

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

Ticker Code: TELECOM

CARSO GLOBAL TELECOM, S.A.B. DE C.V.

BETTER BUSINESS PRACTICES QUESTIONNAIRE

SHAREHOLDERS' MEETING

6.1 On the Information and Agenda of the Shareholders' Meeting

1. Was the grouping of different topics under a single point in the agenda avoided? (Principle 1, BBP)	YES
2. Was the heading "Miscellaneous" avoided? (Principle 1, BBP)	YES
3. Was all the information on each point in the agenda to the shareholders' meeting available 15 days in advance? (Principle 2)	YES
4. Are the shareholders' aided with a form that contains detailed information and possible voting alternatives for matters addressed in the agenda so that they properly can instruct their legal representatives on how to vote on the day of the Meeting? (Principle 3, BBP)	YES
NOTE: In the event that a shareholder wishes to be informed about the voting alternatives, they may consult or call the Secretary of the Corporation for assistance.	YES
5. Does the information provided to the shareholders include the proposal for the make-up of the Board of Directors together with information concerning the candidates' professional profiles in order to evaluate their independence? (Principle 4, BBP)	YES

6.2 On the Information and Communication between the Board of Directors and the Shareholders

6. Does the Board of Directors include, in its annual report to the shareholders' meeting, matters related to the tasks of each intermediary body and the names of the persons who comprise such? (Principle 5)	YES
a) Audit	YES
NOTE: This task is carried out by the Audit Committee.	
b) Evaluation and Compensation	YES
NOTE: This task is carried out by the Audit Committee.	
c) Finances and Planning	YES
NOTE: This task is carried out by the Audit Committee.	
d) Others (specify)	NO
7. Are the reports from each intermediary bodies or committees submitted to the Board of Directors available to the shareholders together with the material for the shareholders' meeting, except for the confidential information? (Principle 5, BBP)	YES
8. Does the annual report include the names of the members of each intermediary body? (Principle 5, BBP)	YES
9. Does the Corporation have mechanisms responsible for adequately informing the shareholders and investors in general? (Principle 6)	YES
10. Specify the mechanisms normally used by the Corporation.	
The Corporation normally uses the following: All of the mechanisms to reveal information and press releases as established by the Stock Market Law, the general provisions applicable to securities issuers and other stock market participants (Sole Bulletin of the National Securities Exchange Commission) and the Regulating Statue of the Mexican Stock Exchange; though its website www.cgtelecom.com ; and through the internal departments of Telmex though Social Communication and Investor Relations.	

BOARD OF DIRECTORS

7.1 On the Duties of the Board of Directors

11. Does the Board of Directors perform the following duties? (Principle 7, BBP)	
a) Establish a strategic policy.	YES
b) Supervises the operation of the Corporation.	YES
c) Appoints the CEO and high level executives of the Corporation	YES

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Note: Only the CEO is appointed because the Corporation does not have any other executives.	
d) Evaluates and approves the performance of the CEO and the high level executives.	YES
Note: Only the performance by the CEO is approved because the Corporation does not have any other executives.	
e) Makes certain that all of the shareholders are treated equally, their interests are protected and are given access to the company's information.	YES
f) Promotes the issuance and responsible disclosure of the information	YES
g) Promotes transparency in the administration	YES
h) Promotes the establishment of internal control mechanisms	YES
i) Promotes the establishment of mechanisms to ensure the quality of the information	YES
j) Establishes policies for the operations with related parties	YES
k) Approves the operations with related parties	YES
l) Makes certain that the company has the necessary mechanisms that allow it to prove that it complies with the various legal provisions that are applicable	YES
m) Seeks the company to be socially responsible; explain how:	YES
Note: The company does not carry out activities directly because it is a holding; nevertheless, through its subsidiaries, especially TELMEX, it has maintained four strategic performance lines: corporate ethics, quality of life in the company, ties with the community and environmental care and preservation. It is important to highlight that TELMEX was recognized as a "Socially Responsible Company" by the Mexican Philanthropic Center for six consecutive years.	
n) Seeks the company to state its principles concerning business ethics; explain how:	YES
Note: Even if the Company has not approved a Code of Ethics, it has a mission, vision and principles upon which it bases the performance of its activities in strict compliance with the law and according to healthy commercial practices.	
o) Seeks to take into consideration interested third parties when taking a decision; explain how:	YES
Note: The Company, in the legal relationships it establishes, seeks these to be well-balanced and fair for the parties.	
p) Seeks to disclose unlawful proceedings and the protection of its informants; explain how:	YES
Note: Through the Audit Committee, the existence and effectiveness of the disclosure mechanisms of unlawful proceedings and the protection of informants are followed-up.	

7.2 On the Make-Up of the Board of Directors	YES
12. Is the Board of Directors comprised of no fewer than three and no more than fifteen shareholding members? (Principle 8 BBP)***	6
Note: The Board of Directors has 6 shareholding members.	
13. Does the Board of Directors have substitute members? (Principle 9 BBP)	6
Note: The Board of Directors has 6 substitute members.	
14. Should it be the case, does the shareholding board member suggest, to the Board of Directors, a designation of the person to substitute said shareholding board member? (Principle 9 BBP)	NO
Note: The board members do not suggest who may act as their substitutes. The meeting will designate the manner in which the substitutes will replace the shareholding members, and in exercise of said right, it has established that any substitute may replace any shareholding member. However, the substitute members of the independent board members must have the same capacity.	
15. Is a communication procedure established between shareholding members and their substitutes that permit an effective participation? (Principle 9 BBP)	YES
Note: The previous mechanism is not necessary because all of the substitutes are guests at all of the meetings of the Board of Directors.	
16. Do the independent board members represent at least 25% of all the board members (Principle 10 BBP)	YES
17. In terms of the members of the Board of Directors, how many are: (Principle 10 and 11, BBP)	YES
a) Independent	5

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b) Shareholding	3
c) Related	2
d) Independent Shareholding	0
e) Related Shareholding	2
18. Do the independent and shareholding board members together constitute at least 60% of the Board of Directors (Principle 11, BBP)	YES
19. Does the annual report filed by the Board of Directors indicates the capacity of each member? (Principle 11, BBP)	YES
20. Are the professional activities of each one of them at the date of the report and other information considered relevant? (Principle 12, BBP)	YES

*** Companies listed in the stock exchange may have a maximum of 21 board members.

7.3 On the Structure of the Board of Directors	YES
21. In order to be able to take informed decisions, indicate which are the duties carried out by the intermediary bodies upon which the Board of Administration relies? (Principle 13, BBP)	
a) Audit	YES
Note: This duty is carried out by the Audit Committee	
b) Evaluation and Compensation	YES
Note: This duty is carried out by the Audit Committee	
c) Financing and Planning	YES
Note: This duty is carried out by the Audit Committee	
d) Others (specify)	
22. Are the intermediary bodies comprised exclusively of shareholding members? (Principle 14, BBP)	NO
Note: The Audit Committee is comprised of shareholding members and their substitutes.	
23. Is each intermediary body comprised of at least three and no more than seven members? Specify the number of independent members comprising it (Principle 14, BBP)	YES
Note: The Audit Committee has three independent members.	
24. How often do these intermediary bodies inform the Board of Directors about their activities? (Principle 14, BBP)	Quarterly
Note: The Audit Committee informs the Board of Directors about its activities three times a year.	YES
25. Does the chairman of each intermediary body invite the corporate executives whose duties are related to said intermediary body to its sessions? (Principle 14, BBP)	NO
Note: Not applicable because the company does not have employees.	
26. Does every independent member participate in an intermediary body? (Principle 14, BBP)	NO
27. If the answer to the previous question is no, explain why.	
The Board of Directors has five independent members and the Corporation only has one intermediary body comprised of three independent members.	
28. Is the intermediary body in charge of auditing presided by an independent member that has knowledge and experience in accounting and financial matters? (Principle 14, BBP)	YES
29. If the answer to the previous question is no, explain why.	

7.4 On the Operation of the Board of Directors	YES
30. How many meetings does the Board of Administration hold in a tax year? (Principle 15, BBP)	4
Note: The Board of Directors meets at least four times each tax year.	
31. If the answer to the previous question is less than four, explain why.	

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32. Is the purpose of one of these meetings to define and review the strategic mission of the company? (Principle 15, BBP)	YES
33. Can a Board of Directors meeting be called with the agreement of at least 25% of the board members? (Principle 16, BBP)	YES
34. If the answer to the previous question was yes, specify: The bylaws establish that the Board of Directors meeting may be called by the Chairman, the Secretary or the Assistant Secretary of said board, by the Chairman of the committee that performs the duties of Corporate Practices and/or Audit or by 25% of the board members of the company.	
35. How many days in advanced do the board members provided with the information that is relevant and necessary to take decisions according to the Agenda contained in the call? (Principle 17, BBP)	5
Note: Access to all the relevant information is provided at least five business days prior to the meeting.	
36. Is there some mechanism that ensures board members can evaluate questions on strategic matters that require confidentiality even when they do not receive the necessary information at least five business days in advance? (Principle 17, BBP)	YES
37. If the answer to the previous question was yes, specify: In the event that the members fail to receive the necessary information at least 5 business days in advance and a strategic matter is listed on the agenda, the Chairman of the Board, the CEO or the Secretary of the Board, as the case may be, will inform each member or will circulate the necessary information so that the next meeting said issue may be brought up and a decision may be taken.	
38. Are board members who are nominated for the first time inducted with an explanation of their responsibilities and of the Corporation's standing? (Principle 18, BBP)	YES

7.5 On the Duties of the Board Members

39. Is each board member provided with the necessary information about the obligations, duties and authorities that they have undertaken as members of the Board of Directors of the company?	YES
40. Do the board members inform the chairman and other board members about any conflict of interest that implies the need to abstention by the former from voting and, as a result, from participating in the corresponding deliberation? (Principle 20, BBP)	YES
41. Do the board members use the Corporation's assets and services solely to comply with the corporate purpose? (Principle 20, BBP)	YES
42. Should it be the case, are policies clearly defined concerning when board members use the corporate assets in exceptional circumstances for personal reasons? (Principle 20, BBP)	YES
Note: Not applicable because the company does not have personnel and, if applicable, there are policies for the use and enjoyment of goods included in the property of the subsidiaries.	
43. Do the board members dedicate time to their duties, attending at least 70% of the meetings to which they are called? (Principle 20, BBP)	YES
Note: Yes, in fact the attendance to board meetings by members is very high.	
44. Is there any mechanism to ensure that the board members maintain absolute confidentiality about all of the information received as a result of performing their duties and, especially, about their own participation and that of other members in the deliberations carried out at the meetings of Board of Directors?	YES
45. If the answer to the previous question was yes, explain: The board members are hereby informed that they must keep strict confidentiality according to the terms of the Stock Exchange Law.	
46. Do shareholding and substitute board members keep each other mutually informed of the matters agreed upon during Board of Directors' meeting? (Principle 20 BBP)	YES

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Note: Yes; however, it must be underlined that all of the substitutes are guests at the meetings.	
47. Does the Board of Directors sustain its motions on the opinions, recommendations and orientations resulting from analysis of the company's operation? (Principle 27)	YES

AUDITING DUTIES

8.1 General Duties

48.The intermediary board entrusted with auditing duties carries out the following functions? (Principle 21, BBP)	
a) Recommends candidates for external auditors to the Board of Directors as well as the hiring conditions and the scope of the professional work.	YES
b) Supervises the performance of the professional work by the external auditors.	YES
c) Evaluates the performance of the company that provides external auditing services.	YES
d) Evaluates the report, opinions, statements and information drafted or signed by an external auditor	YES
e) Meets at least once a year with the external auditor without the presence of corporate executives.	YES
f) It is the channel of communication between the Board of Directors and the external auditors.	YES
g) Assures independence and objectivity of the external auditors.	YES
h) Reviews the work program, the letters of observation and the reports of the internal audits.	YES
i) Meets periodically with the internal auditors without the presence of corporate executives to become familiar with their comments and observations of their work progress.	YES
j) Gives its opinion to the Board of Administration about the policies and criteria used in preparing the financial information as well as the issuance process.	YES
k) Contributes in defining the general guidelines for internal control, internal audit and its effectiveness is evaluated.	YES
l) Verifies compliance of the mechanisms established for risk control that the company is subject to.	YES
m) Coordinates the work of the external, internal and statutory auditor.	YES
Note: Reference to the statutory auditor does not apply because it is a business corporation listed on the stock exchange that operates without statutory auditors.	
n) Verifies that the company has the necessary mechanisms that assure that the company complies with the various provisions to which it is subject to.	YES
o) How frequently does it review to inform the Board of Directors about the company's legal status.:	YES
Note: Legal control of the company in terms of compliance with the provisions is permanent.	
p) Contributes to establishing the policies for the operations with related parties.***	YES
q) Analyzes and evaluates the operations with related parties to recommend their approval to the Board of Directors.***	
r) Decides about the hiring of third party experts that render an opinion about the operations with related parties or any other matter, which allows it to properly comply with its duties.***	YES
s) Verifies compliance with the Code of Business Ethics.	NO
Note: Although a code of ethics does not exist because the company is a holding, this committee supervises that the operation of its subsidiaries is based upon ethical principles that constitute the vision and mission of this company.	
t) Verifies compliance of the mechanism for the disclosure of improper events or protection of informants.	YES
u) Aids the Board of Director in the analysis of the contingency plans and information recovery.	

Note: ***The companies that list their shares in the stock exchange carry out these recommendations in terms of the corporate practices.

8.2 On the Selection of Auditors

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49. Does the company refrain from hiring firms in which the fees earned by the external auditor and other additional services rendered to the company represent more than 10% of its total income? (Principle 22, BBP)	YES
50. Is the partner who audits the financial statements of the Corporation as well as their team replaced at least every five years? (Principle 23, BBP)	YES
51. Is the person who signs the auditing report on the Corporation's annual financial statements a person other than the person serving as the statutory auditor? (Principle 23 BBP)***	YES
52. Is the statutory auditor's professional profile submitted to the Board of Directors revealed at the meeting? (Principle 25 BBP)	NO

8.3 On the Financial Information

53.	YES
50. Is the partner who audits the financial statements of the Corporation as well as their team replaced at least every five years? (Principle 23, BBP)	YES
51. Is the person who signs the auditing report on the Corporation's annual financial statements a person other than the person serving as the statutory auditor? (Principle 23 BBP)***	YES
52. Is the statutory auditor's professional profile revealed in the annual report submitted by the Board of Directors to the meeting? (Principle 25 BBP)	NO
Note: Not applicable because a statutory auditor does not exist for this Corporation.	

Note: ***The companies that list their shares in the stock exchange carry out these recommendations in terms of the corporate practices.

8.4 On the Internal Controls

59. Are the general guidelines for the internal-control and, if applicable, its review submitted for the approval from the Board of Directors with the prior opinion of the intermediary body that carries out the audit duties? (Principle 31 BBP)	YES
60. Does the Corporation have an internal auditing department and is their general guidelines, reviews and work plans approved by the Board of Directors with the prior opinion of the intermediary body that carries out the audit duties? (Principle 27 BBP)	YES
Note: Although the Corporation only has an Audit Committee, the internal control duties are carried out by personnel of its subsidiaries.	
61. Does the Board of Directors receive assistance to ensure the effectiveness of the internal control as well as the process to issue the financial information? (Principle 32 BBP)	
62. Do the internal and external auditors evaluate, according to the normal work program, the effectiveness of the internal control, as well as the issuance process of the financial information and do they comment about the results indicated in the letter about situations that must be informed? (Principle 33 BBP)	YES

8.5 On the Related Parties

63. Does the intermediary body entrusted with the audit duties assist the Board of Directors with the following? (Principle 34 BBP)***	
a) Establishment of policies for operations with related parties	YES
b) Analysis of approval process for operations with related parties	YES
c) Analysis of hiring conditions for operations with related parties o	YES
64. Does the intermediary body entrusted with the auditing duties assist the Board of Directors in analyzing the proposals to carry out operations with related parties other than regarding their normal business activities? (Principle	NO

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35 BBP)	
Note: The Corporation does not carry out operations other than its normal business activities.	
65. The operations with related parties other than the normal business activities representing more than 10% of the consolidated assets of the corporation are approved by the Shareholders Meeting? (Principle 32 BBP)	NO
Note: The Corporation does not carry out operations other than its normal business activities.	
Note: ***The companies that list their shares in the stock exchange carry out these recommendations in terms of the corporate practices.	

8.6 Review of Compliance with Provisions

66. Does the intermediary body entrusted with fulfilling auditing duties verify the existence of controls that allow for determining if the Corporation complies with the provisions applicable thereto? (Principle 36 BBP)	YES
67. If the answer to the previous question was yes, specify the mechanisms.	
The control for compliance with the provisions is permanent and is carried out through periodical audits to the various operational activities of the Corporation to verify whether these are carried out according to law and to the procedures established by the Corporation.	
68. At least once a year, is the legal status of the Corporation reviewed and is the Board of Directors informed? (Principle 36 BBP)	YES

COMPENSATING AND EVALUATING DUTY

9.1 General Duties

69. The intermediary board entrusted with the evaluation and compensation submit the following to the Board of Directors? (Principle 37, BBP)	
a) Criteria for the designation and removal of the CEO and high level executives. ***	YES
Note: The Corporation does not have employees. The foregoing is applicable only for the appointment of the CEO.	
b) Criteria for the evaluation and compensation of the CEO and high level executives. ***	NO
Note: Not applicable because the Corporation does not have employees.	
c) Criteria for the compensation of the board members.	NO
d) The proposal by the CEO regarding the structure and criteria for the remuneration of personnel?	NO
Note: Not applicable because the Corporation does not have employees.	
e) Proposal to declare the Corporation as a socially responsible company.	YES
f) Code of Business Ethics for the Corporation	NO
Note: Although a code of ethics does not exist because the company is a holding, this committee supervises that the operation of its subsidiaries is based upon ethical principles that constitute the vision and mission of this company.	
g) Discloses of improper events or protects of informants.	YES
h) Provides the system for the formal succession of the CEO and other high level executives and verifies its compliance.	YES
70. Does the CEO and other high level executives refrain from participating in the deliberation of the issues mentioned in question 69 a) and b) in order to prevent a possible conflict of interests? (Principle 38, BBP)	YES
Applicable only for the CEO.	
Note: ***The companies that list their shares in the stock exchange carry out these recommendations in terms of the corporate practices.	

9.2 On the Operational Aspects

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71. In the annual report submitted by the Board of Directors to the Shareholders' Meeting are the policies used revealed as well as the components that comprise the remuneration package for the CEO and the high level corporate executives. (Principle 39, BBP)	YES
Note: The amount of the fees paid to the board members for performing their duties is disclosed. There is no additional information to reveal because the Corporation does not have any other executives.	
72. Does the intermediary body entrusted with evaluating and compensating assist the Board of Directors in checking that the conditions for hiring regarding the CEO and high-level executives and probable pay for their separation from the Corporation respect the guidelines approved by the Board of Directors? (Principle 40 BBP)	NO
Note: Not applicable because the Corporation does not have personnel.	
73. To ensure a stable succession process, is there a formal plan for the succession of the CEO and other high level corporate executives? (Principle 41 BBP)	YES
Note: The profile required for the person serving as CEO has been established. Said person must have the requisite financial experience, training and professional prestige.	
74. If the answer to the previous question is no, explain why.	

FINANCES AND PLANNING DUTY

10.1 General Duties

75. Does the intermediary board entrusted with the finances and planning carry out the following activities? (Principle 42, BBP)	
a) Analyze and propose general guidelines to determine the strategic plan of the Corporation and follow-up.	YES
b) Evaluate and render an opinion about the investment and financing policies of the Corporation proposed to the CEO.	YES
c) Render an opinion about the premises of the annual budget and follow-up to its application, as well as system of control.	YES
d) Analyze and evaluate the risk factors to which the Corporation is subject to, as well as the mechanisms for their control.	YES

10.2 On the Operational Aspects

76. Does the intermediary body entrusted with finances and planning submit to the Board of Directors for its approval?	
a) An evaluation about the reasonableness of the investment principles and the financing operations of the Corporation according to the policies established? (Principle 43 BBP)	YES
b) A periodical evaluation of the strategic position of the Corporation according to the stipulation in the strategic plan. (Principle 44 BBP)	YES
c) Assurance that the investment and financing policies are congruent with the strategic plan of the Corporation. (Principle 45 BBP)	YES
d) Review the financial projections of the Corporation, thereby verifying its consistency with the strategic plan of the Corporation. (Principle 46 BBP)	YES
77. Does the intermediary body entrusted with of finances and planning assist the Board of Directors the risks that the Corporation is subject to and evaluate the mechanisms to prevent and control these? (Principle 47 BBP)	YES
78. If the answer to the previous question is yes, explain why	
Following-up on the risk principles to which the Company is exposed, based upon the information submitted by the CEO and the external auditor and the results of the periodical examination of the departments entrusted with auditing duties about the operational procedures of the Corporation. In any case, recommendations are given to correct any	

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deviation detected and follow-up of said correction through the auditing department.	
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BETTER BUSINESS PRACTICES QUESTIONAIRE

LETTE SIGNED BY THE CHAIRMAN AND SECRETARY OF THE BOARD OF DIRECTORS

Place and Date: June 27th, 2008

Bolsa Mexicana de Valores, S.A. de C.V.
Department of Issuers and Securities

We hereby certify that:

We have reviewed the report regarding the degree of adhesion to the Code of Better Business Practices for CARSO GLOBAL TELECOM, S.A.B. DE C.V. dated 06/27/2008.

Mr. Jaime Chico Pardo

Name of Chairman of the Board

Mr. Rafael Robles Miaja

Name of Secretary of the Board