

RELEVANT INFORMATION



Grupo Argos S.A. informs that its Board of Directors approved an update of the company's Code of Good Governance with the purpose of updating good governance practices related to the independence of Directors, reflect the provisions set forth in the Appointment, Remuneration and Sucession of the Board of Directors Policy related to the corporate body that determines the remuneration of the Board's Support Committees and adjust the guidelines for negotiation of shares by Directors. The modified text is as follows:

"CHAPTER III

(...)

4. Selection criteria for Directors

The Shareholders' General Assembly must take into account, when proceeding with the election of the members of the Board of Directors, in addition to what is established in the Appointment and Remuneration Policy of the Board of Directors and of the recommendations proposed by the Appointments and Remuneration Committee, among others, the following aspects:

- a. *Directors may not be older than 72 years old. They must have experience in participating in Boards of Directors and provide a professional specialty that is relevant to the activity performed by the Company.*
- b. *When constituting the Board of Directors, there is to be a tendency to have Independent Directors with experience on corporate finance and / or internal control, who must be appointed to the Audit Committee.*
- c. *When constituting the Board of Directors, it should be encouraged to have adequate diversity of gender, nationality and race with the necessary representativeness to understand and attend to the various businesses of the business group.*
- d. *All Directors will have basic skills that allow them to exercise an adequate performance of their duties. Among others, they should be analytical and have managerial skills, a strategic vision of the business, objectivity and the ability to present their point of view, and the ability to evaluate higher managerial cadres. Additionally, they must have the ability to understand and be able to question financial information and business proposals and to work in an international environment.*
- e. *In addition to the basic competences, each Board member will have other specific competences, which will allow them to contribute in one or more dimensions, due to their special knowledge of the industry, financial aspects and risks, legal, environmental, social issues, commercial and crisis management.*
- f. *At least 50% of the Directors elected for a certain period must meet the requirements to be considered as Independent Members, and they must declare it when they accept to be part of the board. A member is considered independent, when:*

- i. *Neither he/she nor his/her Personal Links¹ are employees or executives of the Company, the parent company or subsidiaries, nor have they been for last five years, except in the case of re-election of an Independent Member.*
- ii. *Neither he/she nor his/her Personal Links or the companies where he/she is considered as a majority shareholder, are holders of more than 10% of the shares in circulation or are shareholders that directly or by virtue of agreement direct, guide or control the majority of the voting rights of the Company, its parent company or subsidiaries or that determine the majority composition of the administrative, management or control bodies of the Company, its parent company or subsidiaries.*
- iii. *Neither he/she nor his/her Personal Links or the companies where he/she is considered as a majority shareholder are partners or employees of associations or companies that provide advisory or consulting services for the Company, its parent company or subsidiaries. When the income for that reason represents for them 20% or more of their operating income of last year.*
- iv. *Neither he/she nor his/her Personal Links are employees or directors of a foundation, association or society that receives important donations from the Company².*
- v. *Neither he/she nor his/her Personal Links Members are administrators of a company whose Board of Directors includes a legal representative of the Company.*
- vi. *Neither he/she nor his/her Personal Links are persons who receive from the issuer any remuneration other than the fees as a member of the Board of Directors, the Audit Committee or any other committee created by the Board of Directors.*
- vii. *Neither he/she nor his/her Personal Links or the companies where he/she is considered as a majority shareholder are partners or employees of the firm that acts as Statutory Auditor or as Internal Auditor of the Company, the parent company or the subordinates of this, or any of them, during the previous three years.*
- viii. *Neither he/she nor his/her Personal Links Members are employees of a Company where any of the directors of the Company are members or have been members during the last 3 years of the Appointments and Remuneration Committee of the Company where the Director or its Related Parties Personal are employees”.*

“CHAPTER III

(...)

14. Criteria to define the remuneration of the Board of Directors.

¹ For the purposes of this document, Personal Relationships are to be understood as the spouse, relatives up to the third degree of consanguinity, second of affinity and sole civil.

² Important donations are those that represent 20% or more of the total donations received by the respective company in a given year.

Independent Members and Patrimonial Members shall be entitled to receive additional remuneration for their participation in the Board's Support Committees. The remuneration will be set by the Shareholders' Assembly".

(...)

"CHAPTER V

(...)

2. Negotiation of Shares by Directors.

According to the provisions of the Law, the Board of Directors must approve the operations carried out by the Administrators regarding to shares issued by the Company, provided that they are unrelated to speculation.

The applicant for the authorization will be responsible for verifying that he/she is not misusing privileged information.

The approval must be given prior to the completion of the operations and must be given with the favorable vote of two thirds of the members of the Board of Directors, excluding the vote of the applicant. Applications for authorization must be submitted through the General Secretary, where a record of the operations carried out will be kept and the Sustainability and Corporate Governance Committee of the Board of Directors will be informed.

Operations may not be held once Directors are aware of the quarterly results, year-end results or the possible completion of projects of material relevance to the Company, until these results have been disclosed to the market".

The updated text of the Code of Good Governance can be consulted in the web page www.grupoargos.com

July 29, 2020