,249,991

Administration expenses

The administration expenses of Grupo Supervielle S.A. as of December 31, 2018 and 2017 were:

Items <i>(in thousands of pesos)</i>	Total as of 12/31/2018	Total as of 12/31/2017
Banking expenses	-	-
Professional fees	2,147	309
Fees of directors and statutory auditors	44,657	14,455
Taxes, charges and contributions	12,408	25,418
Payroll expenses	18,219	38,075
Insurance	176,879	39,044
Office expenses and services	2,818	2,584
Office expenses and services	3,044	1,873
Other expenses	12,547	3,475
Total	272,719	125,234

Net income from measurement of financial instruments at fair value through profit or loss

Items <i>(in thousands of pesos)</i>	12/31/2018	12/31/2017
Interest from Time Deposits	17,447	28,319
Income from holding of government bonds	618,421	328,733
Income from holding of mutual funds	22,042	269,189
Income from Term Operations- Forwards	45,196	9,099
Total	703,106	635,339

Financial income (expense) and holding gains (losses) provided by assets mainly consist of revaluation of, and interest on, time deposits in Financial Instruments and income not allocated from temporary investments in liquidity funds.

Financial income (expense) and holding gains (losses) provided by liabilities basically consist of interest on negotiable obligations.

Other Income and Expense

On December 1, 2008 and on January 16, 2010, the Company and Banco Supervielle entered into a services contract whereby the Company undertakes to provide financial, strategic and commercial advisory services for the search and generation of new businesses and expansion of existing businesses.

In addition, Grupo Supervielle entered into similar agreements with Tarjeta Automática S.A., Supervielle Asset Management S.A. and Sofital S.A.F. e I.I., effective as from January 1, 2009, with Cordial Compañía Financiera S.A. effective as from August 1, 2011 and with Espacio Cordial de Servicios S.A. effective as from December 26, 2013. As of December 31, 2018 and 2017, the income for such advice amounted to Pesos 65,129 thousand and 53,987 thousand.

In 2013 Grupo Supervielle S.A. entered into agreements with Espacio Cordial de Servicios S.A. and Cordial Compañía Financiera S.A. to grant licenses to use certain brands on behalf of the Company with the intent to promote the marketing of goods and services provided by the aforementioned companies, which were amended on November 1, 2016. These agreements resulted in an income for the Company of Pesos 4,460 thousand and Pesos 5,713 thousand as of December 31, 2018 and 2017, respectively.

On May 26, 2014, Grupo Supervielle entered into an agreement for provision of call center services with CAT Technologies Argentina S.A. for an indefinite term. In addition, on March 31, 2017, it entered into an agreement with Ciudad Microfinanzas S.A. whereby it shall receive a consideration during a term of 12 months for the use of the Brand License. Based on such

agreements, Grupo Supervielle reported income as of December 31, 2018 and 2017 of Pesos 2,666 thousand and Pesos 3,206 thousand respectively.

Income Tax

As of December 31, 2018 the Company recorded an income tax charge of Pesos 190,313 on its taxable assets, mainly derived from financial income on the investment portfolio. Income from interests in other companies is not taken into account for determination of the taxable income (it is paid at company level) and dividends are exempt.

Regulatory Capital

The table below presents the consolidated minimum capital position of Banco Supervielle.

Consolidated Information	In millions of Pesos		Change	
	12/31/2018	12/31/2017	Amount	%
CAPITAL STOCK PAYMENT	12,199	10,066	2,133	21.2%
Tier 1 (a) Capital	(871)	(374)	(497)	133.0%
Deductible Items from Tier 1 (b) Capital	1,164	913	251	27.5%
Supplementary Shareholders' Equity (Tier 2 Capital)	12,492	10,605	1,887	17.8%
CAPITAL REQUIREMENT				
Requirement for Credit Risk	6,593	5,067	1,526	30.1%
Requirement for Operational Risk	1,539	1,049	490	46.7%
Requirement for Market Risk	302	121	181	149.4%
	8,434	6,237	2,197	35.2%
EXCESS CAPITAL	4,058	4,368	(310)	-7.1%
Basic Shareholders' Equity (a) - (b)	11,328	9,692	1,636	16.9%
RISK WEIGHTED ASSETS	103,021	76,113	26,908	35.4%

Grupo Supervielle's Pro forma consolidated Tier 1 capital ratio amounts to 12.9% as of December 31, 2018. This ratio includes \$927 million which the Company maintains as liquidity excess which could be applied to growth of its business and its subsidiaries and \$1,000 million as capital contribution to Banco Supervielle in November 2018. Said capitalization was approved by BCRA in January 2019.

Proposal for Profit Distribution

The profit for fiscal year 2018 amounted to \$2,567,568,851. In addition, through the adoption of the International Financial Reporting Standards as from 1/1/2018, adjustments were made to income/loss of prior years were made for \$(911,607,000) which resulted in net retained earnings of Pesos 1,655,961,851, which this Board of Directors proposes to distribute as follows:

- To cash dividends: \$303,000,000
- To Optional Reserve: \$1,352,961,851 for future investments.

If the above project is approved by the Shareholders' Meeting, Grupo Supervielle S.A.'s Shareholders' Equity would be as follows:

	<u>31.12.2018</u>
	<u>Thousands of Pesos</u>
Capital Stock	456,722
Additional Paid-in Capital	8,996,882
Statutory Reserve	91,344
Optional Reserve	6,708,810
Other Comprehensive Income	598,797
Retained Earnings	-
Total Shareholders' Equity	<u>16,852,555</u>

IV.-REPORT ON THE DEGREE OF COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

GRUPO SUPERVIELLE S.A.

Fiscal Year ended 12/31/2018

	Compliance		Non-compliance (1)	Inform (2) or Explain (3)
	Total(1)	Partial(1)		
<u>PRINCIPLE I. BRING TRANSPARENCY TO THE RELATIONSHIP BETWEEN THE ISSUER, THE ECONOMIC GROUP TO WHICH IT BELONGS AND/OR ITS RELATED PARTIES</u>				
Recommendation I.1: <i>Guarantee disclosure by the Management Body of policies applicable to the relationship of the Issuer with the economic group to which it belongs and /or its related parties.</i>	x			<p>The Policy of Operations with Related Parties of Grupo Supervielle defines the general guidelines for operations among its related parties, so that they are conducted in terms of transparency, equity and impartiality, are duly reported in the financial statements and executed following the best corporate governance practices, in line with the principles and institutional values, the Corporate Governance Code and other policies determined by the Board of Directors.</p> <p>Companies controlled by Grupo Supervielle comply with the disclosure provisions and requirements set forth in the regulations applicable to their activity.</p>
Recommendation I.2: Ensure the existence of preventive schemes for conflicts of interest.	x			<p>The Conflicts of Interest Policy of Grupo Supervielle S.A., also applicable to its controlled companies, is intended for all members of the Board of Directors, the Statutory Audit Committee, Senior Management and other employees under any kind of employment relationship (the “Persons Subject to the Policy”) and defines the reference framework for preventing and managing conflicts of interests to avoid or limit their negative impact on the interests of Grupo Supervielle S.A. and its subsidiaries.</p> <p>Conflict of interests arises when the personal interests of the Persons Subject to the Policy interfere or collide in any way with the Company’s interests.</p> <p>The main risk in case of a conflict of interests is that they may affect the decision making process or interfere so as to prevent an efficient and objective work. The Persons Subject to the Policy must act with honesty and ethics and in furtherance of the Company’s interests, avoiding situations that represent a real or potential conflict between their personal interests and those of the company.</p> <p>Section 5. 2.10 of the Corporate Governance Code establishes general guidelines on how to deal with conflicts of interests.</p>
Recommendation I.3: Prevent the improper use of privileged information	x			<p>The Policy of Communication with Investors, Confidentiality and Use of Privileged information is intended for all members of the Board, the Statutory</p>

				<p>Audit Committee, Senior Management and other employees under any kind of employment relationship of Grupo Supervielle S.A. and its subsidiaries, and establishes the procedures and guidelines relative to (i) daily treatment of confidential information; (ii) communication with all market players and (iii) restrictions to persons subject to the policy for trading securities of the Company and other issuers in which connection the persons subject to the policy may have access to material non public information.</p> <p>Section 5.2.9 of the Corporate Governance Code establishes the general guidelines on confidentiality and the use of privileged information.</p>
<u>PRINCIPLE II. ESTABLISH THE BASIS FOR A ROBUST ADMINISTRATION AND MONITORING OF THE ISSUER</u>				
<p>Recommendation II. 1: Ensure that the Management Body takes over the administration and monitoring of the Issuer and its strategic approach.</p> <p>State whether:</p>				
II.1.1 the Management Body approves:				
II.1.1.1 the strategic or business plan, as well as annual management and budget objectives.	x			<p>The Board of Directors is responsible for the strategic leadership of Grupo Supervielle.</p> <p>The Board of Directors is responsible for the management of Grupo Supervielle's businesses and approving the Company's general policies and strategies.</p> <p>In particular, the Board is in charge of approving: (i) the strategic or business plan as well as the annual management and budget objectives; (ii) the investment and financing policy; (iii) the Corporate Governance Code; (iv) the corporate social responsibility policy; (v) the risk control and management policies and any other related to the regular supervision of internal information and control systems and (vi) the development of ongoing training programs for directors and senior executives</p> <p>Section 5.2 of the Corporate Governance Code establishes the general guidelines for the Board of Directors.</p>
II.1.1.2 the policy of investments (in financial assets and capital goods) and financing	x			<p>It is the Board of Directors' responsibility to approve the investments and financing policy. (Section 5.2 (ii) of the Corporate Governance Code).</p>
II.1.1.3 the corporate governance policy (compliance with the Corporate Governance Code)	x			<p>The Company has a Corporate Governance Code approved by the Board of Directors in line with the Rules of the Argentine Securities Commission. The Board is responsible for the creation, dissemination and updating of the Corporate Governance Code (Section 5.2(iii) of the Corporate Governance Code).</p>
II.1.1.4 the policy of	x			<p>The Human Resources Committee is in</p>

selection, evaluation and compensation of senior managers.				charge, among other, of approving and monitoring the compensation policies and performance assessment systems of the Senior Management of Grupo Supervielle and its subsidiaries.
II.1.1.5 the policy of assignment of responsibilities to senior managers.	x			The assignment of responsibilities to senior managers is approved and monitored by the Human Resources Management, which is in charge of establishing the guidelines for that policy
II.1.1.6 the monitoring of succession plans for senior managers.	x			The Human Resources Committee is in charge of analyzing and proposing to the Board the assessment processes applicable to the Senior Management and to key personnel retention.
II.1.1.7 the corporate social responsibility policy.	x			<p>The Board of Directors of Grupo Supervielle approves the Corporate Social Responsibility Strategic Plan.</p> <p>The Company issues on a yearly basis the Sustainability Report of Grupo Supervielle, which includes information relative to its subsidiaries, in line with the guidelines and standards established by the Global Reporting Initiative (GRI).</p> <p>The report highlights the achievements and challenges of its permanent commitment to sustainability, describing the performance of the miscellaneous subsidiaries of Grupo Supervielle in the economic, social and environmental fields.</p>
II.1.1.8 the risk management and internal control policies, and fraud prevention policies.	x			<p>The Board of Directors is in charge of approving the risk management policy, the internal audit plan and the fraud prevention regulations.</p> <p>Pursuant to the provisions of Section 6.4 of its Corporate Governance Code, Grupo Supervielle has implemented the following processes: (i) approval of expenses, contracts and payments to ensure due authorization at the time an invoice is received and when it is paid by check or bank transfer; (ii) monthly budget control on all expenses incurred in the month and throughout the year, reviewing any deviation or unexpected expenses; (iii) control of financial transfers, with different levels of signature and the requirement of two signatures for transfers to third parties; (iv) periodic procedures to perform bank reconciliations, expense allocation and recording of accounting entries in the journal, to guarantee that there are no significant errors in the balance sheet; (v) quarterly issue of stand-alone and consolidated statements, subject to review by the independent auditor.</p> <p>The tasks related to information and internal control of each subsidiary are defined and implemented by each of them.</p> <p>The risk management and internal control and information systems of GS are supervised by the Audit Committee, which gathers and deals with the information submitted by the main subsidiaries.</p> <p>As explained below, the Risk Management Committee and the Audit Committee (made up of Directors and other officers of Grupo Supervielle)</p>

				specifically deal with the issues that are within their scope of action.
II.1.1.9 the policy of on-going training for members of the Management Body and senior managers. Describe the main aspects of these policies, if any.	x			<p>One of the duties of the Board of Directors of Grupo Supervielle is to approve the development of on-going training programs for directors and senior executives to update their knowledge and skills.</p> <p>Training policies serve to establish general guidelines to be implemented by employee training programs, in line with business objectives and the requirements of the position.</p> <p>The training plan is reviewed on an on-going basis, in order to meet business needs.</p> <p>Section 5.2.13 of the Corporate Governance Code establishes the general guidelines on this matter.</p>
II.1.2 If relevant, include other policies applied by the Management Body that have not been mentioned and describe the most significant features.				
II.1.3 The Issuer has in place a policy to ensure availability of relevant information for decision making by the Management Body and direct consultation by the management, so that all its members (executives, external and independent) have equal access to said information with sufficient anticipation to make an adequate analysis of its content. Explain.	x			<p>Grupo Supervielle has a body which defines in advance the matters that will be included in the agenda of the Board of Directors' Meetings. That body is made up of four directors of Grupo Supervielle (including the Chairman and the Secretary of the Board of Directors) and meets on a monthly basis.</p> <p>The Secretary of the Board of Directors delivers to the Senior Managers the agenda for the following Board of Directors.</p> <p>The presentations related to the items of the agenda of each Board meeting are made available to the members of the Board for consultation with due anticipation with regard to each meeting. The Secretary of the Board of Directors is in charge of distribution of information and documents required for each Board of Directors' meeting, and also assists the Chairman in the performance of their duties and oversees the development of the Board of Directors' meetings and the Shareholders' meetings.</p> <p>Section 5.2.6 of the Corporate Governance Code establishes the general guidelines on this matter.</p>
II.1.4 The matters submitted to the Management Body's consideration include a risk analysis of the decisions that may be made, taking into account the level of corporate risk defined as acceptable by the Issuer. Explain	x			<p>The matters submitted to the consideration of the Board of Directors include an analysis of the risks associated with the decisions that may be made, taking into account the level of corporate risk defined as acceptable by the Company.</p>
<p>Recommendation II.2: Ensure effective Business Management Control.</p> <p>State whether:</p> <p>The Management Body verifies:</p>				

II.2.1 compliance with the annual budget and business plan	x			<p><i>The Board of Directors approves and monitors compliance with the annual budget.</i></p> <p><i>Besides, as holding company, Grupo Supervielle approves the business plans of its subsidiaries and prepares the consolidated business plan, taking into account the objectives established, the situation of the business and the budgets presented.</i></p>
II.2.2 the performance of senior managers and whether they meet the goals (obtained profits as compared to expected profits, financial rating, quality of the accounting report, market share, etc.). Provide a description of the relevant aspects of the Issuer's Management Control Policy, describing techniques employed and monitoring frequency by the Management Body.	x			<p>The Board of Directors approves the annual budget prepared by the Management Control and, through the Management Committee, controls its compliance on a monthly basis. The approved budget contemplates objectives for Grupo Supervielle, and describes in detail the specific objectives of each subsidiary.</p> <p>The purpose of the monthly follow up by the Management Committee is to verify the business performance and the need of any corrections, so as to ensure that the objectives set out in the annual budget are duly met. It includes budget follow up, portfolio position, a detailed analysis of revenues, expenses, and other items for each of Grupo Supervielle companies and for Grupo Supervielle on a consolidated basis.</p> <p>Said analysis is based on a monthly report with the conclusions of the period on a consolidated basis for Grupo Supervielle and a monitor with key indicators, the general situation and the particular situation of each subsidiary.</p>
Recommendation II.3: Inform about the performance assessment process of the Management Body and its impact.				
II.3.1 Each member of the Management Body complies with the Company Bylaws and with the Rules that govern the operation of the Management Body. Describe the main guidelines of the Rules. Indicate the degree of compliance with the Bylaws and Rules.	x			<p>Grupo Supervielle's Directors comply with the duties and powers assigned to them by the Company Bylaws and the Corporate Governance Code.</p> <p>Pursuant to the provisions of said Code the Board of Directors is in charge of the business management and of approving the general policies and strategies of the Company.</p> <p>In particular, it is in charge of approving:</p> <p>(i) the strategic or business plan and the annual management objectives and budgets, (ii) the investment and financing policy; (iii) the Corporate Governance Code, (iv) the corporate social responsibility code; (v) the risk control and management policies and any other policy intended for the regular follow up of internal control and information systems and (vi) the development of ongoing training programs for directors and senior managers.</p> <p>Section 5.2 of the Corporate Governance Code establishes the general guidelines on</p>

				that matter.
II.3.2 The Management Body sets out its results taking into account the goals set at the beginning of the period, so that shareholders can assess the degree of compliance with these objectives, both financial and non-financial. In addition, the Management Body presents an analysis of the degree of compliance with the policies mentioned in Recommendation II, items II.1.1 and II.1.2.	x			Grupo Supervielle's shareholders assess the management and performance of the Board of Directors at the Annual Shareholders' Meeting, as set forth by section 234, paragraphs 1 and 2 of the Companies Law (No. 19.550), as amended and supplemented. In addition, the members of the Board of Directors regularly carry out self-assessments of their duties and performance, and also 360 degree assessments.
Recommendation II.4: That the number of external and independent members of the Management Body is significantly proportional.				
II.4.1 The number of external and independent executive members of the Management Body (the latter defined by the rules of this Committee) is in proportion to the Issuer's capital structure. Explain.	x			In line with the best corporate governance practices, Grupo Supervielle promotes the presence of a sufficient number of independent directors among its Board of Directors. During the year ended on December 31, 2018 four of the eight directors of Grupo Supervielle were independent, in compliance with the applicable rules of the Argentine Securities Commission during that period.
II.4.2 During the current year, at the Shareholders' Meeting it was agreed that at least 20% of the members of the Management Body shall be independent members.	x			The composition of the Board of Directors complies with the indicated proportion. The independence of the Directors has not been questioned and none of them had to refrain from acting due to conflicts of interest.
Recommendation II.5: Guarantee the implementation of standards and procedures for the selection and proposal of members of the Management Body and senior managers.				
II.5.1: The Issuer has in place an Appointments Committee	x			Pursuant to the Companies Law (No. 19.550), it is the duty of the Annual Shareholders' Meeting to appoint the members of the Board. The Human Resources Committee is in charge of assisting the Board of Directors in relation to the appointment, assessment and compensation Senior Officers.
II.5.1.1 made up of at least three members of the Management Body, most of them independent members	x			The Human Resources Committee is made up of four directors, two of which are independent. The Chief of Human Resources is the Secretary of the Committee.
II.5.1.2: chaired by an independent member of the Management Body			x	The Human Resources Committee is chaired by a non-independent Director. Its adequacy will be evaluated.

II.5.1.3 which has duly qualified members with expertise in human capital policies	x			The members of the Human Resources Committee are qualified and have expertise in the matter.
II.5.1.4 that meets at least twice a year.	x			As established in its Internal Rules, the Human Resources Committee meets at least every two months and/or as required to perform its duties. It also meets upon request by any of its members.
II.5.1.5 its decisions are not necessarily binding on the Shareholders' Meeting, but are of an advisory nature as regards the selection of the Members of the Management Body.	x			The proposals of the Human Resources Committee are not binding on the Shareholders' Meetings, but are of an advisory nature.
II.5.2 If there is an Appointments Committee, it				
II.5.2.1. verifies the annual review and evaluation of its rules and proposes changes to the Management Body for their approval.	x			The Human Resources Committee may review its Internal Rules and propose changes to the Board, as may be deemed necessary.
II.5.2.2 proposes the development of criteria (qualifications, experience, professional reputation and ethics, among other) for the selection of new members of the Management Body and senior managers.	x			The Human Resources Committee submits to the Board the criteria for selecting members of the members of Senior Management. It also supervises the induction process for new Directors and gives advice regarding compliance with applicable regulations on directors' independence.
II.5.2.3 identifies the candidates for the Management Body to be proposed by the Committee to the Shareholders' Meeting.	x			The Human Resources Committee gives advice to the Management Body for the search of new candidates to be appointed at the Shareholders' Meeting.
II.5.2.4 proposes members of the Management Body who are to take part in the different Committees of the Management Body, according to their professional record.	x			The Board of Directors of Grupo Supervielle is in charge of determining the composition of the Board Committees and their members.
II.5.2.5 recommends that the Chairman of the Board should not also hold the position of general manager of the Issuer.	x			The Chairman of the Board of Directors is not the Company's CEO.
II.5.2.6 ensures that the resumés of the members of the Management Body and senior managers are available on the Issuers web page, where their term of office is clearly stated (in the case of members of the	x			The professional records of all the members of the Board and Senior Management are included in the information that the Company publishes in the website and in the Financial Information System (Autopista de la Información Financiera) of the Argentine Securities Commission.

Management Body).				
II.5.2.7 verifies that there is a succession plan for the Management Body and senior managers.	x			<p>Directors are elected at the Shareholders' Meeting.</p> <p>The Human Resources Committee analyzes the Human Resources Strategic Plan and submits it to the Boards of Directors of its subsidiaries.</p> <p>It also submits to the Board of Directors the candidates for CEO, deputy CEO, and other officers as may be requested by the Board of Directors, and prepares succession plans.</p>
II.5.3 If considered relevant, include policies implemented by the Issuer's Appointments Committee not mentioned above.				
<p>Recommendation II.6: Evaluate the convenience of having other members of the Management Body and/or statutory audit committee and/or shareholders' supervisory committee perform duties in several Issuers.</p>	x			<p>In the performance of its duties, the Director is subject to the incompatibilities established by the applicable regulations, the Company Bylaws and the Corporate Governance Code and the Policy of Conflicts of Interest.</p> <p>Directors cannot fill, either directly or indirectly, positions in competing companies of Grupo Supervielle or its subsidiaries, nor render representation or advisory services to such companies, except with the prior approval of the Board of Directors.</p> <p>The Directors of Grupo Supervielle cannot hold management positions in its subsidiaries, except with the prior approval by the Board of Directors</p> <p>(Section 5.2.11 of the Corporate Governance Code)</p>
<p>Recommendation II.7: Ensure Training and Development of the members of the Management Body and senior managers of the Issuer.</p>				
II.7.1 The Issuer has in place ongoing Training Programs related to the Issuer's existing needs regarding the members of the Management Body and senior managers, which include matters related to their duties and responsibilities, corporate risk management, specific knowledge of the business and its regulations, corporate governance dynamics and corporate social responsibility, and in the case of the members of the Statutory	x			<p>Grupo Supervielle has in place ongoing training programs for Directors.</p> <p>In addition, the Corporate Human Resources Management designs and implements the training program for the Senior Management on a yearly basis, which includes specific training activities for Grupo Supervielle's subsidiaries.</p>

Audit Committee, international accounting standards, audit and internal control and specific capital markets regulations.				
II.7.2 The Issuer encourages, through other means not mentioned in II.7.1, members of the Management Body and senior managers to take ongoing training to enhance their education and add value to the Issuer. Indicate how this is done.	x			Besides the annual training program, Grupo Supervielle encourages ongoing training of the members of the Management Body and Senior Management, identifying opportunities for development within the country and abroad, for an update of regulatory aspects and current trends of the industry.
<u>PRINCIPLE III. GUARANTEE AN EFFECTIVE POLICY FOR THE IDENTIFICATION, MEASUREMENT, MANAGEMENT AND DISCLOSURE OF BUSINESS RISK.</u>				
Recommendation III: The Management Body must have in place a comprehensive corporate risk policy and monitor its correct implementation.				
III.1 The Issuer has in place policies for the comprehensive management of corporate risks (compliance with the strategic, operational, financial, accounting, legal and tax objectives, regulations and other). Describe their most relevant aspects.	x			Grupo Supervielle has a Corporate Risk Management responsible of defining and monitoring the general risk policies of its subsidiaries. The Management has a cross-cutting vision that encompasses all the subsidiaries, adapting the risk management in each of them in proportion to the nature and size of their business. In this line, Banco Supervielle and Cordial Compañía Financiera have specific units to deal with risk management matters, and Cordial Compañía Financiera delegates to Banco Supervielle certain tasks as part of the shared services program. Regarding the other subsidiaries of Grupo Supervielle, risk management duties are mainly delegated to Banco Supervielle or Cordial Compañía Financiera. In line with the provisions of Communication "A" 5203 and Communication "A" 5398 (Guidelines for Risk Management in Financial Entities) and the best practices on the matter, the Board approves the objectives, guidelines and risk policies and the global limits of exposure to risk. Likewise, the Board approves the methodologies to identify, measure, mitigate and monitor different types of risks. It is informed of the risk exposure assumed by the Bank and analyses and approves the annual capital self-assessment report, as well as the comprehensive stress test associated with the business plan.
III.2 There is a Risk Management Committee within the Management Body or CEO. Indicate if there are in place procedure manuals and detail the main risk factors that are specific to the Issuer or its activity and the mitigation actions implemented. In the	x			In line with the best corporate governance practices and with the recommendations of the Central Bank of Argentina in Communications "A" 5201 (Guidelines for Corporate Governance of Financial Entities) and "A" 5203 and 5398 (Guidelines for Risk Management in Financial Entities), Grupo Supervielle has in place the Risk Management Committee.

<p>absence of such a Committee, it will be appropriate to describe the oversight role played by the Audit Committee in reference to risk management.</p> <p>Also, explain the degree of interaction between the Management Body or its Committees with the Issuer's General Management on comprehensive corporate risks management.</p>			<p>Its duties are (among other): (i) Deal at institutional level with strategies and policies applicable to the management of credit risk, market risk, interest rate and liquidity, operational and other risks that may affect GS and its subsidiaries pursuant to the applicable regulations and best practices, verifying its proper implementation and enforcement. Submit to the Board of Directors, for approval, the strategy and policy documents on risk management. Validity of said documents must be reviewed on a yearly basis; (ii) define the risk appetite and tolerance levels of Grupo Supervielle at a consolidated level and also the global risk profile for approval by the Board of Directors; (iii) approve the threshold and limit structure for risk management as well as follow up on the corresponding indicators. This includes the Risk Dashboard and Risk Map consolidated and used for the control of trading transactions of the trading portfolios included in the map, (iv) regularly monitor the different risks of Grupo Supervielle and the application of strategies and policies defined for their management, (v) evaluate the capital adequacy ratio of Grupo Supervielle, analyzing the Annual Capital Self-Assessment Report (IAC) prior to submitting it to the Board of Directors for consideration and approval, (vi) define the policy and methodological framework for stress tests as part of the risk management of Grupo Supervielle. Approve the scenarios for individual and comprehensive stress tests for different risks; evaluate and discuss the results of stress tests and make recommendations on the contingency plans to be applied, using the results of the tests to consider the application or review of limits and submit all the results to the Board of Directors for approval, (vii) design effective information channels and systems to keep the Board of Directors duly informed about all risk management matters of Grupo Supervielle, (viii) approve the methodological framework and developments of quantitative models used for risk management and the internal methodological framework and models developed for the calculation of the economic capital of each of those risks; and (ix) become acquainted with the information circulars and rules on risks issued by any regulatory agency applicable to any of Grupo Supervielle's companies, as well as the impact of the application of said information circulars and rules on the current operations of Grupo Supervielle.</p> <p>Grupo Supervielle has in place a General Risk Management Policy to address the treatment of specific business risks and the actions for measurement, monitoring and mitigation thereof. The description of the risk management framework is set out in the notes to the financial statements.</p> <p>The composition of this Committee ensures not only fluid interaction between the members of the Board of Directors and the Chief Operating Officer (COO) of Grupo Supervielle and with the Senior</p>
---	--	--	---

				Management.
III.3 The Risk Management Officer or equivalent position has independent duties within the Issuer's General Management and is responsible for the implementation of risk management policies. Please specify.	x			The Risk Management is responsible for the identification, evaluation, monitoring, control and mitigation of the entity's risks. This unit reports directly to the Board of Directors of Grupo Supervielle, in line with the corporate governance guidelines recommended by the Basel Committee on Banking Supervision.
III.4 Risk management policies are regularly updated in accordance with expert recommendations and methodologies. Indicate which ones (Enterprise Risk Management, according to COSO -Committee of Sponsoring Organizations of the Treadway Commission, ISO 31000, IRAM 17551, section 404 of the Sarbanes-Oxley Act, and other).	x			Risk Management keeps its specific policies and procedures updated and submits for approval by the Board of Directors the strategy documents and risk management policies of the subsidiaries applying proportionality criteria according to the nature and size of their business. The methodologies used are those established by the current regulations of the Central Bank of Argentina and the best practices recommended by the Basel Committee on Banking Supervision. This documentation is reviewed on an annual basis to ensure its validity.
III.5 The Management Body reports on the results of risk management monitoring carried out jointly with the General Management in the financial statements and in the Annual Report. Explain the main items of these reports.	x			The Annual Report and the notes to the financial statements provide detailed information on the results, the methodologies used in the management of risks by the Company and their exposure. Likewise, Banco Supervielle publishes quarterly on a consolidated basis the Market Discipline document on its website http://www.supervielle.com.ar/Institucional/informacion-financiera . Said document contains qualitative and quantitative information on risk management, including data on composition and capital adequacy, exposure to credit, liquidity, market, interest rate, securitization and operational risks and information related to compensation and risk-aligned objectives.
<u>PRINCIPLE IV. SAFEGUARD THE INTEGRITY OF THE FINANCIAL INFORMATION THROUGH INDEPENDENT AUDITS</u>				
Recommendation IV: Guarantee the independence and transparency of the duties entrusted to the Audit Committee and to the Independent Auditor				
IV.1 The Management Body, on electing the members of the Audit Committee taking into account that most of them should be independent, assesses the convenience of it being chaired by an independent member.	x			The Audit Committee is made up of three Directors. During the fiscal year ended December 31, 2018, such directors were independent, pursuant to the rules of the Argentine Securities Commission. The Chairman of the Audit Committee is an Independent Director.
IV.2 There is an internal auditor that reports to the Audit Committee or to the Chairman of the Management Body and is	x			The tasks of the Internal Audit are carried out by a Corporate Internal Audit Management reporting to the Audit Committee. Its main duty is to establish, for Grupo

responsible for the evaluation of the internal control system.				Supervielle's companies, the general guidelines to be used for audit plans, for consistency of applicable work methodologies, to follow up on audit plans of the companies and evaluate the follow up on the most critical remarks that are still non-conforming. The Audit Committee conducts an annual assessment of the Internal Audit plans and performance through the analysis of its methodology and annual work plan, meetings and reports. Besides, it assesses the internal control of the company and its subsidiaries and the operation of the administrative-accounting system through the analysis of the reports prepared by Internal and External Audits, the Statutory Audit Committee and interviews and statements of officers of subsidiaries. The Audit Committee is in charge of an annual assessment of the management, operation, work plans, quality, independence and sufficiency of the Internal Audit. The Audit Committee approves the Annual Plan of Internal Audit.
IV.3 The members of the Audit Committee conduct an annual evaluation of the suitability, independence and performance of the Independent Auditors, appointed by the Shareholders Meeting.	x			The Audit Committee conducts an annual assessment of the independence, work plans and performance of the Independent Auditors. Said assessment is conducted through the analysis of the different services, reports, interviews, correspondence and the documents requested by the Committee. In compliance with the applicable provisions in each fiscal year the Audit Committee submits to the Argentine Securities commission a report on the Board of Directors' proposals for appointment of Independent Auditors.
IV.4 The Issuer has a policy related to the turnover of the members of the Statutory Audit Committee and / or the Independent Auditor; and in the case of independent auditors, whether turnover includes the audit firm or only the individuals.	x			Grupo Supervielle complies with the regulations on External Audit established by the CNV Rules. Besides, the Audit Committee evaluates on an annual basis the suitability, independence and performance of the independent auditor and the members of the audit team.
PRINCIPLE V. RESPECT SHAREHOLDER RIGHTS				
Recommendation V.1: Ensure that shareholders have access to information about the Issuer.				
V.1.1 The Management Body promotes regular briefings with shareholders, together with the presentation of the interim financial statements. Explain, and indicate the number and frequency of meetings held during the year.	x			Grupo Supervielle has appointed an Investor Relations Officer to act as liaison between shareholders and investors and Grupo Supervielle and to comply with the applicable regulatory requirements of the CNV. The Head of Investor Relations organizes regular conference calls with investors to submit the quarterly reports of results.
V.1.2 The Issuer has in place information channels for investors and a specialized area to deal with their queries. In	x			Grupo Supervielle publishes its financial statements in the Argentine Securities Commission, Bolsas y Mercados Argentinos S.A., Mercado Abierto Electrónico S.A. and the US Securities and Exchange Commission.

<p>addition, it has a website that can be accessed by shareholders and other investors, and facilitates an access channel so that they can establish contact with each other.</p> <p>Provide details.</p>				<p>The Company has a web site (http://www.gruposupervielle.com.ar) that may be accessed by shareholders and the general public.</p>
<p>Recommendation V.2: Promote the active participation of all shareholders.</p>				
<p>V.2.1 The Management Body adopts measures to encourage the participation of all shareholders in the General Shareholders Meetings. Explain and distinguish between the actions required by law and those voluntarily offered by the Issuer to its shareholders.</p>	x			<p>Grupo Supervielle meets the applicable legal provisions to promote attendance of all shareholders to the Annual Shareholders' Meetings. To that end, notices of Shareholders Meetings are published in the Official Gazette of Argentina, in another newspaper with wide circulation, Bolsas y Mercados Argentinos S.A., Mercado Electrónico Abierto S.A. and the US Securities and Exchange Commission.</p> <p>Grupo Supervielle has not taken other actions than those required by current regulations, to the extent that the shareholders' right to attend Shareholders' Meetings is assured, and provided they meet the statutory and by-law requirements to attend the meeting and are not barred from attending, participating and exercising their voting and other rights.</p>
<p>V.2.2 The Rules for Shareholders' Meeting ensure that all information is available in advance to shareholders for decision making. Describe the main guidelines.</p>	x			<p>Grupo Supervielle considers that the availability of information for decision-making at shareholders meetings is duly regulated by the Argentine Companies Law (No. 19.550), the Capital Markets Law (No. 26.831) and the Rules of the Argentine Securities Commission.</p>
<p>V.2.3 The methods implemented by the Issuer allow minority shareholders to propose items for discussion at the Shareholders Meeting in accordance with the provisions of applicable laws. Explain the results.</p>	x			<p>Grupo Supervielle is highly respectful of the rights of all its shareholders. For that reason, general meetings are convened and held in strict compliance with the procedures established by the Argentine Companies Law (No. 19.550), the Capital Markets Law (No. 26.831) and the rules of the Argentine Securities Commission, and of those exchanges or markets where its shares are listed as well as the provisions contained in the Company Bylaws.</p> <p>The procedure is regulated by this statutory and bylaw framework, so that minority shareholders can exercise their right to include items in the meetings' agenda.</p> <p>Likewise, Grupo Supervielle's shareholders' meetings may be supervised by oversight bodies to verify that meetings have been duly called and held.</p>
<p>V.2.4 The Issuer has policies to encourage the participation of major shareholders, such as institutional investors. Specify.</p>				<p>The calls are made to all shareholders without distinction and under the procedures established in the applicable rules.</p>
<p>V.2.5 At the Shareholders Meetings where</p>	x			<p>Acceptance of the provisions of the Company's Corporate Governance Code is a pre-requisite to the acceptance of the</p>

<p>candidates are proposed for the Management Body, the following information is provided prior to the vote: (i) the stance of each of the candidates regarding the adoption or not of a Corporate Governance Code; and (ii) the grounds for that stance.</p>			<p>position of Director.</p>
<p>Recommendation V.3: Guarantee the principle of equality between number of shares and votes.</p>	<p>x</p>		<p>Grupo Supervielle highlights the importance of the active participation of minority shareholders at the meetings, and it is committed to ensure enforcement of their rights. In that sense, there are no limitations to their participation or voting rights at the meetings.</p>
<p>Recommendation V.4: Establish methods to protect all shareholders against takeovers. Answer whether: The Issuer adheres to the mandatory tender offer scheme. If not, explain if there are in place alternate schemes in the Bylaws, such as tag along or others.</p>	<p>x</p>		<p>Grupo Supervielle adheres to the mandatory tender offer scheme established by Law No. 26.831 and the rules of the Argentine Securities Commission, as supplemented and amended.</p>
<p>Recommendation V.5: Increase the percentage of outstanding shares on capital stock. Answer whether: the Issuer's dispersion of shares is of at least 20% for its ordinary shares. If not, if the Issuer has a policy to increase market dispersion. Indicate the Issuer's percentage of the capital stock and how it changed over the last three years.</p>	<p>x</p>		<p>At present the capital stock of Grupo Supervielle S.A. amounts to \$456,722,322, made up of: (i) 126,738,188 registered non endorsable Class A shares of common stock of \$1 par value each entitled to 5 votes per share (27.75% of the capital stock) and (ii) 329,984,134 registered non endorsable Class B shares of common stock of \$1 par value each entitled to 1 vote per share (72.25% of the capital stock). Under applicable legal and bylaw provisions, each class or shares grants its holders the same rights. Class B shares are authorized for listing on Bolsas y Mercados Argentinos S.A., Mercado Abierto Electrónico S.A. and the New York Stock Exchange (through ADSs). During the last three years the capital stock of Grupo Supervielle has changed as follows: As of 12/31/2015 it amounted to \$248,970,528 made up of (i) 126,738,188 registered non endorsable Class A shares of common stock of \$1 par value each and entitled to 5 votes per share (50.9% of its capital stock); (ii) 119,032,340 registered non endorsable Class A shares of common stock of \$1 par value each and entitled to 1 vote per share (47.8% of its capital stock); and (iii) 3,200,000 preferred shares of 1\$ par value each not entitled to vote (1.2% of the capital stock). As of 12/31/2016 it amounted to \$363,777,615 made up of (i) 126,738,188 registered non endorsable Class A shares of common stock of \$1 par value each and entitled to 5 votes per share (34.84% of its capital stock); (ii) 237,039,427 registered non endorsable Class A shares of common stock of \$1 par value each and entitled to 1 vote per share (65.16% of its capital stock).</p>

				As of 12/31/2017 it amounted to \$456,722,322 made up of (i) 126,738,188 registered non endorsable Class A shares of common stock of \$1 par value each and entitled to 5 votes per share (27.75% of its capital stock); (ii) 329,984,134 registered non endorsable Class B shares of common stock of \$1 par value each and entitled to 1 vote per share (72.25% of its capital stock). This structure has not changed during the year under analysis.
Recommendation V.6: Ensure that the company has in place a transparent dividend policy.				

V.6.1 The Issuer has a dividend distribution policy established in the Company Bylaws and approved by the Shareholders' Meeting, in which the conditions for distributing cash or share dividends are established. If it is the same, indicate criteria, frequency and conditions that must be met for the payment of dividends.	x			<p>Section 5.1.3. of the Code of Corporate Governance sets forth that dividends be declared and paid annually provided that there are available legal funds, as determined by the Annual Shareholders' Meeting.</p> <p>The Board of Directors shall make a recommendation to our shareholders regarding the amount of dividends to be distributed. This recommendation will depend on a number of factors, including without limitation, our operating results, cash flows, financial condition, capital levels, legal, contract and regulatory requirements and investment and acquisition opportunities. As a general rule, the Board of Directors will recommend an efficient use of capital, i.e. the Board of Directors shall recommend reinvesting profits if there are organic or inorganic investment opportunities or distributing dividends in case of capital excess.</p> <p>The Board of Directors of Grupo Supervielle may also decide to pay interim dividends, in which case each of the Directors and the members of the Statutory Audit committee shall have unlimited and joint liability for payment of said dividends in case liquid realized profits at the end of the fiscal year in which said early dividends were paid are not enough to cover said payment. In accordance with the CNV Rules, cash dividends shall be paid to shareholders within 30 calendar days after approval of said distribution by the Shareholders' Meeting.</p> <p>In the case of share dividends, or in the case of share and cash dividends, shares and cash must be made available to shareholders within three months of the date of notice of authorization of the public offering of the shares to be distributed.</p> <p>Shareholders will be entitled to receive dividends and other distributions, if any. Dividends are distributed pro rata according to the number of shares of each shareholder. The right of the shareholders to claim payment of dividends lapses three years after the date on which they were made available to shareholders, and the amount not claimed within that timeframe is considered as extraordinary profit for the Issuer.</p>
V.6.2 The Issuer has	x			Under the Companies Law No. 19.550 of Argentina, the CNV Rules, as

<p>documented processes for the preparation of the proposal for allocation of its retained earnings to statutory or optional reserves, carryforward to the ensuing fiscal year and / or payment of dividends.</p> <p>Explain such processes and state which minutes of shareholders' meetings contains the approval or not of such distribution of (cash or share) dividends if not provided for in the corporate by-laws.</p>			<p>supplemented and amended, and the Bylaws of Grupo Supervielle, upon the closing of the financial year 5% of the profit for the year plus (minus) adjustments from prior years must be allocated to the statutory reserve until reaching 20% of the adjusted capital stock.</p> <p>Pursuant to the Bylaws of Grupo Supervielle, liquid realized profits at the end of the fiscal year are allocated as follows: (i) 5% to the statutory reserve fund until reaching 20% of the subscribed for capital stock, (ii) to payment of compensation of Directors and members of the Statutory Audit Committee, (iii) to payment of dividends on preferred shares, giving priority to unpaid cumulative dividends and (iv) the balance, in whole or in part, to an additional share of preferred shares and dividends on common shares or to optional reserve funds or to a new account or as may be determined by the Shareholders' Meeting.</p>
--	--	--	---

PRINCIPLE VI. MAINTAIN A DIRECT AND RESPONSIBLE RELATIONSHIP WITH THE COMMUNITY

<p>Recommendation VI: Disclose to the community those matters related to the Issuer and provide a communication channel with the company.</p>			
<p>VI.1 The Issuer has an updated website that may be freely accessed and that provides relevant company information (Company Bylaws, economic group, composition of the Management Body, financial statements, annual report, etc.), and also receives users' general queries.</p>	x		<p>Grupo Supervielle deals with the queries of shareholders through the area of the Investor Relations Officer, who acts as liaison with investors and shareholders. In addition, it has a free access website with relevant information about the Company (www.supervielle.com.ar).</p>
<p>VI.2 The Issuer publishes a Social and Environmental Responsibility Report on an annual basis, which is monitored by an independent Auditor. If applicable, indicate the scope of legal or geographic coverage of the report and where it may be found. Specify what standards or actions have been adopted to carry out its corporate social responsibility policy (Global Reporting Initiative and / or the United Nations Global Compact, ISO 26,000, SA8000, Millennium Development Goals, SGE 21-Ethical and Socially Responsible Management System – Foretica; AA 1000 Accountability Standards, Equator</p>	x		<p>Grupo Supervielle includes in the Sustainability Report an annual balance sheet of its activities in the area of corporate social responsibility. The Sustainability Report encompasses the following general contents: (i) Strategy and analysis; (ii) Organization profile; (iii) Material aspects and coverage; (iv) Stakeholder participation; (v) Governance; (vi) Ethics and integrity. In turn, the report includes specific contents focused on: (i) Economics; (ii) Environment; (iii) Human rights; (iv) Company; (v) Product liability and (vi) Human resources.</p> <p>The Sustainability Report is available on the website.</p>

Principles, among others).				
<u>PRINCIPLE VII. FAIR AND RESPONSIBLE COMPENSATION</u>				
Recommendation VII: Establish clear compensation policies for the members of the Management Body and senior managers, with special focus on statutory or other limitations based on the existence or non existence of profits.				
VII.1: The Issuer has a Compensation Committee:	x			Grupo Supervielle has in place a Human Resources Committee.
VII.1.1 made up of at least three members of the Management Body, most of them independent.	x			The Committee is made up of four directors. Two directors are independent. The Chief of Human Resources is the Secretary of the Committee.
VII.1.2: chaired by an independent member of the Management Body.			x	The Human Resources Committee is chaired by a non-independent Director. Its adequacy will be evaluated.
VII.1.3 has members who are qualified and have expertise in human resources policies	x			The members of the Human Resources Committee are qualified and have expertise in the matter.
VII.1.4 that meets at least twice a year	x			As established in its Internal Rules, the Human Resources Committee meets at least every two months and/or as required to comply with its duties. It also meets upon request by any of its members
VII.1.5 its decisions are not necessarily binding on the Shareholders' Meeting or the Shareholders' Supervisory Committee, but are of an advisory nature as regards the compensation of the Members of the Management Body.	x			The proposals of the Human Resources Committee are not binding on the Shareholders' Meetings, but are of an advisory nature.
VII.2 If there is a Compensation Committee, it:	x			
VII.2.1 ensures that there is a clear relationship between the performance of key personnel and their fixed and variable compensation, taking into account the risks assumed and management thereof.	x			The Human Resources Committee establishes the compensation policy for the subsidiaries of Grupo Supervielle. The Human Resources Committee recommends to the Board of Directors the policies, practices and incentives for the management of risks, capital and liquidity.
VII.2.2 supervises that the variable portion of the compensation of members of the Management Body and senior managers is linked to the medium and / or long-term performance of the Issuer.	x			The approves and monitors incentive systems, including those aligned with the risk appetite set by the Board, and variable compensation (bonus, variable compensation, profit sharing).
VII.2.3 reviews the competitive position of the Issuer's policies and	x			The Human Resources Committee makes proposals to the Board of Directors on the Human Resources Policies for the

practices regarding compensation and benefits of similar companies, and recommends changes, if necessary.				different Group companies. Accordingly, each Policy establishes guidelines for the review of the competitive position in terms of compensation and benefits.
VII.2.4 defines and communicates the policy of retention, promotion, termination and suspension of key personnel,	x			The Human Resources Policy establishes guidelines for the retention, promotion, termination and suspension of key personnel.
VII.2.5 reports on the guidelines for determining retirement plans for the members of the Management Body and senior managers of the Issuer,	x			The Human Resources Committee reports on the guidelines established in relation to retirement plans.
VII.2.6 regularly reports to the Management Body and to the Shareholders Meeting on the actions taken and the topics discussed at its meetings,	x			The Chairman of the Human Resources Committee regularly informs the Board of Directors about its actions and proposes the measures it considers appropriate within the scope of its duties.
VII.2.7 guarantees the presence of the Chairman of the Compensation Committee at the Shareholders' Meeting that approves compensation to the Management Body, to explain the Issuer's policy regarding compensation of the members of the Management Body and senior managers.	x			In Grupo Supervielle's opinion, it is considered a best practice for the Chairman of the Human Resources Committee to be present at the Shareholders' Meetings.
VII.3 If considered relevant, mention the policies applied by the Issuer's Compensation Committee that have not been mentioned above				
VII.4 If there is no Compensation Committee, explain how the duties described in VII. 2 are carried out within the Management Body.				
<u>PRINCIPLE VIII. PROMOTE BUSINESS ETHICS</u>				
Recommendation VIII: Guarantee ethical behavior in the Issuer.				
VIII.1 The Issuer has a Code of Business Conduct. Indicate main guidelines and if it is known by the general public. This Code is signed by at least the members of the Management Body and senior managers. Indicate whether its application is encouraged among suppliers and customers.	x			Grupo Supervielle has in place a Code of Ethics whose provisions apply to all employees at Grupo Supervielle and its subsidiaries, including their dependants, those persons under forward contracts, or performing their duties during a trial period, members of the Board of Directors, independent advisors, suppliers and any third party who, by reason of its relationship with Grupo Supervielle, may affect the reputation of the Company or of any of its entities and companies. The Code of Ethics must be signed by all employees, and it is published on the Company's intranet. Failure to comply with the Code of Ethics

				may lead to the application of disciplinary and legal sanctions and determine the termination of employment or contract of infringing employees. The guidelines established by the Code of Ethics take precedence over all orders coming from senior officers and are part of the set of rules and regulations in force.
VIII.2 The Issuer has in place methods to receive reports of any unlawful or unethical conduct, in person or electronically, ensuring that the information transmitted has high standards of confidentiality and integrity, such as the registration and preservation of information. Indicate if complaints are received and evaluated by the Issuer's staff or by external and independent professionals for greater protection of those reporting the breach.	x			Grupo Supervielle has an external outsourced Ethics Line available to employees, suppliers and customers for complaints through three alternative channels: a free telephone line, free e-mail or a Webpage. Anonymous reports on irregularities or improper behavior may be filed through any of these channels.
VIII.3 The Issuer has in place policies, procedures and systems for the management and resolution of complaints referred to in VIII.2. Describe the most relevant aspects thereof and indicate the degree of involvement of the Audit Committee in these resolutions, particularly in the case of complaints about internal control issues for accounting report and about the conduct of members of the Management Body and senior managers.	x			<p>The Ethics Line of Grupo Supervielle/Banco Supervielle is a communication channel that may be used to report irregularities or breaches of an internal rule, particularly the Code of Ethics and the Integrity Program for the Prevention of Corrupt Acts. The Ethics line guarantees confidentiality of the information reported, anonymity of reporting parties and the prohibition of retaliation and the right to defense of the reported party.</p> <p>During the year 2018, a total of 154 reports were made in connection with Grupo Supervielle and 98 in connection with Banco Supervielle. The 3 main reasons of the reports were: rudeness, customer complaints and irregularities.</p> <p>Complaints are received by an external supplier and referred to the Compliance Management.</p> <p>All complaints are analyzed and investigated jointly by the areas involved in the report. The Compliance Management issues a monthly report addressed to the President, CEOs, Chief of Human Resources, Audit and Legal Affairs. If so required, the case is referred to the Discipline Committee for the application of penalties.</p>
<u>PRINCIPLE IX: BROADEN THE SCOPE OF THE CODE</u>				
Recommendation IX: Encourage the inclusion of provisions that make for good governance practices in the Company Bylaws.				Considering that the relevant provisions of the Corporate Governance Code are already included in the Company Bylaws, and that all the applicable legal provisions provide a very complete regulatory framework, it is not deemed necessary to make other statutory provisions in this regard for the time being.

(1) Indicate with an X if applicable.

(2) In case of full compliance, report how the Issuer complies with the principles and recommendations of

the Corporate Governance Code.

⁽³⁾ In case of partial compliance or non-compliance, give the reason why and indicate what actions the Issuer's Management Body intends to take to include any pending provisions, if any, in the ensuing or subsequent fiscal years.

Then, the documents were analysed and after a brief exchange of opinions the Board unanimously resolved to approve the Annual Report, the Balance Sheet, the Income Statement, the Statement of Changes in Shareholders' Equity and the Statement of Cash Flows, and supplemental information, notes and the Informal Summary for the fiscal year ended on December 31, 2018.

In addition, the Report of the Statutory Audit Committee and the Auditors' Report to the Financial Statements were submitted to the Board of Directors.

2. Audit Committee

Upon motion made by the Chairman, the content of the minutes of meeting of the Audit Committee held on [] was submitted to the Board of Directors.

3. Next Meeting of the Board of Directors

The Chairman informed that the next meeting of the Board of Directors would be convened as and when set forth by the law.

There being no further business to transact, the meeting was adjourned at [hour].