

Quito, May 22nd. 2014

CERTIFICATE

I hereby certify that the minutes of Board meeting of Banco Pichincha C.A., in May 20th. 2014, includes the following:

"Adoption of the Code of Corporate Governance of Banco Pichincha C.A.

The Board resolved to comply with the Banking Board Resolution No. JB-2011-2073 dated December 15, 2011, and subsequent amendments, the following:

To approve the Code of Corporate Governance of Banco Pichincha C.A. which has been prepared by the Corporate Governance Committee of the Bank, the text to this record is attached ".

I inform this particular point to be applied to the appropriate purposes.

Sincerely,

(in written, signature)

Simon Acosta Espinosa

SECRETARY OF THE BOARD

CODE OF CORPORATIVE GOVERNMENT

INDEX

CONTENT	PAGE
Preliminary Considerations	
Objective and Scope	
Policies and Processes for a Good Corporate Government	
Policies and Processes regarding the General Board of Directors and Shareholders	
Social Responsibility and Corporate Sustainability	
Interpretation, Approval and Modification	

CODE OF CORPORATIVE GOVERNMENT OF BANCO PICHINCHA C.A.

PRELIMINARY CONSIDERATIONS

Corporate Governance is a set of practices aimed at fostering relations between management and shareholders and creditors based on business transparency.

This document aims to support healthy practices, banking practice, constitutional and legislative guidelines, and the guidelines established by the different control bodies, to facilitate the achievement of the objectives of the institution.

Compliance with the standards established in this Code, ensure that the relationships, behaviors, acts and contracts continue in compliance with ethical, moral and legal principles that have characterized the Bank since its foundation and its institutional life.

CHAPTER I

OBJECTIVE AND SCOPE

Art. 1.- Objective and Scope.- Policies and processes established in the Code of Corporate Governance of Banco Pichincha CA, are aimed at providing the framework for the administration and management of the institution for the purpose of applying the principles of transparency that strengthen relations with shareholders, with board members, with customers, with the officials, employees, suppliers of goods and services and society in general.

Art. 2.- Enforceability.- The application of this Code of Corporate Governance will be mandatory for all levels of the Institution.

The Banco Pichincha C.A. management provides that the rules of this Code are well disseminated to directors, officers, employees, suppliers and customers of the subsidiaries, and are applied in relationships of the Financial Group.

Art. 3.- Implementation of new regulations for a Corporative Government.- According to the provisions of the Statute of the Bank, the Board is the body that sets the general operational policies of the Bank, under which other managers develop their action.

Therefore the Board is the competent body to issue, amend and repeal policies, processes, regulations and provisions relating to good corporate governance and to determine the structure of the Bank and delegate functions to guarantee an effective framework for ownership and management relations, transparency and accountability, in accordance with the Statute of the Bank.

The Board of the Bank will define and monitor corporate goals and business strategy.

CHAPTER II

POLICIES AND PROCESSES FOR A GOOD CORPORATE GOVERNMENT

Art. 4.- It will allow to implement the provisions of Statutes.- The composition, requirements, method of election, duration, appointment, qualification, possession, powers, duties, cessation of functions of the Board Members and Directors of the Bank, call, quorum, form of voting and resolutions taken by the Board are those specified in the Statute of the Bank, resolutions of the Superintendence of Banks and Insurance and the Organic Law of the Financial System.

Art. 5.- Rights and duties of the Board members and legal representatives of the Bank, subject to compliance with other legal and statutory, as follows:

Duty of Care.- Comply with the duties imposed by the laws and statutes in order to keep in mind the protection of the public interest;

Duty of Loyalty.- They shall act in good faith in the interests of Banco Pichincha C.A. with honesty and conscientiousness of third party business manager. They may select the name of the bank or their functions in it to execute transactions for their own account or people linked to them;

Duty of communication and treatment of conflicts of interest: They should communicate to the other members of the Board any conflict, direct or indirect, that might have against the general interest of Banco Pichincha C.A. If there is a conflict of interest of a subject that is submitted to the Board or committees in which the Director participates, he/she shall abstain from voting. With relevance to Conflict of Interest shall be observed in the Code of Ethics of Banco Pichincha C.A.

Duty of no- competence: They should communicate the ownership interest held by them in the capital of the entities of competition, as well as charges and functions exercised therein. This provision shall not apply to cases of economic or financial groups.

Duty of secrecy: In office and after leaving it, they must keep secret all confidential information data or background to know as a result of their functions in accordance with the laws;

Right to use assets: assets of the Bank may not be used for personal use, nor use their position to obtain a financial advantage; and,

Right to Information: For the proper performance of their duties may require information on any aspect of the Bank, examine the financial statements, records, documents, and contact those responsible for the different areas, except in the case of confidential information. Also provide information about the matters to be discussed at each meeting of the Board.

Art. 6.- Objectives, business strategy and control: The Board of the Bank will define and monitor corporate goals and business strategy.

The strategic framework made each period, should consider the risk limits of tolerance that the Bank will assume.

The Board will define the control levels in the organization and implement the policy for proper disclosure of internal control systems existing in the bank.

Art. 7.- Reports of the Board: In the annual report submitted by the Board to the General Meeting should include strategies, objectives, policies and risk limits of tolerance that the organization had taken or will take. These limits should refer to: concentration of deposits and loans, capital levels, quality of portfolio, quality of service, remuneration levels and cases brought before the Ethics Committee.

The report to the General Meeting of shareholders or institutional memory that will be delivered to each shareholder must include a section on accountability on the management and performance of their functions, which shall include the following:

1) Compliance with the strategic objectives of the Bank; implementation of the Policy of Access to information for shareholders, employees and users of financial services;

effectiveness of the control environment and the representative topics set out by the Bank's areas responsible for their evaluation, internal audit, external audit, the audit committee, comprehensive risk management committee and compliance committee;

2) Policy of Determination and Resolution of Conflicts of Interest to identify clearly the relations of the Bank or the entities of the financial group with other institutions in which shareholders and directors have significant influence;

3) Policy of Remuneration and evaluation of Board performance; and management;

4) Disclosure on transparency practices concerning users of financial services considering the following:

4.1. Compliance of transparency in reference to the information content prior to recruitment and hiring process for financial services;

4.2. Statistics of consultations and claims submitted by customers;

4.3. Definition of mechanisms of customer service self-assessment with accurately indicators of management and follow up of them; and,

4.4. Claims brought before the Superintendence of Banks and Insurance and its resolution.

5) Establish appropriate guidelines to follow up compliance with the Code of Ethics, analyze cases of default and determine sanctions to be applied; and,

6) Establish an appropriate executive succession plan, identify potential successors and predict their rating to provide continuity to the Bank's management.

Art. 8.- Corporative Control Bodies.- Government supervisory bodies that support the management of Good Corporate Governance are:

Committees of Banco Pichincha C.A.	
Name of Committee	Mission
Executive Committee	It is comprised by the Bank's President, the Deputy President, General Manager and up to three members of the Board. Its mission is to present the annual budget for next year to the Board, approving general instructions, appoint managers with legal representation and exercise powers delegated by the Board.
Management Committee	Monitor compliance with the tasks and responsibilities in coordination with the vice-presidencies. Take coordinated decisions.

Committee for Comprehensive Risk Management	Ensure the safety and soundness of the institution in the short, medium and long term.
Subcommittee for Operational Risk	Ensure proper control and management of operational risks identified in the Bank's priority processes and establish measures of coverage.
Audit Committee	Ensure optimal functioning of the internal control systems of the Bank for direct delegation of the Board of the institution.
Committee for Portfolio Qualification	Know on behalf of the Board of the institution, according to current regulations, the quarterly report of the Commission for qualification of risky assets and levels of provisions for estimated protection. Quarterly review the evolution and quality of risk assets of the Bank.
Committee for Risky Assets Qualification	Review and qualification of risk assets of the Bank and determine the level of provisions required for the protection of these assets, in compliance with current regulations.
Committee for Occupational Safety and Health	Maintain a healthy, safe, environmentally, friendly, socially responsible and high standards of quality service, in order to establish a comprehensive system of health, safety and environment through a continuous improvement of our operational and administrative processes.
Purchasing Committee	Approve projects, refurbishing projects, construction and procurement of goods and services required by the organization.
Committee for Physical Spaces	Refer to the option of buying goods that enhance physical development and promote real solutions to infrastructure at a national and international level where different operation fronts of the financial group work, meeting the needs and providing optimal and friendly atmosphere of their spaces.
Compliance Committee	Ensure the implementation of policies to prevent assets laundering.
Operational Coordination Committee	Determine the responsibility for the realization of losses of operations, as determined by the contract, attributed to Tatasolution Center S.A. or assumed by Banco Pichincha.
Technical Committee for Projects	Monitor the implementation of projects at different stages, in order to timely meet their needs to ensure its development according to the standards established between Banco Pichincha and Tatasolution Center S.A.
Technology and Projects Committee	Approve the technology plan. Ensure compliance of projects at different stages to timely meet their needs and ensure their development in accordance with the standards established by the Bank in time, cost and quality. Approve new technology investments based on the Bank's needs.

Corporate Governance and Sustainability Competition Committee	Perform all actions of analysis and research and give necessary recommendations for decision-making by the Bank's management, in order to comply with the rules on good corporate governance; the rules of Regulation and Control of Market Power; and the organization of sustainable management model, aligned to Dow Jones Sustainability Index, and management and mitigation of reputational risks.
Legal Committee	Ensure proper legal advice and implementation of the legal framework, through timely and preventive analysis in order to minimize legal risks to the Bank and its officials.
Ethics Committee	Establish the content of the code of ethics with the performance of those who make up the organization, avoiding vices and conflicts of interest. Determine penalties for breaches.
Remuneration Committee	Propose to the General Board the policy on which the scale of remuneration and compensation of executives and board members will be built and monitor its compliance.

Each committee is governed by policies approved by the Board, within their respective competences processes. Areas and officials of the Bank, in each case, are responsible for their development.

CHAPTER III

POLICIES AND PROCEDURES RELATED TO THE GENERAL MEETING OF SHAREHOLDERS

Art. 9.- General Provisions on the General Meeting of Shareholders: publication, quorum, voting form, postponement, conformation and resolutions taken by the General Meeting of Shareholders will be as stated in the Statute of the Bank, resolutions of the Superintendence of Banks and Insurance, Law of Companies, Organic Law on Financial Institutions and other relevant legislation.

Art. 10.- Right of access to shareholder information: The call shall be sent by the press according to the statutes, the form and the place where the required documentation according to the distribution indicated in this call are made available to shareholders and the documents and information to be provided to shareholders in relation to the various items on the agenda, besides which the Bank considers relevant will be indicated in addition to.

During the Annual General Meeting, shareholders may verbally request information or clarifications they consider appropriate regarding the matters on the agenda. The exercise of this right will be administered during the development of the General Meeting by the Chairman of the Meeting.

Art. 11. Participation of shareholders: After starting the session of the General Meeting, the Secretary shall read the points on the agenda and the President shall invite the shareholders who wish to participate in the General Meeting in order to apply information and clarification concerning the points of the agenda, prior indication of their identity and the number of shares they own or, if necessary, represent.

Once available the number of shareholders who wish to speak, the President shall order the speaking time of each one, with a reasonable duration to be determined at that time, taking into consideration the number of participants.

The President, under the terms established by Law, provides the requested information or clarifications, either personally or through any official, expert or advisor to the Bank.

In order to increase the participation of shareholders in the deliberations of the issues presented to the General Meeting, the Bank through its financial education programs will conduct training aimed towards promoting awareness of the shareholders within the financial sector.

Art 12. Information provided to shareholders: Each shareholder or his/her delegate to the General Meeting, will be given the same institutional memory containing at least two of the following:

1) Financial Coordination of the Bank, where the financial situation of the institutions that make up the financial group, the consolidated financial position of the group, significant relationships, and the existence of significant influence in other entities related to the ownership or management will be incorporated ;

2) Level of risk assumed by the Bank wherein appear the revelation and exhibitions of different risks, (map of institutional risk in which the different risks are evidenced, but especially credit, market, liquidity and OS risks) and control actions recommended to minimize such positions.

- 3) Annual review of the audit committee of the Bank on the adequacy of existing internal control systems and the proper application of risk management,
- 4) Application of Transparency Policy for the users of financial services and statistics of complaints and inquiries made by customers, those resolved by the Bank or those that the control body has taken control body has taken note.
- 5) The guidelines and application of the Code of Ethics and current policies to mitigate conflicts of interest, in addition to the cases submitted to the Committee and its resolution,
- 6) The guidelines and application of the remuneration policy and incentives to executives and board members; and,
- 7) Information on compliance with the provisions of assets laundering.

This institutional memory will be available to shareholders who have not attended the General Meeting at the Secretariat of the Bank.

Art. 13.- Confidentiality of Information: Shareholders must maintain the secrecy of confidential information, data or records to which have access or know accordance with legal provisions. This duty of secrecy also must keep after having ceased to be shareholders of the Bank.

Art. 14.- Conflicts of Interest - Information: Shareholders must notify the Bank's management any conflict, direct or indirect, that may have against the general interest of Banco Pichincha C.A.

With relevance to Conflict of Interest, it shall be observed in the Code of Ethics of Banco Pichincha C.A.

CHAPTER IV

RESPONSIBILITY AND CORPORATE IDENTITY

Art. 15.- Responsibility and Corporate Identity: The Bank contributes to the development of the country and to improve the quality of life of society, channeling resources towards productive activities, banking promotion, investment, savings, financial education and employment with a business approach that creates value for its stakeholders.

The Bank is mainly aimed at the following:

- 1) Promote the principles and values of the organization.
- 2) Promote the development of human talent.
- 3) Create added value and differentiating value to business strategies through the adoption of good sustainability practices.
- 4) Encourage the model of financial education to improve financial decisions and the quality of life of the population.
- 5) Promote the culture of environmental protection; and,
- 6) Encourage management system reputational risk and prestige of the brand.

CHAPTER V

INTERPRETING, ADOPTION AND AMENDMENT

Art. 16.- Interpretation: The Board shall decide on any doubts arising from the interpretation and application of this Code, in compliance with the legal and statutory provisions.

All laws, statutes, policies and manuals of the Bank, shall be incorporated herein.

Art. 17. Approval and amendment: The Board is the only competent body to approve the regulation or make changes to it.