

COMPANY NAME: GRUPO CLARÍN S.A.

COP TITLE: GRUPO CLARÍN AND ITS SOCIAL RESPONSIBILITY – 2016

PERIOD: JAN-2016 / DEC-2016

STATEMENT OF CONTINUED SUPPORT:



Since its foundation, Grupo Clarín has been conscious of its social responsibility as a company and as a member of the media, and has strived to assume such responsibility abiding by the laws, honoring its active and sustained social and community involvement and, especially, fulfilling its duty to inform with honesty and accuracy.

A commitment to society is an inherent and essential part of Grupo Clarín's vision and mission statement. The Company attaches special importance to the relationship with its different audiences, which acknowledge and validate its activities each day and, over time, have established multiple communication and interaction channels with Clarín's stakeholders.

From the standpoint of its audiences, readers and society in general, Grupo Clarín's media and journalists work day after day towards respecting and consolidating citizens' right to information; combining high credibility, quality content and a comprehensive journalistic and entertainment offering.

We hereby ratify our support and commitment to the Global Compact and submit our COP, which is an essential part of our yearly Annual Report.

Jorge C. Rendo
Chairman
Grupo Clarín SA

GRUPO CLARÍN SA

2016 COMMUNICATION ON PROGRESS

Our Commitment

Since our foundation, Grupo Clarín has been aware of its social responsibility as a company and as media. Its commitment to society is an inherent part of Grupo Clarín's activities and is reflected in its vision and statement of principles.

Grupo Clarín's media and journalists work day after day towards fulfilling and consolidating the citizens' right to information, fulfilling its duty to inform with honesty and accuracy and combining high credibility with a comprehensive journalistic and entertainment offering, based on a deep knowledge of the audience. The Company has established multiple channels for communicating and interacting with its different stakeholders in order to respond to their expectations and boost the positive impacts of its initiatives.

Through its renewed commitment to the **Global Compact**, SINCE 2004, Grupo Clarín seeks to intensify and, to a greater extent, systematically embody the values and principles that guide the Company's daily work, especially those concerning labor, sustainable development, and human rights.

Communication on progress related information is included in the Company's Annual Report and Sustainability Report printed and online versions.

Transparency, Standards and Guidelines

Grupo Clarín's values and principles are outlined in the Company's Code of Ethics and in the *Guía para la Acción*, a document that proposes models for management, organization and roles, and outlines Grupo Clarín's policies and procedures concerning labor, the environment and human rights.

Style guides, ethics manuals and news coverage guidelines, including internal rules and commitments to journalistic quality and journalist responsibility, are the guiding principles of the several activities developed by news and entertainment companies.

During 2016, the Company implemented the main pillars of its Social Corporate Responsibility and Sustainability Policy in order to extend best practices and set common goals within the organization and its subsidiaries.

Since 2004, the Company has adhered to the United Nations Global Compact in order to systematically address the 10 guiding principles to sustainable management.

In 2016, the Company issued its first Sustainability Report. This was the first report issued by a journalistic company in Argentina, which gives Grupo Clarín a leading position in its sector. The report reflects the Group's environmental, social and economic performance and followed the guidelines of the Global Compact, the Global Reporting Initiative (GRI) G4 Guide and its Media Sector Supplement. The Company identified its contribution to the 17 Sustainable Development Goals set by the United Nations and used the ISO 26,000 Social Responsibility International Standard to integrate social responsibility into its management. In order to identify the most relevant issues to its business and to its stakeholders, it followed the AccountAbility 1000:AA1000SES Stakeholder Engagement Standard. The material indicators were verified by an external independent auditor.

Independence and transparency

Independence is at the core of Grupo Clarín as a guarantee of the freedom to exercise the journalistic role of its media in the Argentine democracy. Independence is also an assumed responsibility, a way of exercising and guaranteeing rights and a view of sustainability from the Company's standpoint.

Independence requires transparency. Hence, the information about Grupo Clarín and its subsidiaries, media, shareholders, activities, revenues and investments is public and is available at its web site, at the web site of the Argentine Securities Commission (Comisión Nacional de Valores), and at the diverse communication channels with the public, audiences and readers. In this regard, the Company stands out in an environment where most Argentine media companies fail to publicly disclose their financial statements, the sources of their revenues, and in some cases, fail to reveal the identity of their respective owners.

Advertising is one of the sources of revenues of the media. Historically, due to the scale and diversity of Grupo Clarín's revenues, the relative significance of official advertising revenues and individual advertisers has always been limited with respect to the Company's total sales. This contributes to generate conditions that allowed the Company to inform without any conditioning factors.

Business and editorial functions are clearly separated at Grupo Clarín's media. Special emphasis is placed on the fact that journalists are completely detached from the sale of advertising so as to allow for the exercise of journalism, free of any conditioning factor. In addition, Grupo Clarín's media specifically focus on the distinction between advertising and editorial space.

Information on Sustainability

In line with its Social Corporate Responsibility and Sustainability Policy, Grupo Clarín identifies the material aspects of its activities following international social responsibility standards applicable to the media, particularly, the GRI's guidelines, and in accordance with the expectations of its multiple stakeholders.

As to the scope of the information provided in this section, labor indicators include all of Grupo Clarín's subsidiaries, pursuant to the accounting criteria followed in the financial statements presented together with this Annual Report, with the addition of Trisa S.A. Environmental performance refers to production or scale operations in which disclosing this kind of information is material. Those indicators may present differences against previous periods, since the current year includes NEXTEL's operations. Similarly, some content-related indicators are exclusively applied to subsidiaries engaged in journalistic or entertainment broadcasting and programming activities. As to other indicators, for instance, those related to certain community engagement programs of Grupo Clarín or its subsidiaries that require comprehensive and detailed impact assessments, the information provided is mostly related to the core of the activities inherent to the Metropolitan Area of Buenos Aires, due to the complexity and extension of the processes involved in reviewing and verifying periodic information.

The Voice of the People

Grupo Clarín's media companies have assumed a long-standing commitment to audiences and readers. Grupo Clarín's sustained leadership and the privileged position of its products as the people's preferred choice are attributable to its ability to anticipate trends and its vast knowledge of media consumption trends, paired with its capacity to understand their needs and meet their requirements.

Grupo Clarín's media foster the interaction with its public and audiences, enhancing listening and discussion channels and tools. Applications, social networks, letters from the readers, surveys, contests, spaces for opinion, suggestions and comments are expressed through multiple open spaces for content created by the people and for the free expression of the entire diverse and plural society.

During this period, at a corporate level, Grupo Clarín also offered multiple communication and interaction channels to discuss specific institutional issues, such as weekly newsletters and websites and social networks, in order to share the latest updates with accuracy and transparency.

Grupo Clarín also intends to give a voice to small communities and to foster the development of local content. Through the program Somos, Cablevisión and ARTEAR have been working together in order to take part in the gradual renewal of TV signals and local news programs in many locations of Argentina. To date, the program has 37 Somos signals. The program is based on the concepts of access to information and cultural proximity with the people, and introduces state-of-the-art technology and ongoing training to improve local coverage and develop local talents.

Social and Sustainability Coverage

Grupo Clarín sets goals to guarantee the quality and pluralism of its contents. Grupo Clarín's newspapers and news programs offer comprehensive coverage of news and relevant social and environmental issues. They also have a long-standing and respected reputation for journalistic research.

Special supplements, experts' and scholars' opinions, on-site news coverage, journalistic talent and the quality of the images and infographics complete the broad variety of issues addressed by Grupo Clarín. These include health, consumption and development, science, education and preservation.

Acknowledging the importance of reflecting diversity, fostering social justice, protecting the youth, encouraging minority recognition and avoiding discrimination on the basis of race and gender are key actions to create content in the media in a responsible fashion.

An example of this commitment is the value provided to the coverage of social issues, such as the program aired during 2016, *Esta es mi villa*, by Todo Noticias. Clarín.com promoted *El Otro, el Mismo*, a blog aimed at the inclusion of people with disabilities, developed in association with the Universidad Católica Argentina and social organizations.

Also during this period, Grupo Clarín published the supplement *Gestión Sustentable* (Sustainable Management), together with Diario La Razón, to make readers think about the most prominent issues of the sustainable development global agenda and to report on social and environmental responsibility actions carried out by companies and organizations of the civil society.

In this regard, the *Calendario del Compromiso con la Comunidad* (Calendar of Commitment to the Community) was published for the eleventh consecutive year in Revista Viva. This is a weekly section sponsored by Clarín, the Noble Foundation and Red Solidaria that provides an overview of the social challenges Argentina currently faces, with an emphasis on the potential positive effect that contributions made by individuals and the organizations of the civil society may have in addressing such challenges.

Civic Involvement and Contribution to Development

Grupo Clarín seeks permanently to improve its role in the promotion of the public debate by fostering individual involvement and further describing the social, economic and environmental challenges faced by society with diversity of opinion.

During each day of September 2016, as an initiative of Fundación Noble, Diario Clarín published *Hay un solo camino, la educación*, a page solely dedicated to the analysis and debate of the main challenges faced by the Argentine education system. The proposal sought to raise awareness and create reviews to address all aspects of education.

In addition, the Company held the *Innovación educativa para la sociedad del conocimiento* conference with over 300 attendees and presentations made by six ministers of education, international experts and local referents.

During 2016, the Company also focused on the contributions to sustainability made by the country and the region building upon social innovation and the promotion of entrepreneurs. In November, Diario Clarín issued a special supplement in alliance with the Inter-American Development Bank. The supplement covered the project contests made at the event *Idear Soluciones para Mejorar Vidas*, hosted at La Usina del Arte. It reflected innovative solutions to address persistent issues in the region in the health, water and sanitation areas. In addition, the Company promoted We Exchange, an initiative that seeks to empower female entrepreneurs.

The Company also sought to foster values, such as solidarity and community commitment. Through ARTEAR, in 2016 the Company launched a new edition of *Abanderados de la Argentina Solidaria*, an award that recognizes the work—that would otherwise go unnoticed—done by social entrepreneurs and community leaders, by communicating valuable initiatives, that foster social transformation and may be replicated. The initiative is supported by Ashoka and Fundación Navarro Viola and a panel of outstanding people from the social, academic and cultural sectors. Alicia Félix received the *Abanderada del Año* Award, thanks to votes from the public and obtained a Ps. 250,000 prize for her work Hospice La Piedad.

Grupo Clarín also renewed its support for the traditional campaign *Un sol para los chicos*, together with ARTEAR and UNICEF. In 2016, the Company held the 25th edition and raised Ps. 52,827,793 among contributions made by individuals, companies and others, to be used in education and social programs aimed at children and young people. The campaign is one of UNICEF's main sources of revenues in the country and seeks to boost individual donations to social causes in Argentina.

Community Engagement and Social Advertising

Grupo Clarín's impact on and relationship with the community and people goes beyond the boundaries of its editorial coverage. The support to vulnerable communities, the coordination of educational projects, and the organization of campaigns to address social issues or to help areas that were hit by natural disasters, paired with Grupo Clarín's sustained commitment evidenced by several types of donations and knowledge transfer, are just some examples of the initiatives organized and fostered by Grupo Clarín's media companies, either jointly or individually.

With respect to social advertising, during 2016, Grupo Clarín, through several of its media companies, donated a significant amount of advertising time and space to foster causes related to social, civic and environmental issues. The Company achieved this through its own social investment programs or within the framework of strategic alliances with organizations of the civil society.

Within this framework, Cablevisión organized the program *Segundos para Todos* in order to donate free advertising time to organizations of the civil society. In 2016, this initiative donated 117,733 advertising seconds to broadcast public adds.

Advertising space donated in 2016 on Grupo Clarín's

Radio and Broadcast and Cable TV	608,429 seconds
Pages in newspapers and magazines	195.06 pages

The estimated impact of these in-kind contributions allocated to public welfare messages accounts for the equivalent to a social investment of Ps. 124,470,476.

Grupo Clarín has also undertaken a sustained and strategic commitment to bridging the digital gap and promoting the responsible use of the Internet, through Cablevisión and Fibertel. Cablevisión designed Connections that transform, its 2016-2020 Sustainability Strategy.

This commitment is undertaken in 3 ecosystems:

1. Economic → NODE: Promote employment and productive development.
2. Social → LAB: Promote digital inclusion and social innovation.
3. Environmental → BIO: Manage the infrastructure and environmental aspects, boosting positive impacts and mitigating negative impacts.

Within the digital ecosystem, one of the main programs is called *Puente Digital*, which provides free cable TV and Internet services to schools, hospitals and community organizations, whereby Cablevisión seeks to contribute to digital inclusion and social innovation. The actions carried out in connection with this program include comprehensive design and donation of connectivity, development of cloud technology to face education, health, emergency and citizenship challenges, digital training and literacy so that women and girls can have access to technology and young people can have access to employment opportunities. In 2016, Cablevisión installed 20,707 free connections, of which 14,386 belong to the program Puente Digital. This represents Ps. 81,752,726 of cable TV and Internet services donated by Cablevisión. This was supplemented with specific programs such as the service Cablevisión Flex, which offers social reduced prices for low-income areas, which reached 168,579 connections in 2016.

The impact of donated advertising space and free connectivity services may be added to the Noble Foundation's budget and special projects which reached Ps. 5 million in 2016, and to the amount set aside for other sustainability programs in several subsidiaries, which, in-kind and in cash, reached Ps. 93,292,131 million in 2016. Hence, the total cash and in-kind contributions represent in the aggregate a contribution of approximately Ps 222,762 million.

In addition to providing financing, resources, capacity and experience in the promotion of socially valuable initiatives, Grupo Clarín also relies upon third parties to secure regular sponsorships and donations within the framework of strategic alliances related to the sponsored initiatives.

Fostering Education and Culture

As part of its initiatives in support of education, Grupo Clarín used its cross-segment position and its ability to communicate with society to raise awareness of the importance of education as a right and as a critical element in Argentina's future social development. In this sense, it tried to foster equal opportunities in education through its publishing company Tinta Fresca with the generation of updated, affordable and quality educational materials for students, teachers and schools throughout the country.

The Company has renewed its support for the 8th Educational Quality Forum, under the motto "Learning and Innovation". The forum is a massive event organized by the civil association Educar 2050. This entity combines the field work related to training delivered to principals of schools attended by low-income children with extensive public policy advocacy activities.

One of the most prominent initiatives resulting from a collective effort is the award "Premio Clarín-Zúrich a la Educación". The eighth edition recognized the best projects of "reading, writing and oral work" as learning practices for all the subjects of secondary school. The first prize consisted of Ps. 230,000 and was granted to a public school to develop its project. In addition, there were three honorable mentions which received Ps. 70,000 each. During this period, through the Noble Foundation, the Company continued to donate bibliographical material, and renewed its long-standing support of Escuelas Roberto Noble, named after the founder of Diario Clarín, Roberto Noble.

Noble Foundation's Donations of Educational Material

	2016	2015	2014
Books	39,022	43,391	49,603
Magazines	9,325	7,212	4,177
Manuals	1,250	420	310

Again this year, the Company sponsored the annual *Maratón de Lectura* (Readathon) initiative, organized by Fundación Leer with the participation of over 4 million children. The event received the donation of 22,000 books published by Clarín and the initiative was promoted through a broad advertising campaign.

Grupo Clarín and its subsidiaries have renewed their commitment to culture through several sponsorships to important events and entities, such as, *Feria del Libro* (Book Fair), Faena Art Center and Teatro Colón. The Company sponsored the 2016 season of Teatro Maipo, the presentations in Argentina of Les Luthiers, and the campaign *Vení al teatro* organized by *Asociación Argentina de Empresarios Teatrales* (AADET, for its Spanish acronym), aimed at developing, promoting and reinforcing the emotional bond between the public and the theatre. The Company also sponsored the movie *El Ciudadano Ilustre* directed by Gastón Duprat and Mariano Cohn, an Argentine dramatic comedy which received several awards at international festivals. The Company also sponsored the movie *Gilda* directed by Lorena Muñoz, starring Natalia Oreiro. For the first time, the Company participated in the master classes given by Al Pacino and Gerard Depardieu. In 2016, Clarín held a new annual edition of *Premio Clarín de Novela*, awarded to Carlos Bernatek, for his book *El Canario*, a story about the scars caused in the darkest years of recent Argentine history. The winner received Ps. 300,000 and got his book published. Grupo Clarín also sponsored a series of concerts organized by Buenos Aires Lírica Foundation and the V International Ballet Gala and Centro Histórico Teatro Colón.

Through its cable and broadcast TV signals, Grupo Clarín's companies make significant efforts to promote the most relevant cultural, motion picture and sports events. Such efforts are an increasing

contribution to cultural diversity and local identity. Of particular note are initiatives such as Volver, the cable TV signal that keeps Argentina's most complete programming archive.

Media Literacy and Protection of Young Audiences

Through several programs, Grupo Clarín encourages children and young people to develop media access tools through critical thinking and to leverage the opportunities provided by the media and technology to explore their identity, creatively express their ideas and make their voices heard.

Media literacy is generally defined as the ability to access to, analyze, respond with critical thinking and benefit from, the media. Grupo Clarín's main tool to foster media literacy is its support of *Los medios de comunicación y la educación*, (Education and the Media), a pioneer program recognized internationally, that has been developed for more than 30 years by the Noble Foundation. The program consists of classroom workshops and special educational content suited to the needs of teachers and students oriented to foster a critical approach to the media and their use as resources that supplement formal education. In 2016, over 7,200 students and over 800 teachers participated in the workshops.

The program “*La educación y los medios de comunicación*”

	2016	2015	2014
Workshops for teachers	37	100	102
Workshops for students	207	294	233

In 2016, the Noble Foundation celebrated its 50-year anniversary. For its celebration, the Foundation decided to boost the scope and impact of its teacher training programs. To this end, it designed a virtual training platform which enhanced its coverage to include all the country and the world. To such end, the Foundation reconfigured the number of face-to-face workshops, as compared to previous periods, to extend the scope of this new platform. The program consists of six-week courses for different education levels. There were seven editions around three themes: “*Planificar un medio digital*”, “*Narrar en Ciencias Sociales*” and “*Aprender a Convivir*”. The training themes were targeted at teachers, technical-educational teams and social agents related to education. There were 340 participants in the interchange forums enriched with the involvement of the coaches.

These initiatives program are supplemented through other initiatives related to the promotion of responsible content consumption. Within the Cable Television and Internet Access segment, the Company helps to protect vulnerable audiences by providing parents with the tools to make decisions about the content their children are allowed to access.

This includes several parental control options. For cable TV services, the on-screen guide allows parents to easily block content that is not suitable for children by introducing a PIN. The Video On Demand platform includes the identification of adults-only services with access control systems that may be enabled by the subscribers. Cablevisión Flow also developed a profile system so that each member of the family can have his own profile.

In terms of protection of audiences in Internet, the Company developed Fibertel Security. With this tool, users may filter the access to certain web sites deemed inappropriate and customize the protection level for each family member, among other things.

These tools are provided with information and criteria on how to use Internet. Cablevisión developed the *Compás para el uso de Internet* in partnership with UNICEF and Chicos.net. This project,

specifically addressed to families and teachers, is intended to provide proposals to teach children and teens about the proactive, responsible and safe use of technology.

The Company also addresses responsibly children's artistic participation in the television and film industry; a category that was embraced by the ILO as a valid form of participation in labor activities by children in these age categories. To such end, special emphasis is placed on compliance with the applicable standards in force, while adhering to internal guidelines that set limited activity schedules, protection and promotion of school education and active involvement of parents and tutors.

Excellence in Journalistic Training

In order to reaffirm the commitment to journalistic excellence, Grupo Clarín also carried out activities aimed at consolidating the training and excellence of current and future communicators.

In this sense, the Company created the Masters Degree in Journalism, an international graduate course with the highest academic level, organized by Grupo Clarín and the University of San Andrés, with the participation of the School of Journalism at Columbia University and the University of Bologna. It is led by renowned national and international journalists and academics.

The Company sponsored the Graduate Program in Digital Journalism organized by Universitat Pompeu Fabra, TN.com.ar and Google. This reinforces our commitment to enhance the quality of professionals in the 2.0 world.

In connection with journalistic training and within the framework of the program *Somos channels*, developed by ARTEAR and Cablevisión, during 2016, Grupo Clarín offered regional training sessions. Training sessions focus on the journalistic and technical training of professionals from regional signals nationwide, to improve local coverage and align them with national signals.

OUR PEOPLE

Grupo Clarín's success and leadership are mostly the result of the efforts, talent, professionalism and creativity of its employees. Grupo Clarín's media companies are among the preferred workplaces of most communication professionals.

Total headcount as of December 31, 2016	17,990
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Employees broken down by gender	2016
Men	13,738
Women	4,252

Employees broken down by age groups and sex	2016
Up to 30 years old	
Women	941
Men	2,517
Between 30 and 50 years old	
Women	2,869
Men	9,147
Over 50 years old	
Women	442

Men	2,074
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Turnover Rate*	11.28%
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Employee distribution by category

Managerial Positions	263
Middle Management	2,568
Analysts and Administrative Staff	6,551
Technical Staff	6,993
Other (for example, journalists)	1,615

**The year-on-year percentage difference arises from a methodological change in the way this indicator is calculated.*

In order to work in line with the identity and diversity of the subsidiaries of Grupo Clarín, in 2016, the Company consolidated the concept of the Multicultural Social Ecosystem (ESM, for its Spanish acronym), driven by the human resources community. This program seeks to align the actions and practices, knowledge and experiences of all the subsidiaries of Grupo Clarín, creating 25 cross-cutting projects. Among them, the following stand out: the development of a leadership model, optimization of benefits, talent, remuneration, and quality of work life, among others.

The new leadership talent model was the result of a long process with the engagement of directors and managers between the years 2013 and 2016. They were faced with the challenge posed by new generations, the changes in consumption habits and the digital challenge in the ways things are done and in the way people live.

Another key project, with the aim of facing the digital challenge, was the installation of the human resources Big Data. To this end, 10 companies are migrating to a state-of-the-art Human Resources Management System called Success Factors. This system follows the parameters prevailing in digital businesses: social, mobile, analytical potential and cloud storage. In this way, management has received a great boost, and its implementation will end in 2018.

The Company has its own structure in terms of the age and gender diversity of its employees. With respect to gender, there is a noticeably higher proportion of male employees, mostly on account of the high number of employees required in the technical areas of printing facilities and of the cable TV and Internet access segment. In Argentina, technical specialties are predominantly elected by men, and that pattern is reflected in the payroll of this type of industry.

The gender structure in the rest of the business segments of Grupo Clarín is well-balanced considering the total workforce, with a deficit in managerial positions, which are still mainly occupied by men. However, the Company has attained excellent results in content-related activities, particularly in the areas related to journalism and audiovisual production, where the workforce is more diverse.

During 2016, the Company created a Diversity Committee, which is working on active policies, new proposals and processes that may further the path towards a workforce increasingly proportionate and representative of the genre diversity existing in the community.

On the other hand, the Company continued to work on promoting the incorporation of age groups that find it difficult to enter the labor market: first-time job seekers and people in the upper age group.

Employee turnover is among the market's average rates, although the digital disruption has required the adaptation of our staffing and change of profiles to suit this new stage of news production.

The Company has an open dialog with union representatives to facilitate mutual understanding and conflict resolution. Employees freely exercise their right to unionize and are currently represented by several unions related to each of the activities developed by Grupo Clarín and its subsidiaries. Out of Grupo Clarín's total employees 72% is covered by collective bargaining agreements.

Taking care of the work environment and conditions, health and job safety and employee training to enhance their professional skills are some of the actions aimed at consolidating the sense of integration and achievement of organizational goals. During the year, the Company created a safety and health committee.

The Internal Opinion Survey (EIO) was conducted once again in 2016. It has been conducted every other year since 1994 uninterruptedly. This process focuses on management in order to identify opportunities for improvement on the internal environment and sustained commitment. In 2016, the response rate reached 93%, above the market average for companies of equivalent sizes, which shows the trust this tool has gained and the soundness of the process for improvement that the Company has been undertaking.

Our corporate volunteer program called *Vos también* continued during 2016, with actions conducted by each of the Company's subsidiaries. They develop valuable initiatives for employees' solidarity actions in which the volunteers had the chance to participate in programs with different themes.

The main projects carried out during the year were the following: Blood drives, a project that seeks to foster solidarity in the area of health; volunteer actions to help people affected by floods, repairs at schools, awareness actions about the Animal Day, among others. A cross-cutting action was proposed to all of Grupo Clarín's business units: *Fin de año en Familia*, a family support program that consists of delivering Christmas gift boxes to low income families. The program *Vos También* had a very high satisfaction level among participants: 99% of the participants found it rewarding or very rewarding and a similar percentage stated that they would participate again.

***Vos También* Volunteer Program in 2016**

Volunteers	1340
Participating social organizations	22
Direct beneficiaries	1496
Hours of volunteer work	3326
Employee's engagement	7%
Provinces included	11

Benefits and Career Development

Even though a large number of benefits are common to all employees, each Business Unit grants additional benefits, which may differ based on their respective activities. During 2016, the Company made progress with the subscription of its executive management to the long-term savings plan, effective since 2008.

During 2016, the Company continued to offer "*Nuestros Beneficios*", a benefit platform aimed at all the employees of Grupo Clarín. It combines proposals from its business units to offer benefits and discounts.

In order to encourage a greater commitment and identity with the Company, it provided the 365 Plus card together with Diario Clarín.

In addition, the Company enhanced the scope of its performance management program *Crecimiento de la Efectividad Laboral* (CEL, for its Spanish acronym) to include more business units. Of particular note is the case of La Voz del Interior, which achieved an 80% participation of its employees.

Grupo Clarín focuses on investing in the training and development of its employees with two kinds of programs: On the one hand, the training programs of each Business Unit, focusing on the specific needs of each activity, whereby Grupo Clarín employees and professional staff can update and enhance their knowledge and skills through seminars, courses, graduate studies and master's degrees.

On the other hand, Grupo Clarín offers the Corporate Training Program (PCF, for its Spanish acronym), which includes a wide range of training proposals. During 2016, the Company offered new alternatives to improve the performance of the analysts and middle management of all the companies of Grupo Clarín. During the year, 570 employees participated in the 28 courses given as part of the Corporate Training Program.

Training is focused on new tools and technological developments in order to adequately train employees on how to face the challenges imposed by the changes in the media industry. During this period, the Company offered more sessions of the course *Inducción a la Era Digital*, which seeks to shed light on the way in which technology has changed the world of business, generating big opportunities and challenges for the companies. In this sense, two other proposals stood out: One was conducted in association with Universidad de Palermo: *Negocios del Mundo Digital* and *Modelos de Innovación en Negocios Digitales*, given to managers and directors of the Group in association with Universidad de San Andrés.

In order to train middle management and upper management and promote their key managerial competences and skills, in 2016, once again the Company offered the Management Development Program, at UADE Business School. Over 200 leaders of the Group's subsidiaries have graduated over 7 years. It offers knowledge and tools to improve management performance and strengthens the sharing of practices among company leaders. The Company also organized several training sessions, breakfast and lunch meetings and integration activities among different areas of the Company that work together in order to strengthen internal communication and knowledge. In addition, during the period, the Company continued with the foreign language training program. In addition, different groups were created to provide group classes in a dynamic and easy fashion so that participants may share their knowledge, grow together and boost their development.

In order to promote transparency in the filling of vacancies and promote the development of our employees, the Company implemented a program called Open In-House Job posting. This allows us to stimulate in-house motility among the subsidiaries of the Group, providing equity and transparency during the process for all participants.

As to the quality of work life, Grupo Clarín offered seminars and training programs about health issues and the prevention of illnesses and accidents, as well as other relevant topics, which supplemented the campaigns about health issues and medical check-ups. Several initiatives were implemented to promote safety and healthy lifestyle habits: Influenza vaccination and blood drives, meditation and yoga workshops, placement of bicycle racks and locker rooms, soccer tournaments, evacuation drills, healthy menus and talks about first aid. In addition, during 2016, six subsidiaries of Grupo Clarín provided their employees free annual medical check-ups.

In order to contribute to the personal safety of our employees, 40% of our subsidiaries - such as AGEA, Autosports, the corporate areas and Cablevisión-, provide to their employees a transportation service to the main access points of public transportation.

During 2016, the Company held for the first time the Grupo Clarín Olympic Games, an event attended by more than 400 employees from different subsidiaries.

Work-Life Balance

In order to continue developing work flexibility actions, during 2016, the Company implemented as a benefit for employees the Flexible Friday in the corporate areas. This is added to the five subsidiaries of the Group that already include similar time compensation schemes. Other eight companies offer the possibility of doing teleworking. This is a growing trend and is being increasingly used by the companies. The goal of this modality is to strengthen the bond between the employees and the Company.

During 2016, the Company promoted the implementation of spaces for breastfeeding at the corporate offices. This is a key step in our goals regarding diversity and work-life balance. These initiatives allow the development of women at work and also promote the creation of a diverse workforce, apart from having a positive impact on the health of babies and in family bonds. Diversity provides for a combination of skills and intellectual, technical and emotional competences that have proved to be essential to boost the results achieved by organizations.

The goal is to open every year a new space for breastfeeding and reach 100% of our subsidiaries. In addition, this issue is reflected in the contents of our media, through campaigns and journalistic coverage. In this sense, this initiative follows our policy of the responsible management of contents which, together with the development of the positive effect of the social impact of communication, make up the key pillars of Grupo Clarín's sustainability strategy.

Relationship with the Value Chain

Grupo Clarín's social responsibility management is embedded in its value chain. During 2016, the Company continued to explore alternatives of interaction or joint approach to common-interest issues at the various levels of relationship with its suppliers.

During the year, the Company implemented a new procurement policy with sustainability criteria. Grupo Clarín focused on the implementation of systems and procedures aimed at the application of best practices for purchases, employee hiring, and contracting with suppliers within a framework of supervision and transparency.

Through Gestión Compartida, a subsidiary engaged in managing the relationship with most of the Company's suppliers, the Company continued with the requirement for 100% of the new suppliers to undertake a commitment to the sustainability of their operations, with a focus on respect for human rights, the environment and compliance with effective regulations. This was combined with the development of a pilot program of joint efforts with protected workshops for the assembly of an input used by Cablevisión. These workshops encourage the social and economic autonomy of disabled workers.

ENVIRONMENT

During 2016, the Company continued to implement measures to identify, plan for and improve production processes in order to optimize results and react to potential impacts. Progress was made in achieving the period's goals by introducing sustainable methods to obtain and use resources, developing equipment investment policies, raising active awareness on the appropriate use of supplies and technologies and promoting the adoption and certification of environmental standards.

Since 2004, Grupo Clarín has adhered to the United Nations Global Compact that sets forth several environmental protection standards. In addition, Grupo Clarín's Social Corporate Responsibility and Sustainability Policy serves as a management guideline and drives the definition of goals for its subsidiaries. This is reflected in the environmental policies adopted by its subsidiaries, such as the one implemented by AGEA in 2012, which combines the improvement of environmental management with ISO 14001 certification and implementation for its production processes. Cablevisión also sets environmental management goals at the different stages of its activities. During 2016, it maintained its ISO 14001 certification at its facilities located in Rosario.

Consumption of Materials

Within the framework of an environmental management policy oriented to eco-efficiency, the Company and its subsidiaries mainly use energy, newsprint, cable and other technology-related elements.

Consumption in 2016

Paper related to the production of newspapers	42,961.05 Tons
Office paper	85.15 Tons
Ink	885.49 Tons
Aluminum plates	161.52 Tons
Residential connection cables	2984.04 Tons
CPE (Set-top units and customer's equipment)	1491.74 Tons

At the printing plants, the Company followed established guidelines to ensure the provision of materials at quality levels compatible with international standards for newsprint, inks and other specific inputs.

Papel Prensa, a subsidiary in which Grupo Clarín owns an indirect minority interest, supplies most of the newsprint used in newspaper printing.

Papel Prensa has put in place production policies based on the procurement of strategic inputs without depleting natural resources. Fiber comes from sustainable plantations. This is combined with ongoing research studies conducted concerning genetic enhancement of tree species in order to boost productivity, cut costs and guarantee ecosystem sustainability. As part of the sustainable process, the quantity of virgin raw materials is reduced through the recycling of returned newspapers and recovered paper acquired locally and regionally.

As to the types of inks used at the printing facilities, the diverse variety of printed products requires a varied approach from the perspective of resources. For instance, the use of vegetable-based coldset ink at the Company's main printing facility, accounts for 84.4% of total use of the input. This type of ink, which can be used in bond paper, is environmentally friendlier due to its vegetable components and its efficiency in terms of the amount of ink required to print, which may be 10%-15% lower than other inks.

On the other hand, the newspaper size adjustments introduced in previous years continue to reduce the use of newsprint and other materials.

The Cable Television and Internet Access segment is engaged in service activities, which essentially do not require the use of raw materials. Nevertheless, given the scale of operations, Grupo Clarín's companies use certain materials produced by their respective value chains, such as the cable for residential services installed, top-set units delivered under loan for use and poles used as part of the distribution network.

Power is the main additional resource used by Grupo Clarín and its subsidiaries. Grupo Clarín uses power from direct and indirect sources. Even though the Company has alternative power generators in place for offices and industrial facilities that require fuel, the main indirect consumption is the electricity provided by the power supply network.

Direct and indirect use of power by primary source in 2016:

Electricity	1,072,826.87 MWh
Natural gas	87,729.95 GJ
Gasoline	82,243.22 GJ
Gasoil	114,355.97 GJ
CNG	146.92 GJ
LP gas	0 GJ

The subsidiaries engaged in printing activities are the heaviest users of power, followed by the business units that use technology in their operations, such as the cable TV and Internet access distribution services and audiovisual programming

During 2016, within the framework of the joint efforts of the Environmental Committee, the Company conducted a systematic assessment to identify opportunities for improvement and reduction of consumption. It also analyzed alternatives to incorporate renewable sources of energy.

At the main subsidiaries, such as ARTEAR, Cablevisión and AGEA, the Company conducted building refurbishments taking into consideration energy-consumption reduction factors, such as insulation materials, better use of natural light, use of cold lighting systems and replacing halogen lighting with LED systems.

Waste and Emissions

Grupo Clarín's subsidiaries develop most of their activities in urban areas that are not in contact with natural areas and that meet effective urban planning standards.

As to emissions, printing activities have the most significant impact on the carbon footprint among other services rendered by the Company. Therefore, the Company is exploring alternatives to improve processes and efficiency in these areas. In addition, the Company is further deepening its analysis and inventory of CO₂ emissions generated by the activities developed by its subsidiaries, especially those related to logistics and transportation.

Total greenhouse gas emissions by weight in 2016

Direct emissions	18,321.47 Tn of CO ₂
Indirect emissions	570,845.08 Tn of CO ₂
Total emissions	589,166.55 Tn of CO ₂

Each subsidiary of Grupo Clarín identifies and manages waste production and disposal.

As part of the treatment of industrial waste from printing processes, the Company's subsidiaries collect and separate certain waste materials, such as ink, oil, grease and solvents, that are sent to third party facilities for their recycling, reuse or safe final disposal. Hazardous waste is subject to a rigorous treatment handled by licensed waste management companies. Fully reusable materials are used in the printing process, such as aluminum plates. At the same time, the Company continues to develop strategies to reduce hazardous waste, with measured goals and progress.

In the Cable TV and Internet access segment, waste is separated at origin in order to add social or environmental value, where practicable. With respect to recycling, the Company keeps strict control of the recovery of equipment delivered to subscribers under loans for use, such as top-set units and remote controls, in order to reuse them or ensure its safe final disposal, and also to reduce the consumption of this type of equipment.

Total waste weight by type in 2016

Urban or non-hazardous waste	493.68 Tons
Hazardous waste	8,870.22Tons

Effluents resulting from the printing facilities' development processes are subject to rigorous treatments and measurements before disposal. A water re-usage system was put in place at AGEA's Printing facility. Under its Environmental Management System, the Company significantly reduced effluents, which are only discharged in exceptional cases. At La Voz del Interior's printing facilities, waste water is subject to treatment and is then reused for irrigation at the Company's facilities. The figures in cubic meters disclosed below are mostly attributable to processed water that can be safely used for irrigation. The Company's office buildings and other facilities only discharge domestic waste water.

Total waste water discharge

at printing facilities in 2016	13,909.62 m3
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URL links to Financial Statements, Annual Report and Sustainability Report

www.grupoclarin.com
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Grupo Clarín Contact information

María Julia Díaz Ardaya
mjdardaya@grupoclarin.com