

Translation

BOLSA MEXICANA DE VALORES, S.A.B. DE C.V.

TYCKER SYMBOL: HERDEZ

GRUPO HERDEZ, S.A.B. DE C.V.

BEST CORPORATE PRACTICES QUESTIONNAIRE

Shareholders' Meeting

6.1 Information and Agenda of the Shareholders' Meeting	
1. Are issues related to different subjects avoided in the "Agenda"? (Best Practice 1)	YES
2. Is the "Miscellaneous Affairs" item avoided in the "Agenda"? (Best Practice 1)	YES
3. Is the information regarding each point established in the "Agenda" available at least fifteen calendar days prior to the date of the Meeting? (Best Practice 2)	YES
4. Do shareholders have all necessary information available and possible voting alternatives over the matters of the "Agenda" for them to instruct their representatives on how to cast their corresponding votes on the day of the Meeting? (Best Practice 3)	NO
COMMENT: It is at implementation stage	
5. Within information provided to shareholders:	
a) Is the Board of Directors composition proposal included? (Best Practice 4)	YES
b) Is the professional profile of the candidates of the Board of Directors included with information enough to assess its category and, if appropriate, its independence? (Best Practice 4)	YES

6.2 Information and Communication between the Board of Directors and Shareholders.	
6. Does the Board of Directors in its "Annual Report to the Shareholders' Meeting" include relevant aspects of the work of the intermediate bodies or committees performing? (Best Practice 5):	
a) Audits***	YES
b) Evaluations and Compensation	YES
c) Finance and planning	YES
d) Corporate practices***	YES
e) Other (please, detail):	
7. Are the reports rendered by each intermediate body or committee provided to the Board of Directors available for shareholders along with the material for the shareholders' meeting, except for information which shall be kept confidential? (Best Practice 5)	YES
8. Does the "annual report" which was provided to the Shareholders' Meeting include the names of each of the members of the intermediate body? (Best Practice 5)	YES
9. Does the corporation have the necessary communication mechanisms to properly inform shareholders and investors of all general matters? (Best Practice 6). If so, please describe which ones and if the answer is no, explain the reason why.	YES
a) Description and/or Explanation	
<p>Preparation of quarterly earnings reports, Annual Report to shareholders, Annual Report and relevant events disclosure.</p> <p>All this information is published by means of the "Emisnet" system of BMV.</p> <p>Meetings at the request of the interested parties and participation at events with brokers, events with BMV.</p> <p>Physical delivery of financial reports and of social responsibility reports mainly to shareholders, potential shareholders, brokers and any other member of our interest groups that request such information.</p> <p>All these documents may be easily accessed by means of the web page of Grupo Herdez: www.grupoherdez.com.mx</p> <p>Also, there is a communication permanent channel with the Investors Relationship area by means of the following email invrel@herdez.com</p>	

Note: *** Compulsory function for corporation that trade their shares in the stock market, which may be performed along with other functions or in one single committee.

**BEST CORPORATE PRACTICES
 QUESTIONNAIRE**

Shareholders' Meeting

7.1 Functions of the Board of Directors.	
10. Does the Board of Directors carry out any of the following activities? (Best Practice 7)	
a) Defining the strategic vision	YES
b) Monitoring the operation of the corporation	YES
c) Approving management	YES
d) Appointing CEO and senior officers of the corporation	YES
e) Assessing and approving the performance of the CEO and of senior officers of the corporation	YES
f) Making sure that:	
i. Shareholders are equally treated	YES
ii. Shareholders' interests are protected	YES
iii. Shareholders are granted access to corporation's information	YES
g) Guarantying the creation of value for shareholders and of sustainability and time permanence of the corporation.	YES
h) Promoting:	
i. Responsible release of information	YES
ii. Responsible disclosure of information	YES
iii. Business ethical management	YES
i) Promoting: management transparency	YES
j) Promoting the establishment of internal control mechanisms	YES
k) Promoting the establishment of mechanisms to ensure the quality of information	YES
l) Establishing policies for transactions conducted with related parties	YES
m) Approving transactions conducted with related parties	YES
n) Making sure that there are established mechanisms for:	
i. Identifying risks	YES
ii. Analyzing risks	YES
iii. Managing risks	YES
iv. Controlling risks	YES
v. Properly disclosing risks	YES

BOLSA MEXICANA DE VALORES, S.A.B. DE C.V.

TYCKER SYMBOL: **HERDEZ**

GRUPO HERDEZ, S.A.B. DE C.V.

**BEST CORPORATE PRACTICES
QUESTIONNAIRE**

o) Promoting the establishment of a formal succession plan for:	
i. CEO	YES
ii. Senior officers	YES
p) Promoting that the corporation is socially responsible. The way(s) in which it is promoted that the corporation is socially responsible is (are):	
i. Actions with the community	YES
ii. Changes in mission and vision	YES
iii. Changes in business strategy	NO
iv. Consideration of third interested-parties	YES
v. Other:	
<p>Grupo Herdez supports and adheres to the United Nations Global Agreement, which is the greatest Social Responsibility initiative of the Globe.</p> <p>For the fifth consecutive year, Grupo Herdez received the Socially Responsible Corporation Award (ESR), granted by CEMEFI.</p> <p>Grupo Herdez has been included in the Sustainable Prices and Quotations Index sample since February 2013 (rating period was year 2012.)</p> <p>Relevant aspects:</p> <p>-Contributors: 93,000 training hours delivered. Implementation of the healthy diet plan and physical activation plan. By means of program so called "Compete," 100% of staff of institutional departments was trained. With workshop so called Herdez Leader, 439 contributors from five venues were trained to enforce effective leadership emphasizing dignified and fair treatment. 48% of our personnel are women. 700 employees took part in corporate voluntary work activities.</p> <p>-Community: Program so called "Knowledge about Nourishment" is operating in 7 states in Mexico and in 2012, it exceeded the goal consisting of 1 million hours of nutritional education, providing to more than 500,000 students, parents, and teachers nutritional guidance which will result in a better development and which will, thus, reduce little by little high malnutrition and overweight indexes of our country. 300 productive projects were installed and 24,000 nourishing packages were delivered in rural communities.</p> <p>Fundación Herdez promotes and disseminates Mexican cuisine among different population groups. In 2012, it organized 12 academic events, received 15,139 visitors at the museum and continued the donations program through which 3,654 product boxes were delivered to the victims of Chihuahua and Durango as well as 147,455 boxes and 18,438 products were delivered to 81 private assistance institutions which are monthly supported by means of Asociación Mexicana de Bancos de Alimentos.</p> <p>-Environment: Grupo Herdez conducts actions which aim to preserve and take care of the environment, creating a continuous improvement internal culture leading to sustainable development. In order to reduce carbon dioxide emissions coming from indirect sources, our electric power generation project, by means of renewable sources (wind power,) currently provides 2 work centers with power. There are no emissions which destroy the ozone layer in any of our operations. CO2 emissions generated are reported by means of program GEI México. Grupo Herdez governs its yellow fish tuna fishing activities under guidelines and resolutions issued at a meeting of the Inter-American Tropical Tuna commission and under guidelines of the Agreement about the International Program for Dolphin Preservation. Every year, training and awareness campaigns addressed to suppliers, contributors, and vessel staff regarding preservation of biodiversity and the efficient usage of natural resources. Environmental policy of the group governs all operations and comprises topics such as the comprehensive management of wastes, water and fuels consumption reduction program. There are 7 plants which have the Clean Industry certificate granted by PROFEPA.</p> <p>-For more information on Corporate Social Responsibility of GRUPO HERDEZ, please consult the Annual Report available at: www.grupoherdez.com.mx or at the web page www.vinculalarsegrupoherdez.com</p>	
q) Promoting that the corporation declares its business ethical principles. Way(s) in which ethical principles are promoted are:	
i. Ethics Code	YES
ii. Spreading and applying the Code internally and externally	YES
COMMENT: Periodical messages are sent to the internal corporate e-mail of all employees of Grupo Herdez to spread the Ethics Code.	
Internal communication campaigns where contributors express how they will put into practice corporate values are performed.	
iii. Mechanism for complaining about Code breaches	YES

BOLSA MEXICANA DE VALORES, S.A.B. DE C.V.

TYCKER SYMBOL: **HERDEZ**
GRUPO HERDEZ, S.A.B. DE C.V.

**BEST CORPORATE PRACTICES
QUESTIONNAIRE**

COMMENT: By means of mailboxes	
iv. Informant protection mechanism	YES
v. Others:	
r) Promoting that the corporation considers third-interested-parties when making decisions. Way(s) in which third interested parties are considered are:	
i. Responsible business conduction	YES
ii. Sustainability programs	YES
iii. Others:	
<p>There are several mechanisms by means of which Grupo Herdez makes sure to maintain communication and know and consider expectations of its interest groups such as: contributors, shareholders, consumers, community, suppliers and government.</p> <p>Line 01 800 CONFIANZA (trust) allows consumers to constantly provide feedback.</p> <p>Participation of Grupo Herdez with unions under the Federal Labor Act or as requested by the union.</p> <p>Healthy relationship with relevant government instances</p>	
s) Promoting the disclosure of Breaches to the Ethics Code and protection of informants. Way(s) in which disclosure of wrongful facts and informants protection are:	
i. Ethics Code spreading	YES
ii. Special telephone line and/or webpage	YES
<p>COMMENT: Compliance with the Ethics Code and Policies is monitored by an anonymous claims system by means of the line 01 800 2663 42692.</p> <p>There are boxes which receive claims and queries.</p>	
iii. ii. Others:	
t) Does it make sure that corporation complies with necessary mechanisms which allow proving that it complies with the various legal provisions applicable to it?	YES
11. CEO's activities and Board of Directors' activities are separated so that authority and responsibility lines are transparent.	YES

BOLSA MEXICANA DE VALORES, S.A.B. DE C.V.

TYCKER SYMBOL: **HERDEZ**
GRUPO HERDEZ, S.A.B. DE C.V.

**BEST CORPORATE PRACTICES
QUESTIONNAIRE**

7.2 Board of Directors Composition	
12. How many Proprietary Directors are appointed in the Board of Directors? (Best Practice 9, LMV)***	9
13. How many Alternate Directors are appointed in the Board of Directors? (Best Practice 10)	0
14. If there are any Alternate Directors, please indicate:	
a) If every Proprietary Director suggests who will be its respective Alternate Director. (Best Practice 10)	
b) If every Independent Proprietary Director has an Independent Alternate Director. (Best Practice 12)	
15. Has there been established a communication process between the Proprietary Director and its respective Alternate Director allowing effective participation? (Best Practice 10)	
16. Do Independent Directors deliver to the Chairman of the Meeting a Certification of Compliance with respect to the Independence requisites at the time they are appointed? (Best Practice 11)	YES
17. Do Independent Directors represent at least 25% of all Directors? (Best Practices 12)	YES
18. From the total of the members of the Board of Directors, how many are: (Best Practice 12)	
a) Independent Directors? (Directors complying with independence requisites)	6
b) Shareholder Directors (Shareholders which are not part of the management team, even when they belong to corporation's control group)	1
c) Independent Shareholder Directors (Shareholders which do not importantly influence and which do not have authority, and which are not linked to corporation's directors)	0
d) Related Directors (Which is only an officer)	0
e) Related Shareholder Directors (Shareholders who are Directors)	2
19. Do Independent and Shareholder Directors jointly constitute at least 60% of the Board of Directors? (Best Practice 13)	YES
20. Does the "Annual Report for the Shareholders Meeting" provided by the Board of Directors indicate the category of each Director? (Best Practice 14)	YES
21. Does the Annual Report provided by the Board of Director indicate: (Best Practice 14)	
a) The category of each Director?	YES
b) The professional activity of each Director?	YES

Note: *** Corporations that trade their shares in the stock market may have a maximum of 21 directors.

BOLSA MEXICANA DE VALORES, S.A.B. DE C.V.

TYCKER SYMBOL: **HERDEZ**
GRUPO HERDEZ, S.A.B. DE C.V.

**BEST CORPORATE PRACTICES
QUESTIONNAIRE**

7.3 Structure of the Board of Directors.	
In order to fulfill its purposes, the Board of Directors may create one or more committees to support it. Please indicate as a comment the body performing each function or, if appropriate, explain why any relevant function is not being performed. (Best Practice 15)	
22. In order to make informed decisions, indicate if the functions below are performed by the Board of Directors (Best Practices 16):	
a) Audit ***	YES
b) Evaluation and Compensation	YES
c) Finance and Planning	YES
d) Corporate Practices ***	YES
e) Other (Detail):	
23. Indicate which intermediate body conducts each function below:	
a) Audit ***	
Audit Committee	
b) Evaluation and Compensation	
Corporate Practices Committee	
c) Finance and Planning	
Corporate Practices Committee	
d) Corporate Practices ***	
Corporate Practices Committee	
e) Others (detail):	
RISKS.- Develop by the Audit Committee	
24. Are intermediate bodies only composed by Independent Proprietary Directors? (Best Practices 16)	YES
25. Each intermediate body comprises three members as a minimum and seven members as a maximum. How many directors integrate each intermediate body? (Best Practice 16)	4
COMMENT: The Audit Committee comprises 4 members, from which 100% are independent directors. The Corporate Practices Committee comprises 5 members; 3 of which are independent; i.e. 60% is independent.	
26. How often do these intermediate bodies report their activities to the Board of Directors? (Best Practice 16)	
a) Audit ***	Quarterly
b) Evaluation and Compensation	Quarterly
c) Finance and Planning	Quarterly
d) Corporate Practices	Quarterly
e) Others (detail):	
27. Does the chairman of every intermediate body invite to its meetings officers of the corporation whose responsibilities are related to the functions of the intermediate body? (Best Practice 16)	YES
28. Does each independent director take part in an intermediate body? (Best Practice 16)	YES
COMMENT: Only 1 director does not take part in an intermediate body.	
29. If the answer to the last question is no, explain the reason why.	
30. Is the intermediate body which is in charge of audits presided by an independent director having knowledge and experience related to accounting and financial issues? (Best Practice 16)	YES
31. If the answer to the last question is no, explain the reason why.	

Note: *** Compulsory function for Corporations that trade their shares in the stock market. Such function may be performed along with other functions or in a single committee.

BOLSA MEXICANA DE VALORES, S.A.B. DE C.V.

TYCKER SYMBOL: **HERDEZ**
GRUPO HERDEZ, S.A.B. DE C.V.

**BEST CORPORATE PRACTICES
QUESTIONNAIRE**

7.4 Operation of the Board of Directors	
32. How many meetings did the Board of directors hold during a year? (Best Practice 17)	4
33. If the answer to the last question is less than 4, explain the reason why:	
a) Information is not ready on time	
b) It is a habit	
c) It is not deemed important	
d) Others (detail):	
34. Are there any provisions through which by the agreement of 25% of the Directors or the Chairman of an intermediate body a meeting of a Board of Directors may be called? (Best Practice 18)	YES
35. If the answer to the previous question is yes, detail such provisions.	
<p>In Clause Twenty-Five of the Bylaws of the Corporation, it is stated that the Board of Directors shall meet at least 4 times during a corporate year, or whenever a meeting is called for such a purpose by the Chairman of the Board of Directors, by the Chairman of the Audit Committee, or by the person who presides the Corporate Practices Committee of the Corporation, by those directors which represent at least 25% of the Board of Directors of the Corporation and even by the Secretary who is not a Member of such body may call a meeting of the Board of Directors of the Corporation.</p> <p>Any of the authorized persons calling a meeting may add to the relevant Agenda the items it deems convenient and the calling shall be conducted by means of a written notice sent at least 5 calendar days prior to the relevant meeting, so that recipient receives such note at the domicile it has provided to the Corporation for such a purpose.</p>	
36. How many days in advance do board members may access relevant and necessary information to make decisions, in accordance with the agenda included in the calling? (Best Practice 19)	5
37. Is there any mechanism to ensure that the Directors can evaluate strategic matters requiring confidentiality even though they do not receive the necessary information at least five days prior to the meeting, as provided by the Code regarding issues which are not confidential? (Best Practice 19)	YES
38. If the answer to the last question is yes, choose which mechanisms?	
a) By telephone	
b) By e-mail	✓
c) By intranet	
d) By a printed document	✓
e) Other (detail):	
39. When directors are appointed for the first time, are they provided with information necessary to be aware of corporation's issues and to fulfill their new responsibility? (Best Practice 20)	YES

BOLSA MEXICANA DE VALORES, S.A.B. DE C.V.

TYCKER SYMBOL: HERDEZ

GRUPO HERDEZ, S.A.B. DE C.V.

**BEST CORPORATE PRACTICES
QUESTIONNAIRE**

7.5 Directors' Responsibilities	
40. Is each one of the members of the Board of Directors given the necessary information, in respect to their duties, responsibilities and authorities vested upon them for being a member of the Board of Directors of the corporation? (Best Practice 21)	YES
41. Do directors inform to Chairman and to the other members of the Board of Directors about any situation where there is or which may lead to a conflict of interest, abstaining to participate in the corresponding deliberation? (Best Practice 22)	YES
42. Do directors use assets or services of the corporation only to fulfill the corporate purpose? (Best Practice 22)	YES
43. If applicable, are there defined any clear policies allowing, in exceptional cases, the usage of such assets for personal issues? (Best practice 22)	NO
COMMENT: IT IS NOT APPLICABLE	
44. Do directors take the time and give necessary attention to their duties by attending at least to 70% of meetings called? (Best Practice 22)	YES
45. Is there any mechanism to ensure that directors keep complete confidentiality with regard to all information they receive as a result of their duties fulfillment and, specially, about their own involvement and about the involvement of other directors in decision making activities performed during the meetings of the Board of Directors? (Best Practice 22)	YES
46. If the answer to the last question is yes, explain the mechanism:	
a) Confidentiality agreement	✓
b) Exercise of their trustee duties	
c) Others (detail):	
47. Do proprietary directors and, if applicable, alternate directors keep themselves informed about issues discussed in the meetings of the Board of Directors they attend? (Best Practice 22)	YES
COMMENT: There are no Alternate Directors but Proprietary Directors constantly inform to one another such aspects.	
48. Do Proprietary Directors and, if applicable, their corresponding alternate directors support the Board of Directors with opinions and suggestions arising from an analysis about the performance of the corporation; so that adopted decisions are duly sustained? (Best Practice 22)	YES
49. Is there an assessment mechanism for the performance and compliance of responsibilities and duties of directors?	YES

**BEST CORPORATE PRACTICES
 QUESTIONNAIRE**

Audit Function

8.1 Generic Functions	
50. Does the intermediate body performing the audit function conduct the following functions? (Best Practice 23)	
a) Suggesting to the Board of Directors:	
i. Candidates for external auditors of the corporation	YES
ii. Hiring conditions	YES
iii. Scope of professional works	YES
b) Suggesting to the board of directors that additional services to external audit services are approved	YES
c) Supervising fulfillment of professional work of external auditors	YES
d) Assessing the performance of the legal entity providing external audit services	YES
e) Analyzing documents prepared or executed by the external auditor, such as:	
i. Opinions of experts	YES
ii. Opinions	YES
iii. Reports	YES
iv. Information	YES
f) Meeting at least once a year with the external auditor, without the attendance of corporation's officers	YES
g) Is the communication channel between the Board of Directors and the external auditors	YES
h) Ensures the independence and objectivity of the external auditors.	YES
i) Reviews:	
i. The work program	YES
ii. Observations letters	YES
iii. Internal audit reports	YES
j) Periodically meets with internal auditors, without the attendance of corporation's officers, to get to know:	
i. The Work Program	YES
ii. Comments and observations regarding the advancement of such officers' work	YES
iii. Others:	

BOLSA MEXICANA DE VALORES, S.A.B. DE C.V.

TYCKER SYMBOL: **HERDEZ**

GRUPO HERDEZ, S.A.B. DE C.V.

**BEST CORPORATE PRACTICES
QUESTIONNAIRE**

k)	Renders its opinion about policies and criteria used in the preparation of the financial information as well as the process for its release.	YES
l)	Contributes to the definition of the general internal control guidelines of the internal audit and evaluates such guidelines effectiveness.	YES
m)	Verifies the compliance with all mechanisms established for the control of the risks to which corporation is subject.	YES
n)	Coordinates the duties of the external and internal auditors and the Statutory Auditor.	YES
COMMENT: There is no Statutory Auditor in the Corporation		
o)	Verifies the existence of the necessary mechanisms to ensure that the corporation complies with all provisions to which the corporation it is subject.	YES
p)	How often does it make a review to inform the Board of Directors about the legal situation of the corporation?	Annually
q)	Contributes to the establishment of policies for the transactions conducted with related parties. ***	YES
r)	Analyzes and evaluates the transactions conducted with related parties in order to recommend its approval to the Board of Directors. ***	YES
s)	Decides the hiring of third party experts to render an opinion over the transactions made with related parties or over any other matter, therefore permitting the duly compliance of its duties. ***	YES
t)	Verifies compliance with the Business Ethics Code.	YES
u)	Verifies compliance of mechanisms for disclosure of unlawful deeds and the protection of informants.	YES
v)	Assists the Board of Directors in the analysis of contingency and information recovery plans.	YES

Note: *** Corporations that trade their shares in the stock market carry out these recommendations in function of Corporate Governance.

BOLSA MEXICANA DE VALORES, S.A.B. DE C.V.

TYCKER SYMBOL: HERDEZ

GRUPO HERDEZ, S.A.B. DE C.V.

**BEST CORPORATE PRACTICES
QUESTIONNAIRE**

8.2 Auditor Selection	
51. Does it avoid hiring firms whose fees received as payment of the external audit and other additional services rendered to the corporation represent more than 10% of the firm's total income? (Best Practice 24)	YES
52. Rotation:	
a) Is the partner audit the financial statements changed at least every 5 years? (Best Practice 25)	YES
b) Is the working team audit the financial statements changed at least every 5 years? (Best Practice 25)	YES
53. Is the person signing the audit report to the annual financial statements of the corporation other than the one serving as Statutory Auditor? (Best Practice 26) ***	YES
54. Is the profile of the Statutory Auditor disclosed in the annual report delivered by the Board of Directors to the Shareholders' Meeting? (Best Practice 27) ***	NO
COMMENT: It is not applicable. The Corporation does not have a Statutory Auditor.	

Note: ***For Stock market companies whose shares are quoted in the stock exchange this Practice does not apply

8.3 Financial Information	
55. Does the intermediate body performing the audit function assist the Board of Directors with an opinion so that the Board of Directors can take actions upon reliable financial information? (Best Practice 28)	YES
56. Is said financial information signed by: (Best Practice 28)	
a) CEO?	YES
b) Manager responsible for its preparation?	YES
57. Does the corporation have an internal audit area? (Best Practice 29)	YES
58. If the answer to the previous question is yes, indicate if general guidelines and work plans are approved by the board of directors (Best Practice 29)	YES
59. Does the intermediate body performing the audit function renders a previous opinion to the Board of Directors for the approval of any amendment to the accounting policies and criteria according to which the corporation's financial statements are prepared? (Best Practice 30)	YES
60. Does the intermediate body performing the audit function renders an opinion to the Board of Directors for the approval of any amendment to the accounting policies and criteria according to which the corporation's financial statements are prepared? (Best Practice 31)	YES
61. Does the Board of Directors approve, with the previous opinion of the committee performing audits, the mechanisms necessary to ensure the quality of financial information being provided to the Board of Directors? (Best Practice 32)	YES
62. In case that the financial information corresponds to the intermediate periods during the business year, does the committee performing the audit functions supervises that it is prepared with the same policies, criteria and practices with which the annual information is prepared? (Best Practice 32)	YES

BOLSA MEXICANA DE VALORES, S.A.B. DE C.V.

TYCKER SYMBOL: **HERDEZ**

GRUPO HERDEZ, S.A.B. DE C.V.

**BEST CORPORATE PRACTICES
QUESTIONNAIRE**

8.4 Internal Control	
63. Are the general internal control guidelines and, if appropriate, the reviews done to the same, submitted to the approval of the Board of Directors after obtaining the opinion of the intermediate body performing the audit function? (Best Practice 33)	YES
64. Is the Board of Directors supported to: (Best Practice):	
a) Ensure internal control efficacy?	YES
b) Ensure process to release financial information?	YES
65. Do internal and external auditors: (Best Practice 35)	
a) Evaluate internal control effectiveness according to the regular work program, as well as its process to issue financial information?	YES
b) Are the results indicated in the to-be-informed situation letter discussed with internal and external auditors?	YES

8.5 Related Parties	
66. Does the intermediate body in charge of the audit functions assist the Board of Directors in: (Best Practice 36) ***	
a) Establishing policies to carry out transaction with related parties?	YES
b) Analyzing the approval process to carry out transactions with related parties?	YES
c) Analyzing the hiring of conditions to carry out transactions with related parties?	YES
67. Does the intermediate body that is in charge of auditing function assist the Board of Directors to carry out transaction with related parties out of the normal course of business of the corporation? (Best Practice 37) ***	YES
COMMENT: The analysis of proposals for conducting transactions with related parties is conducted by the Corporate Practices Committee.	
68. Are transactions performed with related parties out of the normal course of business of the corporation representing more than 10% of the consolidated assets of the corporation submitted to approval of the Shareholders' Meeting? (Best Practice 37) ***	YES
COMMENT: No proposal of transactions performed with related parties outside the usual business line is allowed.	

Note: *** Corporations that trade their shares in the stock market carry out these recommendations in function of Corporate Governance.

BOLSA MEXICANA DE VALORES, S.A.B. DE C.V.

TYCKER SYMBOL: **HERDEZ**
GRUPO HERDEZ, S.A.B. DE C.V.

**BEST CORPORATE PRACTICES
 QUESTIONNAIRE**

8.6 Compliance review	
69. Does the intermediate body in charge of the audit function make sure of the existence of mechanisms that allow the corporation to determine if the corporation duly complies with the legal provisions applicable to it? (Best Practice 38)	YES
70. If the answer to the foregoing question is yes, select which mechanisms.	
a) Legal audit	✓
b) Reports of pending legal issues	✓
c) Others (detail):	
Tax Situation Report	
71. Is the legal situation of the corporation reviewed at least once a year and is such review informed to the Board of Directors? (Best Practice 38)	YES

Evaluation and Compensation Function

9.1 Generic Functions	
72. Does the intermediate body in charge of evaluation and compensation function present to the approval of the Board of Directors any of the following? (Best Practice 39)	
a) Criteria used to appoint or remove the CEO and other senior officers ***	YES
b) Criteria used to evaluate and compensate the CEO and other senior officers ***	YES
c) Criteria used to determine payments due to separation of the CEO and other senior officers	YES
d) Criteria used to compensate Board Members	YES
e) Proposal performed by CEO regarding the structure of and criteria for personal compensation	YES
f) Proposal to declare the corporation a socially responsible entity	YES
g) Business Ethics Code of the Corporation	YES
h) An information system for unlawful deeds and protection of informants	YES
i) Formal succession system for the CEO and senior officers and supervision of compliance	YES
73. Do the CEO and senior officers refrain from participating in the deliberation of matters regarding matters mentioned in question 72, a), b), and c), with the purpose of preventing a possible conflict of interest? (Best Practice 40)	YES

Note: *** Corporations that trade their shares in the stock market carry out these recommendations in function of Corporate Governance.

**BEST CORPORATE PRACTICES
QUESTIONNAIRE**

9.2 Operating Features

74. Are aspects related to the relevant duties, scope of duties and purposes as well as performance assessment considered to calculate the compensations of the CEO and other senior officers? (Best Practice 41)	YES
75. Are policies used and components of compensation packages of the CEO and other senior officers of the corporation disclosed in the annual report provided by the Board of Directors to the Shareholders' Meeting?	YES
76. Does the intermediate body in charge of evaluation and compensation assists the Board of Directors when reviewing the hiring conditions of the CEO and senior officers in order to ensure that severance payment conform to the guidelines approved by the Board of Directors? (Best Practice 43)	YES
77. With the purpose of ensuring a stable succession procedure, is there a formal plan of succession for the CEO and senior officers of the corporation? (Best Practice 44)	YES
78. If the answer to the foregoing question is no, explain the reason why or choose one of the following reasons:	
a) Corporation has been recently created	
b) Officers are young	
c) Officers have been recently hired	
d) This is not an important issue	
e) Others (detail):	

Finance and Planning Function

10.1 Generic Functions	
79. Does the intermediate body in charge of finance and planning perform the following activities? (Best Practice 45)	
a) Analyses and proposes corporation's strategic vision to the Board of Directors in order to ensure sustainability and time permanence	YES
b) Analyses and proposes general guidelines to determine and follow corporation's strategic plan	YES
c) Analyses and issues an opinion on investment and financing policies of the corporation proposed by CEO	YES
d) Issue an opinion on the annual budget premises and follows up on their application as well as their control system (Best Practice 49)	YES
e) Analyses and evaluates the mechanisms pertaining to CEO in order to identify, analyze, manage, and control risks to which corporation is subject (Best Practice 50)	YES
COMMENT: It is performed during Meetings of the Board of Directors	
f) Evaluates criteria provided by CEO to disclose risks to which corporation is subject (Best Practice 50)	YES
COMMENT: Risks are identified at Committees' meetings and a presentation on this regard is requested as well as measures to solve or minimize them are requested.	

10.2 Operational Features	
80. Does the intermediate body in charge of finance and planning assist the Board of Directors so that one of the Meetings is used to define or update corporation's long-term vision? (Best Practice 46)	YES
81. Does the intermediate body in charge of finance and planning assist the Board of Directors in reviewing the strategic plan provided by CEO for approval? (Best Practice 47)	YES
82. Does the intermediate body in charge of finance and planning assist the Board of Directors in analyzing the policies provided for approval by CEO regarding: (Best Practice 48)	
a) Treasury management?	YES
b) Derivative financial products	YES
c) Investment in assets	YES
d) Contracting liabilities	YES
83. Regarding the former item, does the intermediate body in charge of finance and planning function make sure that they follow the strategic plan and that they correspond to corporation's normal course of business? (Best Practice 48)	YES
84. Does CEO provide to the Board of Directors in every meeting with a report on the situation of every identified risk? (Best Practice 51)	YES