



 **GRUPO ARGOS**
Inversiones que transforman

 **ARGOS**

 **CELSIA**

 **ODINSA**

 **SUMMA**

TALENT

Strategy



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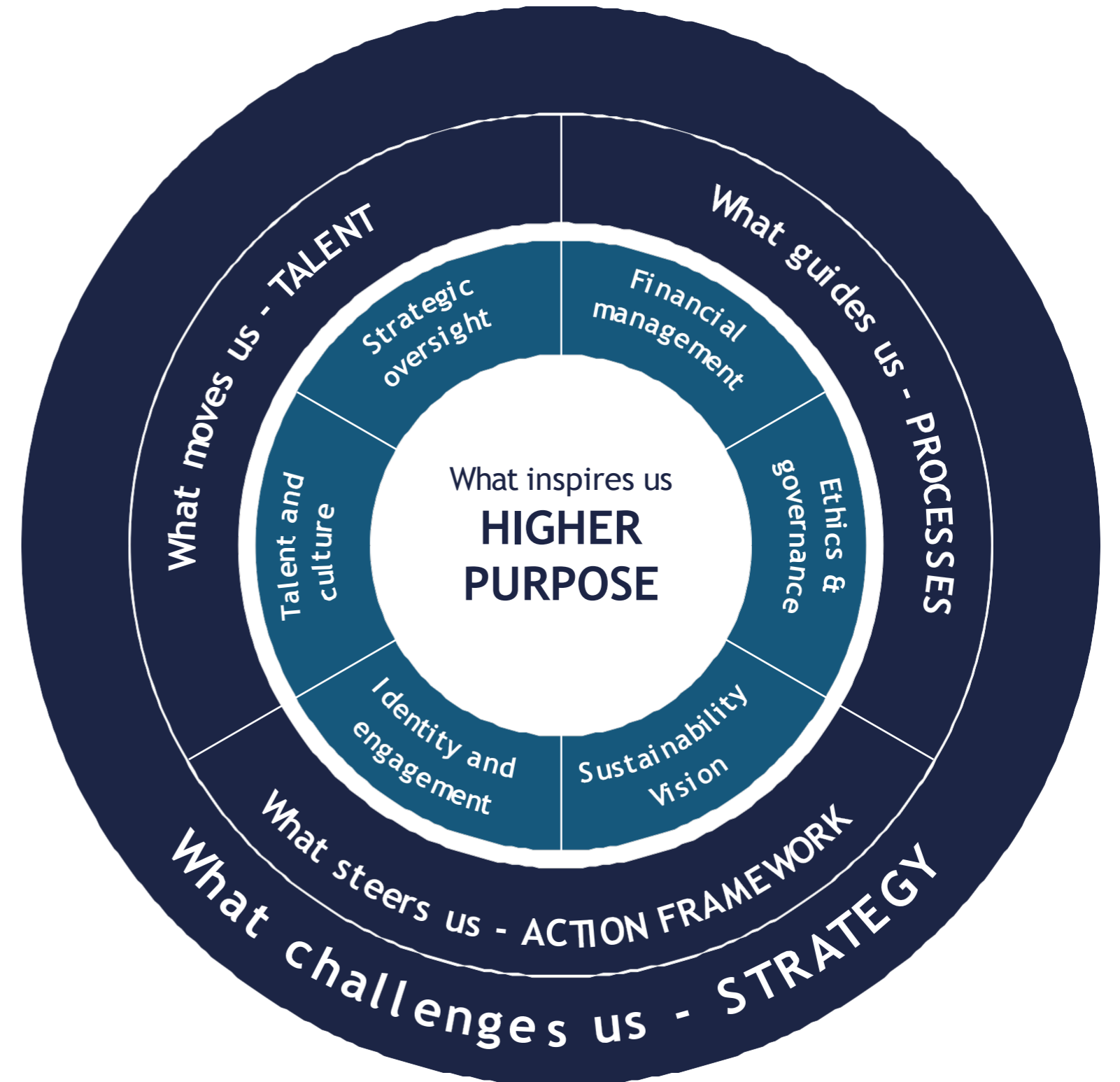
MODEL

What drives us

Value levers

Management system

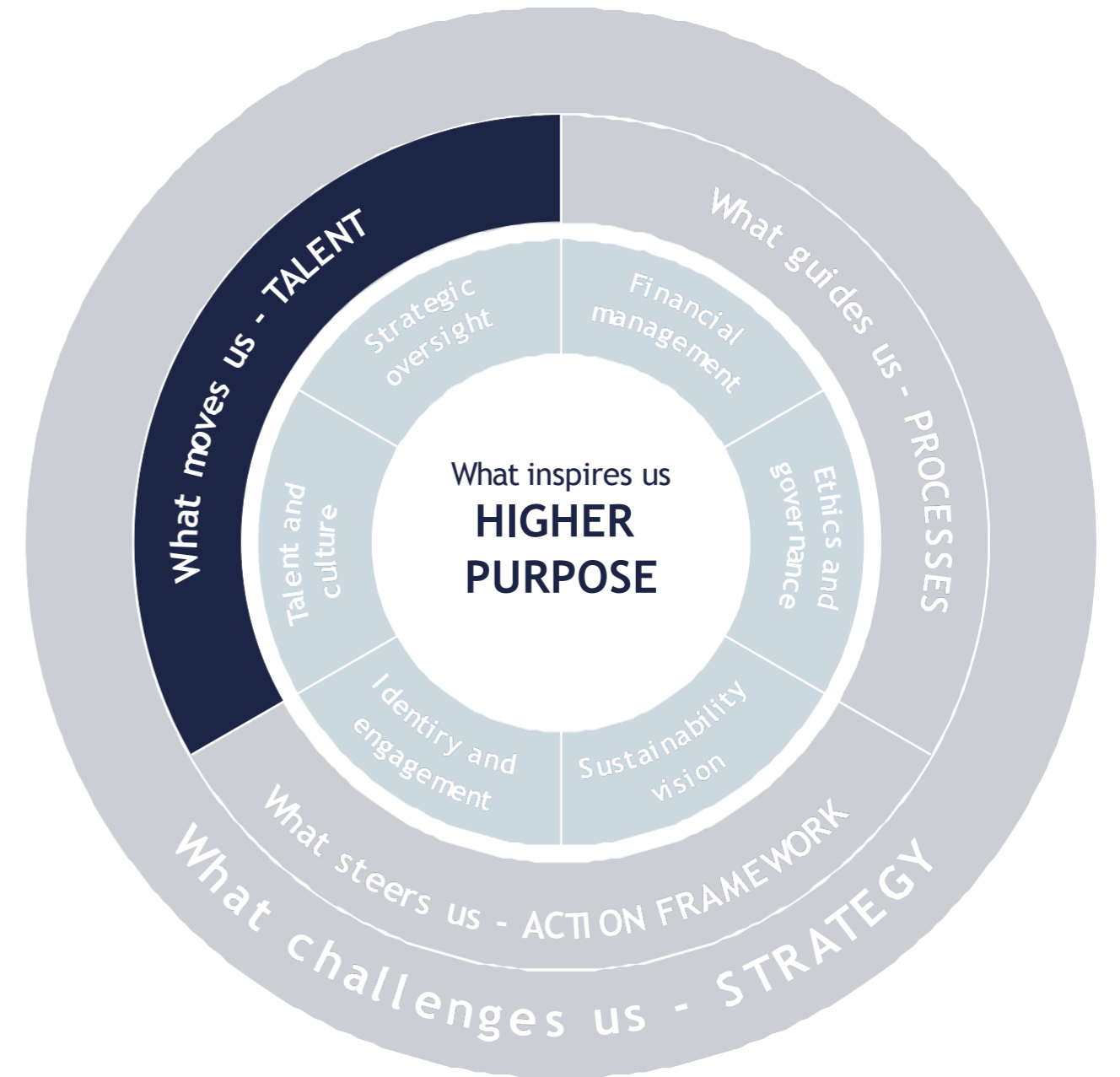
We determined six levers that define the actions through which we generate value in all Argos Business Group companies, accompanied by a management system made up of three sets of administrative tools that allow us to apply them.





TALENT

Talent management and culture are initiatives framed in our Group Culture under the pillars of transcendence, integrity, inspiration and commitment. We seek to attract, develop and retain the best talent to meet the challenges of the business, fulfill our higher purpose and strategy.



TALENT

Why create social value?

Adequate talent management and culture enable and promote among employees the behaviors and leadership required to achieve Grupo Argos' strategy.

They also provide solutions to accompany the challenges of the business based on innovative practices and promote a close and empathetic experience for employees in healthy work environments. This management allows the development of comprehensive employees, the creation of diverse, efficient teams committed to the company's higher purpose.

How is it managed?

Each company is integrally responsible for the management of its talent, within the corporate framework and guidelines defined for the business group.

Grupo Argos leads the joint management of the strategic talent of the entire Business Group.

We define common guidelines for remuneration, seeking to ensure internal equity and talent mobility. Each company has its own culture, and we share four transversal pillars that are part of our identity and facilitate mobility.

We develop our strategy on the following fronts:

We provide special support for the development of our strategic talent to achieve a successful succession.

We implement the talent attraction strategy

We plan the succession of critical positions of Argos Business Group

We promote the development of our talent with training, feedback, exposure, performance management and total compensation processes.

We lead the cultural strengthening of the organization and promote diversity and inclusion.

We ensure the well-being and personal and professional growth of our talent, generating commitment and pride in working for Argos Business Group.

We align our compensation schemes with organizational objectives to advance our talent towards the achievement of our strategy.

We ensure the availability of the best technological and administrative resources so that our employees have all the tools they need to carry out their work.

We have a talent synergy network that allows us to articulate joint efforts and share knowledge and experiences among companies.

We provide special support to the development of our strategic talent in order to achieve a successful succession.



LEADERSHIP AND CULTURE

OUR LEADERSHIP MODEL

We strengthen the development of our employees through an inclusive leadership model.

Leaders as actors of transformation. Inspiring by example, respect and coherence, committed to the higher purpose and living the Group Culture as the way to transcend.

Transcendence

Inspiration



Integrity

Commitment

GROUP CULTURE

Culture is the framework that guides the behavior of our employees, generating a source of competitive advantage for Argos Business Group. We have four transversal pillars of culture that enhance the cultures of each business:

TRANSCENDENCE

I decide and act taking into account the economic, environmental and social balance.

I participate in the construction of an ethical and transparent society.

I understand and know the challenges and opportunities of our business so that my decisions generate superior results.

INSPIRATION

I lead by example when I am consistent, optimistic, inclusive and empowering.

I convey my arguments with respect and without imposing them, seeking to build solutions.

I promote constructive debate, encourage two-way communication and integrate diverse opinions.

INTEGRITY

I do not take shortcuts to get to the target.

I take care of both the result and the way to achieve it.

I am forceful and effective in resolving situations.

Respectful and empathetic with people.

COMMITMENT

I use the organization's resources optimally, as if they were my own.

I take responsibility for my achievements and mistakes, learning from them.

I make decisions and support the decisions of others.





**DIVERSITY AND
INCLUSIÓN**

OUR DEFINITION OF DIVERSITY AND INCLUSION

Diversity condenses all the ways in which we are different and unique. Inclusion puts diversity into action, allowing us to bring out the best in differences for the common benefit.

According to Korn Ferry, there are more than 30 ways to think about diversity.

Our goal: to move from talking only about diversity to talking about inclusion, recognizing that the way forward is to focus our efforts where the greatest opportunities for positive impact lie.

Full range of differences and similarities, visible and unseen, that make each individual unique - Korn Ferry



OUR COMMITMENT TO DIVERSITY AND INCLUSION IS REFLECTED IN ACTIONS

At Argos Business Group we promote and value diversity, inclusion and the principle of equal opportunities at work.

We strive for equal and transparent treatment of all our employees, recognizing that diversity allows us to learn from differences, improves the richness of analysis and decision making, and increases creativity and innovation as a competitive advantage.

We reject any discriminatory act and therefore, we do not make any distinction based on gender, age, origin, physical or cognitive condition, race, sexual orientation, language, religion, collective or political affiliation, marital status, social origin, economic position or any other condition or opinion.



To learn more about our Diversity and Inclusion Policy [click here](#) or scan the code

Training and awareness in diversity management to foster inclusive environments through programs such as Diversity Multipliers.

Calls and recruitment channels not biased by any condition.

We continuously train recruiters on unconscious bias to ensure inclusive selection processes.

We offer benefits such as progressive return for fathers and mothers, extended breastfeeding leave, breastfeeding room and co-parenting strategies.

We strengthen the identification and inclusion of women in succession matrices so that they can continue to pursue their careers within Grupo Argos.

Grupo Argos was recognized by the PAR Latam 2021 Ranking. Cementos Argos was recertified with the Equipares Gold Seal and Celsia achieved the Silver Seal.

Grupo Argos and Opain implemented the Gender Equality Management System and obtained the Equipares Seal recognition by the Ministry of Labor.

Grupo Argos obtained recognition in the Bloomberg Gender Equity Index.



OUR GOALS IN DIVERSITY AND INCLUSION

↑ **33.42 %**

Gender equity goal: minimum percentage of women in leadership positions in the Business Group by 2030.

**Progress
2022 vs. 2019**

Women in leadership positions: we increased from **30.57% to 31.45%.**

Women nominated as successors: we increased from **36% to 42%**

↑ **92 %**

MERCER | SIROTA

Inclusion: We will maintain or improve the diversity dimension in the Mercer work environment survey, which allows us to measure our employees' sense of inclusion.

**Progress
2022 vs. 2020**

In the diversity dimension of the work environment survey, we increased from 83% to 92%.

We increased the number of hours of diversity and inclusion training in the Business Group by four times.

11,362 hours of diversity and inclusion training during 2022, on topics such as: unconscious bias, new masculinities, generational diversity, gender and regional inclusion, inclusive communication and building healthy environments.

Creation of a new diversity committee with the participation of leaders from each business, different from the human talent areas.



OUR STRATEGY OF DIVERSITY AND INCLUSION

OBJECTIVE

INITIATIVES

Make to believe

Getting women to connect with positions that have historically been masculinized, for which they receive training, coaching, mentoring, etc.

1. 41% women in male-dominated positions at Cementos Argos.
2. 19% women in transmission and distribution associate positions at Celsia.
3. 17% female firefighters at Opain.

Talent with purpose

Strengthen our employer brand to attract and retain diverse talent.

1. Inclusive internal and external communication (inclusive language manual).
2. Calls for applications not biased by gender stereotypes, inclusive selection practices.
3. Updating of all talent processes with a focus on diversity.
4. Vive la Inclusión Week

Diversity that transcends

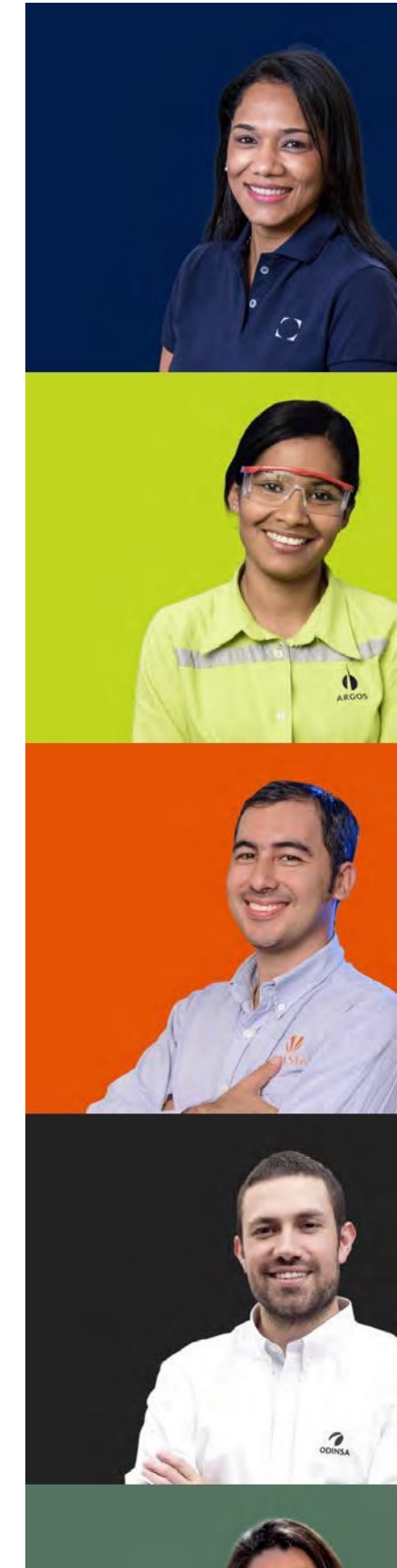
Prepare influential employees and create internal and external networks and initiatives to democratize diversity.

1. Diversity multipliers (first cohort 90 employees)
2. Emprender Mujer and the alliance for the employment of women and young people.
3. Master site program (Cementos Argos- Sena)
4. Women Electricians Program (Celsia - Sena)

Our Differences Unite Us 2.0

Communicate effectively how to move from diversity to inclusion, from tolerating to respecting our differences.

1. Summary/capsules
2. Disclosure of actions
3. Multiplier Testimonials
4. Shared content



Acknowledgements in diversity and inclusion:

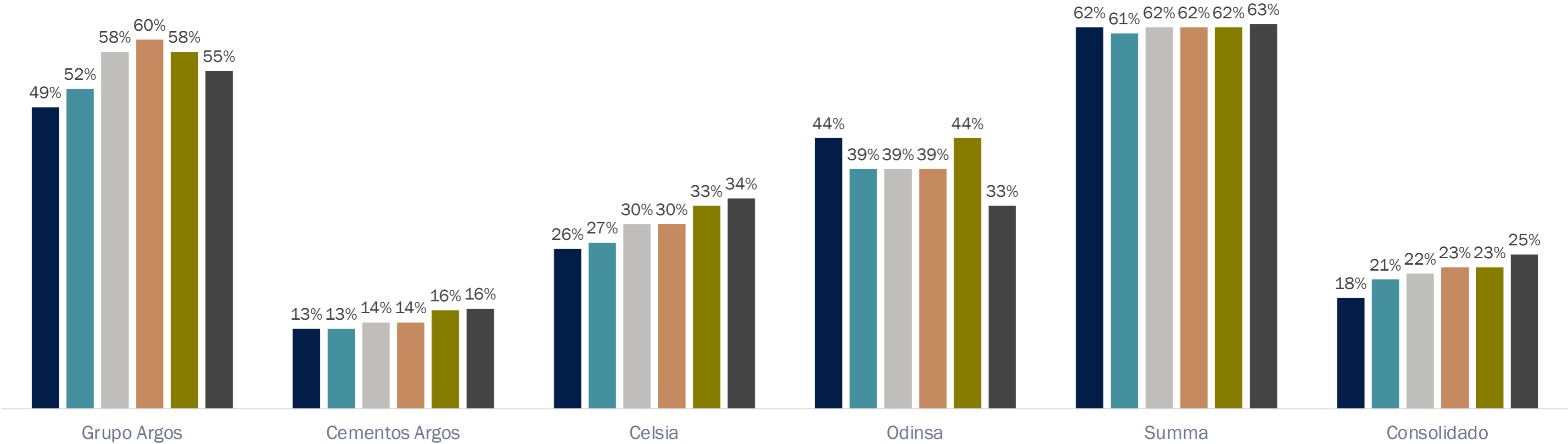
Equipares: Celsia and Cementos Argos: Gold Seal Opain: Silver Seal Grupo Argos: Recognition
Ranking Par: Grupo Argos: Second place
Bloomberg 2022: Historic score of 85.7 in the GEI seal for Grupo Argos.
Forbes: The World's Top Female-Friendly Companies. **Business Group:** Rank 1.

OUR INITIATIVES HAVE ALLOWED GOING FROM 18% TO 25% OF WOMEN IN TOTAL EMPLOYEES

43% of Grupo Argos' Board of Directors are women and its Chairman is a woman.

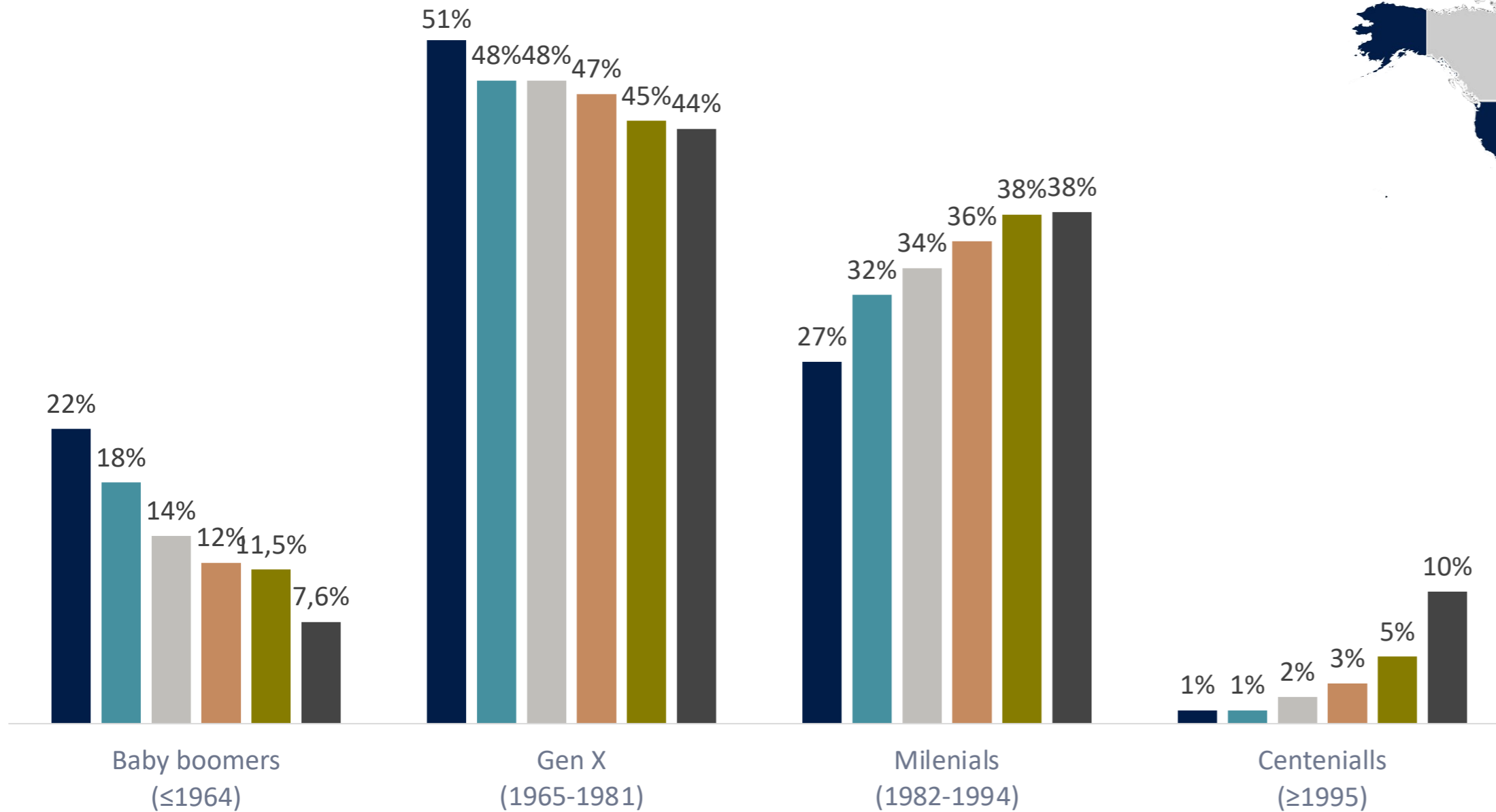
42% of the succession matrices in the Entrepreneurial Group are women.

31.54% of the organization's leadership positions are held by women.

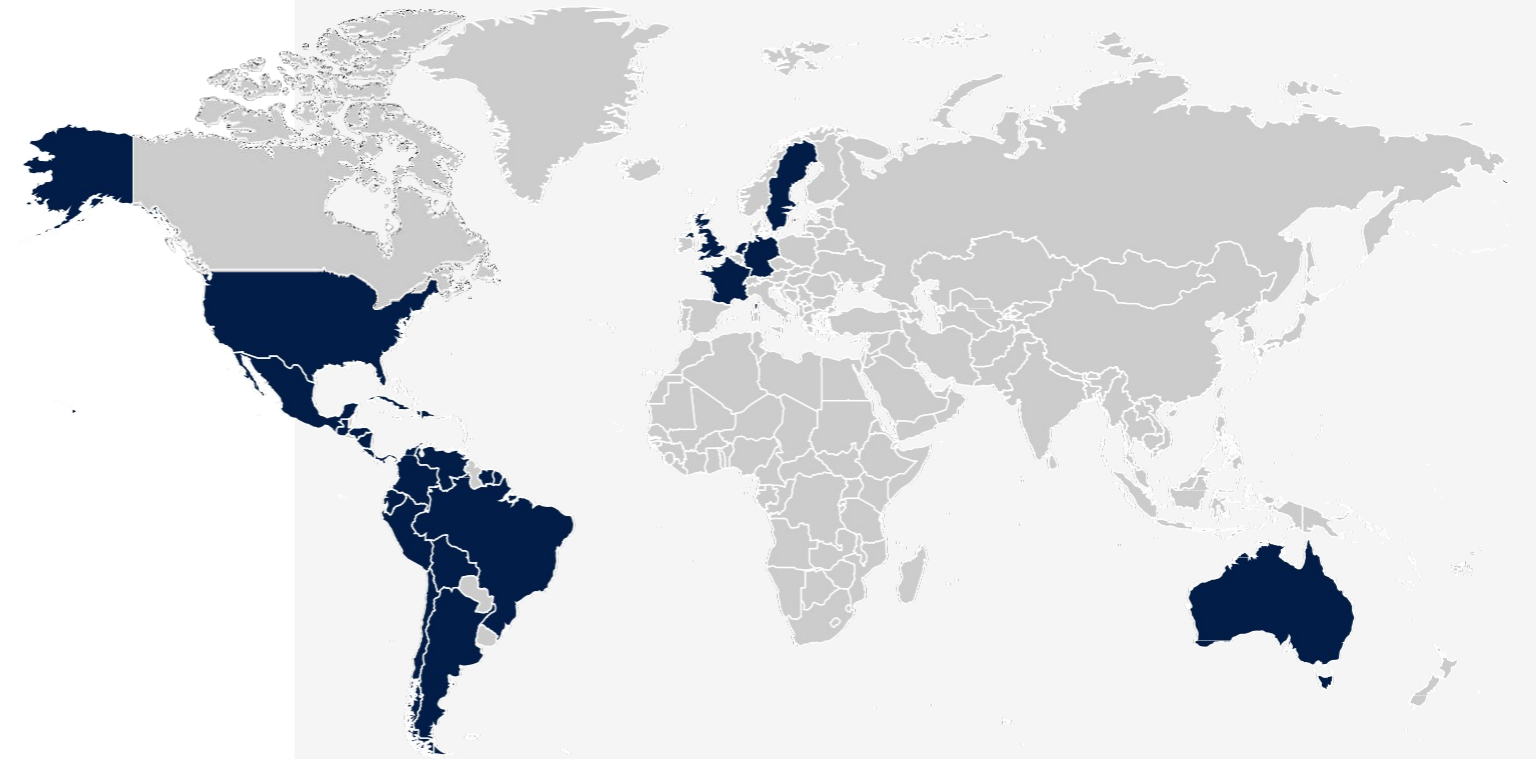


This information includes temporary and apprentices

WE HAVE A DIVERSE TALENT IN GENERATIONS AND ORIGIN



■ 2017
 ■ 2018
 ■ 2019
 ■ 2020
 ■ 2021
 ■ 2022



70 %
of Colombian employees

19 %
from the United States

10 %
from the Caribbean, Central and South America



**ATTRACTION AND
SELECTION**

VALUE PROPOSITION TO THE EMPLOYEE AS THE CENTER OF OUR EMPLOYER BRAND

We grow together

We achieve great things because of our strength as a Group. It inspires us to see our talent motivated and committed to a common purpose. That is why we invest in their development and well-being, and that of their families.

Attributes

Teamwork
Professional development
Superior benefits

Programs

Special and innovative benefits that take into account every moment of the employees' lives (education, health, entertainment, housing, etc.).

Wellness and quality of life programs in the dimensions: mind, emotion, body and relationship with others.

Talent with purpose

Great transformations are the reflection of an extraordinary, diverse and multicultural talent that makes them possible by acting within the framework of the pillars of the Culture of our Business Group. We join forces and visions to fulfill dreams and positively transform the lives of millions of people.

Diversity, inclusion and multiculturalism
Respect for our people

Communication strategy and networks: diversity and inclusion.

Business alliances: Proantioquia and ANDI.
Gender equity management systems and PAR Ranking.

Committed to the future

We can always do our work better to generate value for all our stakeholders. That is why at Argos Business Group we promote innovation as the way to ensure sustainability.

Innovation
Commitment with sustainability

We create Social Value.

Sustainability Initiatives (DJSI)

Acknowledgements
Employer brand:

Cementos Argos: **#11** Celsia: **#35** Grupo Argos: **#45** in Colombia - MERCOTALENTO 2022
Grupo Argos: **#8** in Colombia - UNIVERSUM 2019

Unified website

WWW.JOBS.GRUPOARGOS.COM





**DEVELOPMENT AND
PROMOTION**

OUR MODEL OF COMPETENCIES

AS A FRAMEWORK FOR DEVELOPMENT

Competencies are the set of demonstrable characteristics and skills that favor the efficiency of the performance of a certain job. In our Business Group we have defined a competencies model composed of the following elements:

Transversal competencies

Those that all employees of the Business Group must develop regardless of their role.

Competencies according to contribution level

Those that the employees of the Business Group must develop according to their level of responsibility.

Competency Group	Individual Contributor - G11 eandbelow-	Specialist with direct reports - G11 &below-	Middle mgmt - G12 yG13 -	High management	Executive -G19 & above-
Grupo Argos Corporate Competencies	Self-development (ONESELF) Decisions Quality (OUTCOME) Value the differences (PERSON) Cultivate innovation (THOUGHT)				
Obligatory competencies according to the contribution level	1. Optimization of work processes 2. Customer orientation	1. Plan and align 2. Management of people and teams	1. Communication al skills 2. Impact and influence 3. Employee development	1. Business acumen 2. Handling ambiguous situations 3. Political acuity 4. Builds effective teams	1. Strategic approach 2. Create interpersonal networks 3. Lead with vision and purpose
Business culture competencies	Grupo Argos: Commitment, inspiration, integrity, transcendence Cementos Argos: Experience of culture Celsia: We are agile and reliable, we give our best to grow together, we dare to be different, we enjoy making life easier Odinsa: We leave a lasting impact Summa: Service, leadership, operational excellence, diversity				

TALENT PLANNING

88

critical positions

Grupo Argos accompanies the talent planning of critical positions of the Business Group and potential successors to improve their level of readiness and comprehensive development.

100%

key talent with ongoing accompaniment

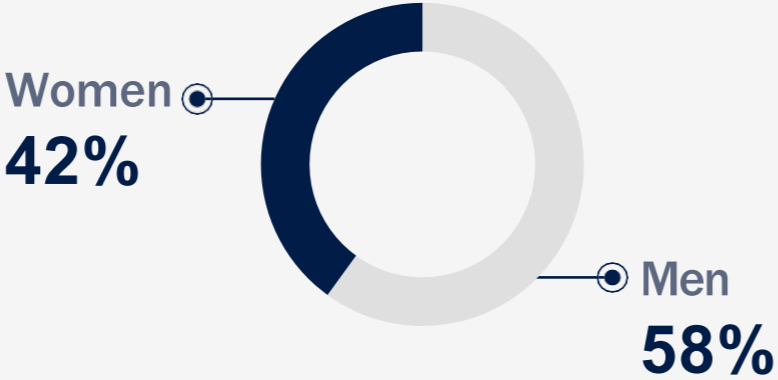
We have a development offer for key talent that is being observed for critical and other relevant positions of the business group.

275

people in succession matrixes

93%

Colombians

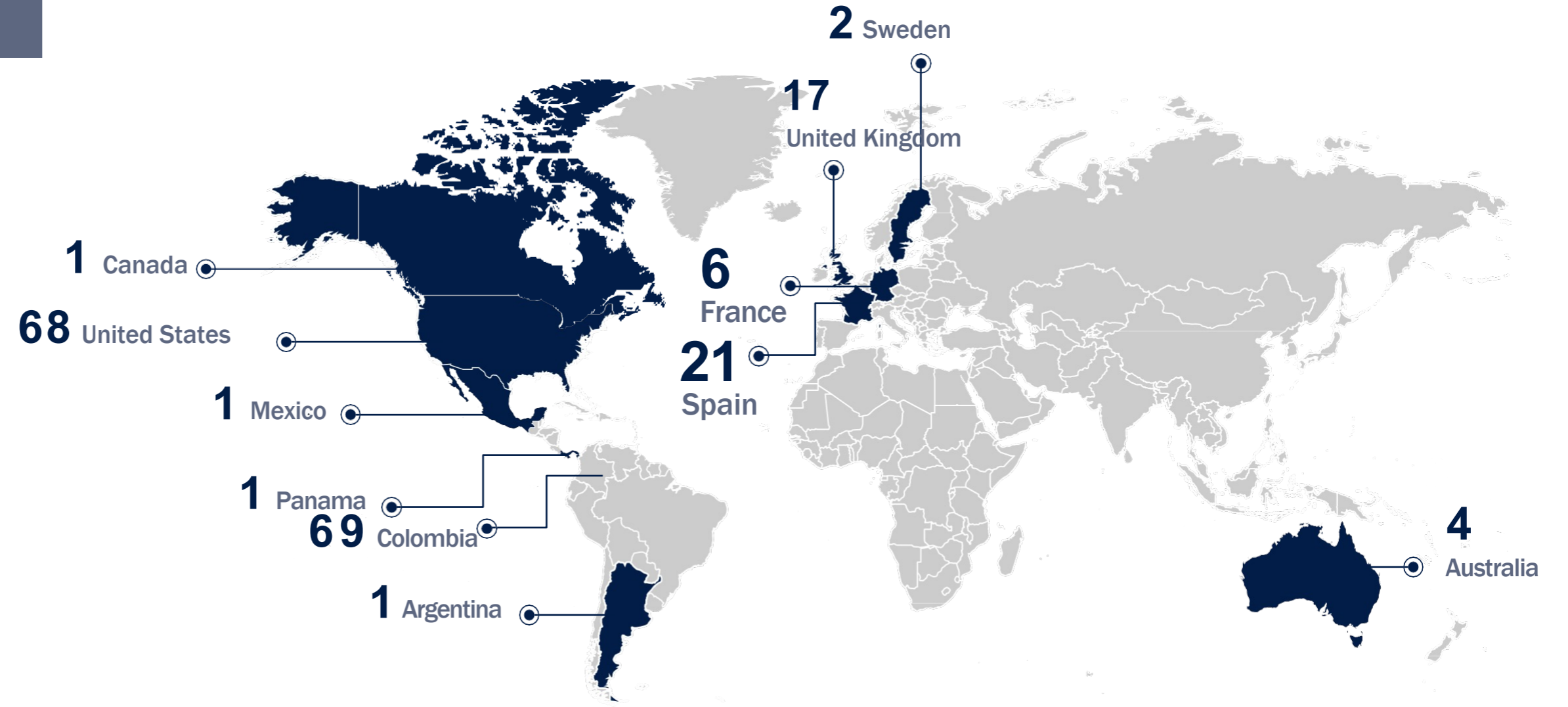


1,400 people throughout the Business Group have been evaluated under this program.



WE PROVIDE SCHOLARSHIPS FOR ADVANCED TRAINING

195 scholarships since 2017



13
ACTIVE STUDENTS
2023

24.61%
PROMOTED

23.56%
HORIZONTAL MOVEMENT

14.66%
MOBILITY BETWEEN
COMPANIES

45.03%
IN LINE OF SUCCESSION



PERFORMANCE MANAGEMENT

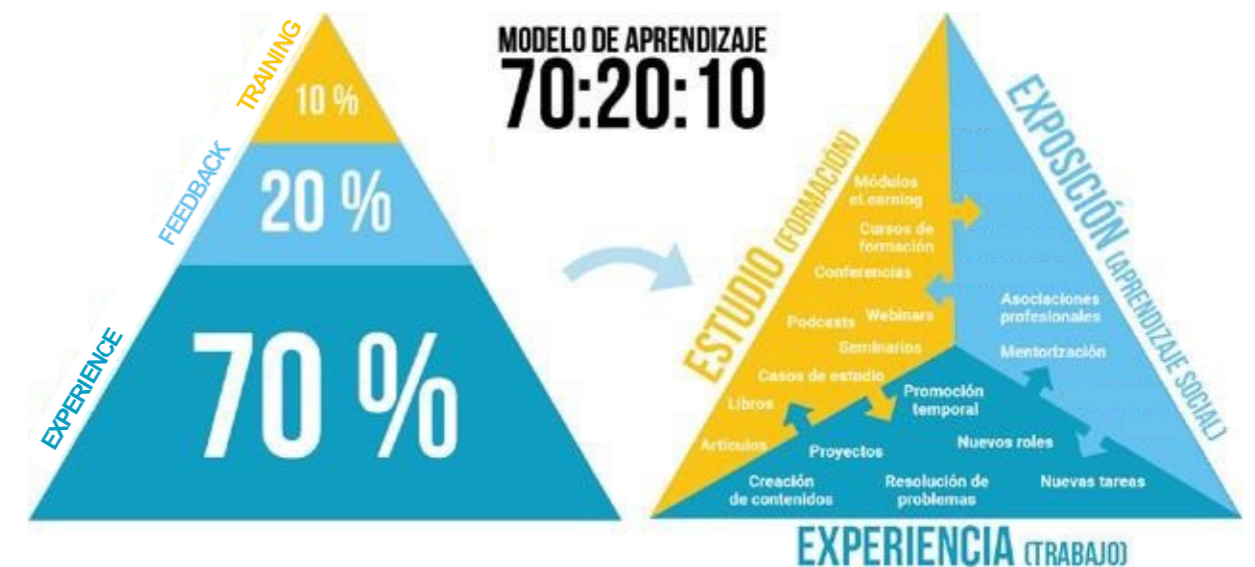
Performance management is a cyclical and permanent process where leaders and employees identify to what extent they contribute to the achievement of the company's results and how they should perform in order to achieve the development of their competencies as expected by the organization.



- Planning:** Performance objectives are defined between the employee and the leader, and the individual development plan is built.
- Follow-up:** A development conversation is held between the employee and the leader to evaluate competencies.
- Closing:** A development conversation is held to qualify the objectives set for the year and to follow up on the development plan.
- Final evaluation:** Performance calibration is performed between the human resources team and area managers.

DEVELOPMENT PLAN

In the Business Group we use the 10-20-70 model to close the development gaps, according to the required need. This model states that learning is obtained 10% from theoretical concepts, 20% from working with others and 70% from direct exposure to the task.



OUR DEVELOPMENT MODEL

WITH 10 - 20 - 70 % ACTIONS

10%
Training

We reach more employees and continue to make progress in training initiatives.

+96 hours of training per employee

Key training for our employees that promote leadership and future skills in the Business Group.

- Inclusive leadership program (PAD) for senior management.
23 people from Grupo Argos
52% women
- Creative and conscientious leadership for directors and coordinators.
50 people from Grupo Argos
60 % women
- Communication skills and influence
27 people from Grupo Argos
- Prestige Leadership Forum
230 participants from the Business Group
- Technical training
- Bilingualism
- EDUCA
- Digital Library

20%
Feedback

We raise our self-awareness to recognize the impact of our actions and decisions.

100% of Grupo Argos

managers received mentoring within the framework of the PAD, completing 115 hours of training per employee.

In order to share experiences and knowledge among the employees of the Business Group, we strengthened the mentoring program, in which we trained **55 mentors**, 70% of whom are women, with the objective of increasing from 22 pairs to a minimum of **55 pairs**.

34% of Grupo Argos employees participated in a process of accompaniment from the self and self-knowledge workshops to complement their individual development plans.

70%
Exposure

We developed concrete actions that helped us to strengthen the skills of our leaders.

+943 movements carried out to

accelerate the development of our talents, equivalent to **8%** of our population in the Business Group.

195 scholarship students

41.3% women

We went from **224 to 2,036** volunteers of the Business Group, who have put their knowledge and skills into practice in different initiatives to support entrepreneurship and social causes.

More than **15,900** hours in **Creamos Valor Social** and volunteer activities.



Eduardo Braun,
author of Chief Emotions
Officer and teacher
Leadership in dynamic
environments



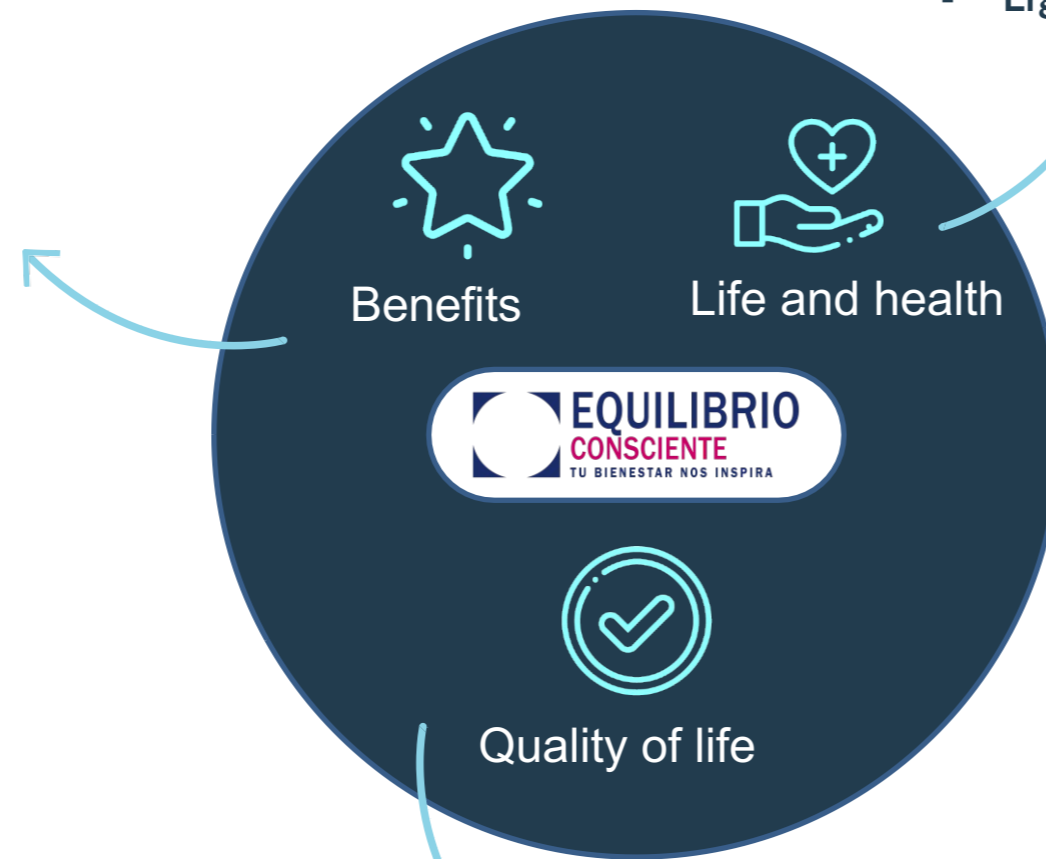
PERSONAL, FAMILY AND WORK LIFE BALANCE

OUR WELLNESS MODEL

CONSCIOUS BALANCE

Benefits:

- **General:** life insurance policy, disability allowance, mobile, parking, marriage, paternity and extended maternity leave, days off at the end of the year.
- **Market:** Sodexo food, health and pension savings policies.
- **By application:** scholarships and credits



Life and health:

- Psychosocial risk (stress management and psychological accompaniment)
- Cardiovascular risk
- Physical spaces
- Ergonomic risk



Quality of life: Initiatives aimed at strengthening the well-being of employees.

Emotional: special moments (Mother's and Father's Day, Christmas, Halloween, birthdays).
Mind: balance and disconnection (Mindfulness, hiking and Yoga).
Relationship with the Environment: Creamos Valor Social, work flexibility (work-life balance)

PERSONAL, FAMILY AND WORK LIFE BALANCE

At Grupo Argos we design wellness strategies focused on reconnection, physical activity, mental health, conscious eating, talks focused on quality of life and celebration of important moments. We have activities that involve the employees' families and their environment in order to promote a balance in their personal and family life.



PERSONAL, FAMILY AND WORK LIFE BALANCE

We participate in important moments of the employee's life such as birthdays, graduations, couple's union, birth of children, pension, graduation. With this strategy, we aim to focus on the employee as an integral human being, promoting balance and giving special importance to their life moments.





WORK ENVIRONMENT AND COMMITMENT



MEASUREMENT OF ORGANIZATIONAL ENVIRONMENT AND COMMITMENT

Results Report 2022

ARGOS BUSINESS GROUP



MEASUREMENT DATA SHEET

ARGOS BUSINESS GROUP

TARGET POPULATION

3.649 Employees

PARTICIPANT POPULATION

3.225 Employees

PERCENTAGE PARTICIPATION

88%

MEASUREMENT APPLICATION DATE

2022



SUMMARY

We strengthened our work environment, satisfaction and commitment

Overall rating:

Very favorable

MAIN INDEXES



Satisfaction: measurement reflecting pride and motivation in the short term.

92%



Commitment: measurement reflecting pride and motivation in the long term

93%



Organizational climate: average of the 10 dimensions of the employee's experience.

89%

Results

2021 2022

Satisfaction	89	92
Commitment	90	93
Organizational climate	85	89
Performance Activation	82	85
Agility and Innovation	83	88
Trust	88	93
Integrity Culture	89	93
Diversity and Inclusion	85	90
Senior Management Effectiveness	81	88
Immediate Leader Effectiveness	86	87
Strategic focus	88	92
Employee experience	82	86
Equitable rewards	84	85

Results indicator commitment company

Celsia: 94%

Odinsa: 91%

Grupo Argos: 94%

Sator: 97%

Cementos Argos: 89%

Psychosocial risk surveys are also conducted in all companies within the business group using the methodology defined by each one, in accordance with the guidelines of Colombian legislation.



COMPENSATION



COMPENSATION MODEL

At Grupo Argos we understand compensation as a tool for the achievement of our strategy, as well as a differentiating element that consolidates us as an organization that values its human talent.

Our compensation methodology is based on the description and valuation of positions, which guarantees the correct definition of functions, responsibilities and skills. This valuation allows us to carry out comparisons of positions against the market and thus create a compensation system supported by data. We are constantly working on a fair and transparent system for the allocation of salaries to ensure the loyalty of our employees and an optimal return on investment.



COMPENSATION MODEL

Korn Ferry Methodology: Position valuation

The position valuation is based on international standards, in which a point system is used that considers the following components of the position:



Knowledge, experience and skills:

Breadth and depth of knowledge.
General skills
Human relations



Problem solving:

Frame of reference/environment
Complexity of problems



Responsibility, freedom to act and magnitude

Freedom to act
Magnitude
Impact

The position valuation generates a score, which is associated to a compensation scale previously defined according to the market. This means that salaries are assigned by means of an objective methodology.

Levels	Grades	Korn Ferry Points	
		From	To
CEO/ Executive Committee	23	3021	23580
	22	2551	3020
	21	2141	2550
	20	1801	2140
	19	1520	1800
Senior Management	18	1300	1519
	17	1056	1299
	16	901	1055
	15	749	900
	14	624	748
Middle Management	13	519	623
	12	442	518
Specialists	11	365	441
	10	311	364
	9	265	310
	8	213	264
Other employees	7	179	212
	6	150	178
	5	125	149
	4	104	124
	3	85	103
	2	70	84

TOTAL

COMPENSATION

Salary curves are constructed according to market surveys conducted by Korn Ferry or any other recognized firm. This strategy helps us design a competitive compensation system that is used as a tool for talent attraction and retention.

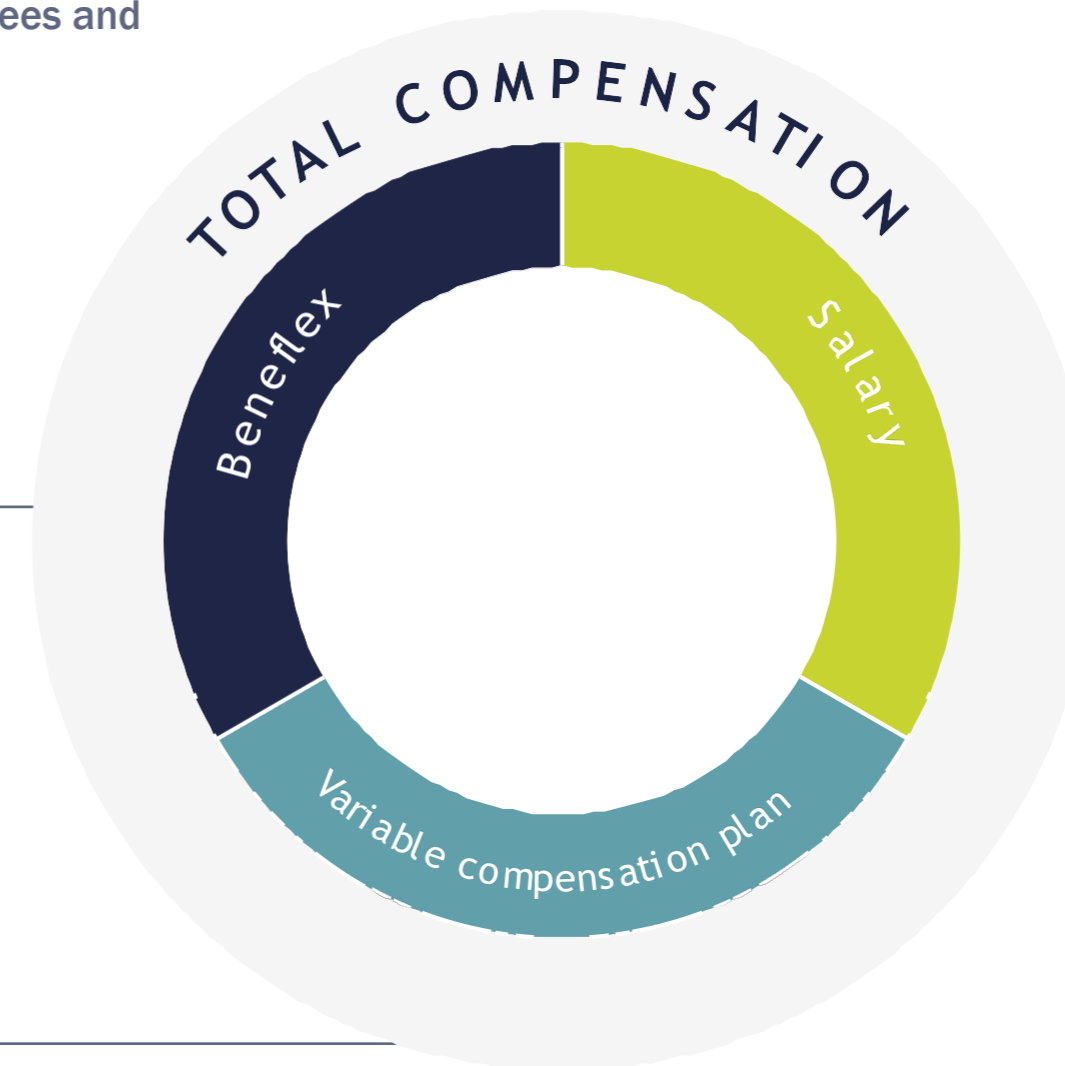
We seek to generate value by aligning our organizational strategy with the interests of our shareholders.

We focus on a long-term vision, efficiency, profitability and business sustainability.

It is a program that **supports the future and well-being** of our employees and their families.

It has three dimensions:

- General benefits
- Market benefits
- Benefits by application



It rewards the employees' responsibilities and performance.

It is subject to the fulfillment of objectives. It has two programs:

Short-term program (CP): promotes annual alignment of performance and short-term strategic objectives.

Long-term program (LP): promotes alignment between strategy and value generation.

REMUNERATION

The Organizational Performance Bonus (PRO)

is part of total compensation and is composed of two programs: a Long-Term and a Short-Term program.

Both programs define key performance indicators that leverage organizational strategy and goals, and aim to ensure cash flow generation, sustainability and profitability.

The PRO objectives are:



Align work teams with shareholder interests, and with goals focused on the medium/long term and sustainability.



Stimulate long-term thinking.



Reward superior performance.



Strengthen competitiveness in compensation, in line with organizational strategy, to attract, motivate and retain the best talent.

The CEO and the Executive Committee has stock ownership requirements up to 0,75 times the annual base salary.

The CEO has 2,09 times the annual base salary in equivalent units of Grupo Argos and its subsidiaries shares, and the other executive members have an average of 1,36 times the annual base salary.

THE SHORT-TERM PROGRAM

It is measured and settled on an annual basis

and is composed of a mix of company financial indicators and area/business indicators, which are distributed according to the contribution of each level.

	% Company	% Area/ Business
Executive Level	60	40
Management Level		
Director Level	50	50
Leadership Level - Other Levels	40	60

This program seeks to recognize and encourage the high performance of work teams to achieve higher levels of financial competitiveness, alignment with strategy and processes, and strengthen competitiveness in compensation. The program represents approximately 25% of the total compensation of our Steering Committee.

PRO 2022 financial indicators

Indicator

EBITDA

Controlling Net Income

Primary surplus

Net debt stock

For the President, the Steering Committee and Senior Management, as an optional and free choice alternative, payment of up to 100% of the value earned in the program is allowed through equivalent units of Grupo Argos shares and/or its affiliates.

In 2022, the percentage of the short-term bonus paid in stock equivalent units of Grupo Argos and/or its affiliates for the CEO was 100%.

THE LONG-TERM PROGRAM

This program is measured with triennial goals,

is paid through equivalent units of company shares and has a vesting period of 3.25 years. The program seeks to ensure that decision-making is carried out with a long-term vision and that the strategic objectives are achieved in a sustainable manner over time.

The payment is made through a fund established to invest in company shares. The program represents approximately 15% of the total compensation of our Steering Committee.

Applicable financial indicators for 2022

Indicator

ROCE/ROIC

Operational cash flow/EBITDA

Grupo Argos TSR Delta vs. ICOLCAP

This program is subject to an incentive recovery policy (Clawback) which establishes that in the event that the CEO or executive leaves the company with or without cause, by resignation or termination of the employment contract before the vesting time (3.25 years), the long-term incentive that has not vested must be reimbursed to the company.

In accordance with the above, in the event of misconduct or misrepresentation in financial reports, the incentive recovery policy would be activated.

Sustainability Indicator: composed of 3 milestones



DJSI: improve the position or remain in the DJSI.



Climate change: compliance with the annual CO2 emissions reduction target (e).



Diversity: reach 23.3% women in senior management positions.



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