

90 YEARS



INTEGRATED REPORT

2023



Investments that transform

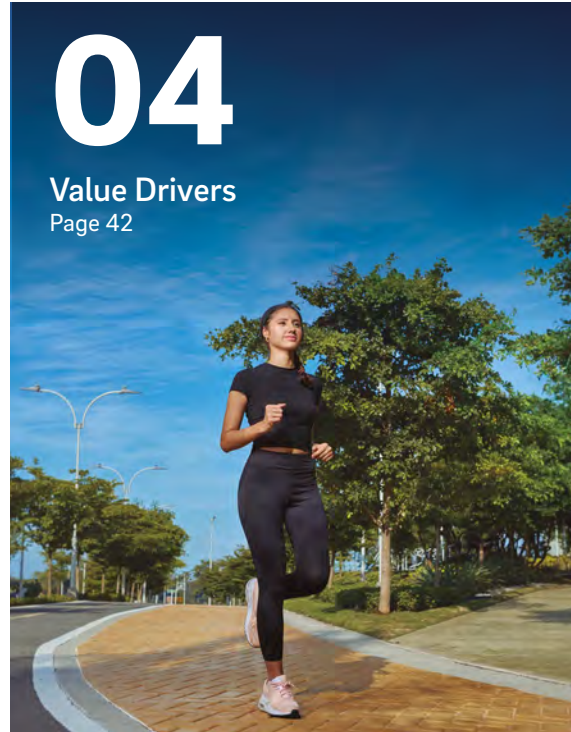
2023 Integrated Report



GRUPO ARGOS

Contents





About this report

This report is an exercise in transparency, where we publish our progress in the management of the most relevant economic, social and environmental affairs for Grupo Argos's stakeholders, explaining how we create comprehensive value.

Materiality [2-14, 3-1]

The relevance of the topics developed in this report was determined based on a Materiality Analysis carried out in 2022 to precisely reflect the issues we consider our key drivers for creating value and which we must manage in a priority manner over three years. In this report, we have used the double materiality approach, which aims to analyze key sustainability issues from the perspectives of **financial materiality and impact materiality**.

The materiality analysis was reviewed and approved by the Board of Directors' Steering Committee and the Sustainability and Corporate Governance Committee. The pages referenced describe each value driver, their relevance, and the way in which we manage them. We also present our vision for the future using short, medium and long-term goals with their associated challenges and opportunities.

Our commitment to the United Nations 2030 Agenda is materialized through eight of its 17 Sustainable Development Goals (SDGs), prioritized according to our capacity to contribute directly to the global challenges represented by each one.

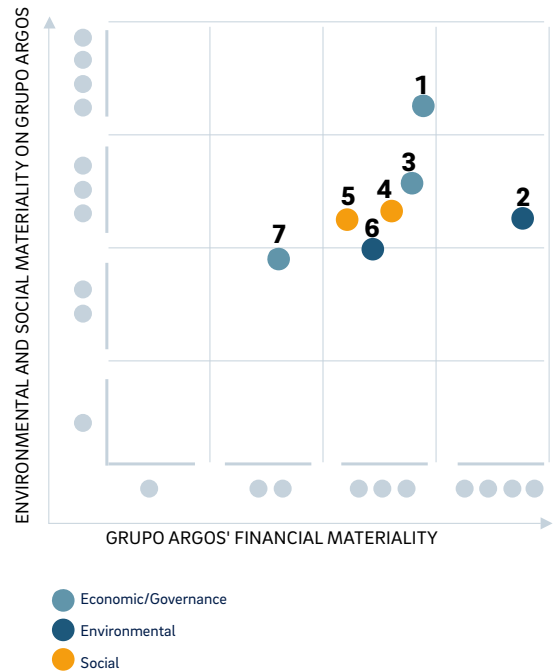
Reporting methodology

This report has been prepared according to the most recent version of the *Global Reporting Initiative (GRI)* standards from 2021, and includes elements suggested by *International Sustainability Standards Board (ISSB)* standards.

Additionally, and for the third year in a row, we implemented the *Task Force on Climate Related Financial Disclosure, (TCFD)* framework to show how the company manages climate change related risks and opportunities. Financial statements are presented under International Financial Reporting Standards, and dollar figures have been converted to Colombian pesos using the representative market rate defined for each item in

the financial statements.

The annexes section contains the GRI Content Index, and the numerical codes that appear before certain paragraphs and the self-declaration of compliance with Integrated Reporting Framework (IRF) principles serve as guides to this (see page 127). GRI and SASB Content Indexes can be found on pages 116 and 123.



- 1 Value Creation:** page 48
- 2 Climate Change:** page 50
- 3 Ethics and Corporate Governance:** page 52
- 4 Human Talent:** page 54
- 5 Economic, Political & Social Environment:** page 56
- 6 Responsible Operation:** page 58
- 7 Conscious investment:** page 60

Coverage [2-2, 3-1, 3-2]

This report gives an account of Grupo Argos’s management, performance, and main results as an infrastructure asset manager, and includes relevant information on its businesses: cement (Cementos Argos S.A.), infrastructure (energy - Celsia, highway and airport concessions - Odinsa), and its investments in the real estate (Pactia) and coal (Sator) businesses. Throughout this document we specify whether the indicators reported correspond to a separated Grupo Argos indicator, to one of its businesses, or to Grupo Empresarial Argos consolidated.

Frequency [2-3]

This document was published in March 2024 and describes Grupo Argos’s performance and annual results for the period between January 1 and December 31, 2023. The previous version was published in March 2023. This report coincides with the reporting periods for the financial reports.

External verification

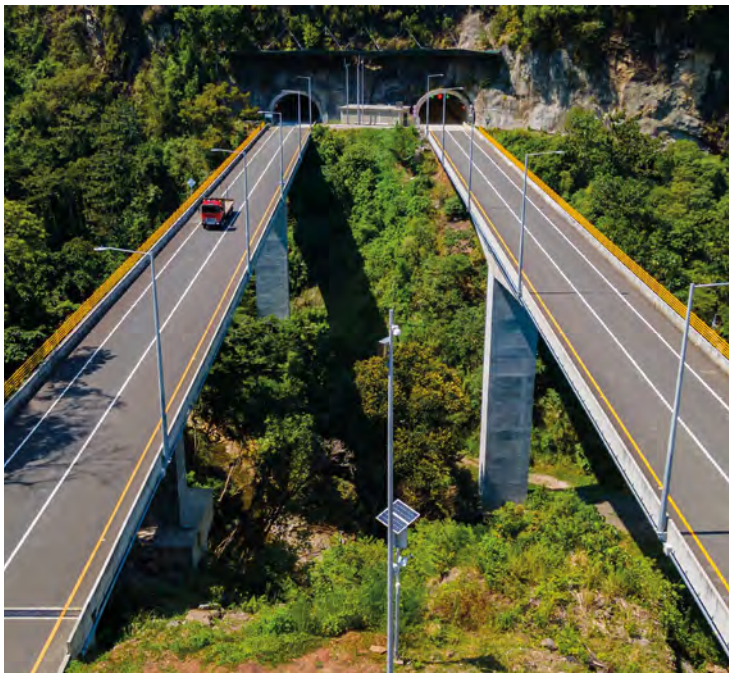
[2-14, 2-5]

To verify the reliability of the reported information, we have submitted this publication to an independent third-party accounting audit by KPMG, as Statutory Auditor for the company (see pages 82 and 107). Senior management reviewed and approved the Integrated Report and commissioned BDO Audit S.A.S. with limited assurance of social, environmental and economic indicators (see page 129).

[2-4] No relevant information from previous reports has been restated. In the event of updates to the calculation method used for any indicator, these are described in the corresponding section.

[2-3] This document has been published at **www.grupoargos.com** and is an integral part of Grupo Argos’s *ESG Databook*. Please visit the following websites to find the integrated reports of our businesses: **www.argos.co**, **www.celsia.com**, and **www.odinsa.com**.

Pacífico 2
Antioquia



Inquiries

Juan Esteban Mejia & Carolina Arango

Investor Relations and
C-Suite Affairs

jemejia@grupoargos.com

carangoz@grupoargos.com

Ana María Uribe & Margarita María González

Sustainability

auribe@grupoargos.com

mgonzalez@grupoargos.com



Access our ESG
Databook [here](#) or
scan the code

01

About us







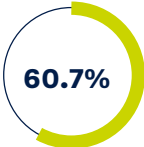





Important figures

[2-1, 2-6 and 2-7]

Grupo Argos is an infrastructure asset manager with COP 49.4 trillion in consolidated assets under management and a presence in 21 countries throughout the Americas. The company has an articulated portfolio that is focused on cement, energy, roadway and airport concessions, real estate and real estate returns. We play an active role as an investment manager, and are capable of strategically driving and guiding companies focused on selective and profitable growth and value maximization.

Key information by business

	 ARGOS	 CELSIA	 ODINSA	 PACTIA
	Cement	Energy	Roadway and Airport Concessions	Real Estate Business
Shareholding	 60.7%	 52.9%	 99.9%	 37.4%
Revenue Trillions of COP	12.7	6.2	0.2	0.5
Ebitda Trillions of COP	2.6	1.8	0.4	0.2
Net inc. cont. interest COP billion	320	193	327	110
Employees per company Variation compared to 2022	6,784 (-2.21%)	2,271 (+0.75%)	1,997 (+8.89%)	368 (-33.09%)

* Grupo Argos' share of Cementos Argos is equivalent to 60.7% of its outstanding ordinary shares and 51.5% of its preferential shares

Employees

Over
11,500

Social investment

Over
102 billion

› COP 33 billion executed by Fundación Grupo Argos

Climate Change

40%

› Reduction in specific emissions vs 2018 baseline

[305-5]

Grupo Argos S.A.

Separated

Assets

COP 20 trillion

Revenue

COP 1.4 trillion

Ebitda

COP 945 billion

Net Income

COP 789 billion

OTHER INVESTMENTS

Grupo Sura
27.9%

Grupo Nutresa
9.9%

Company Portfolio
9.9%

Shareholders

15,366

Market cap

COP 9.9 trillion

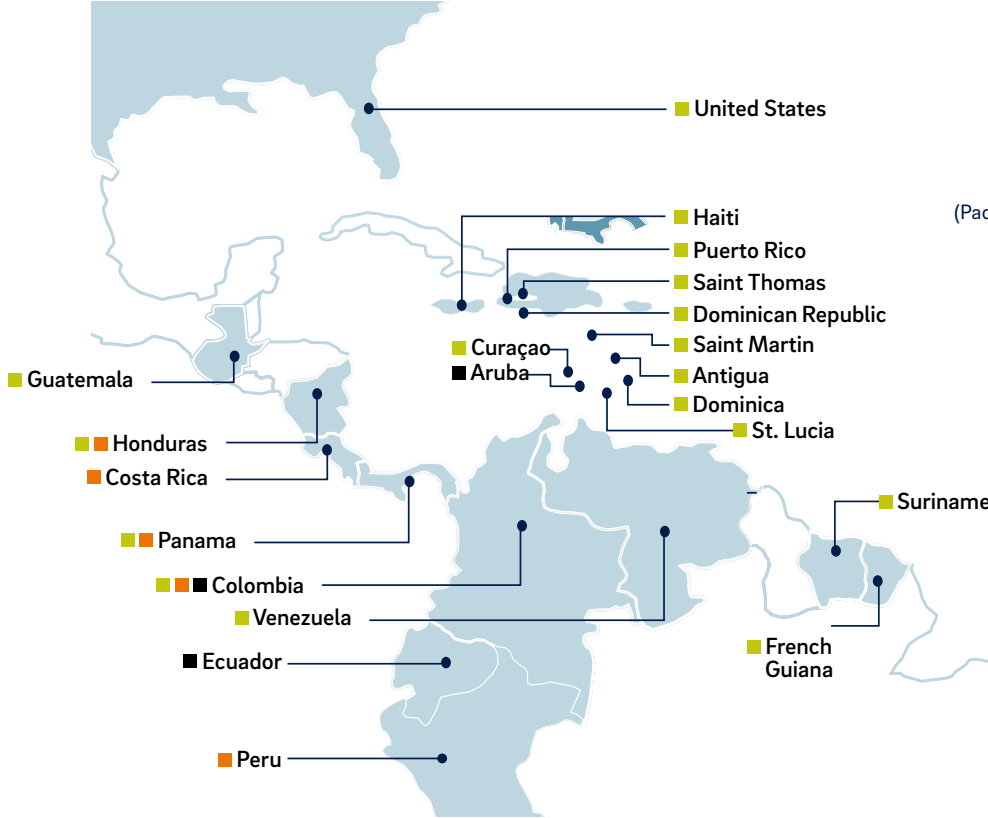
Employees

98
› +4%

Sustainable financing

COP 624 bn
› 38.7% of debt

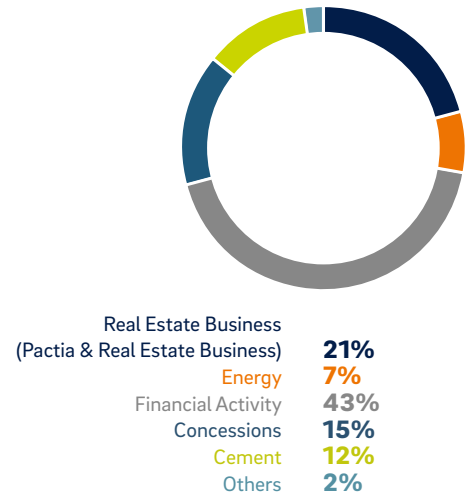
Presence in 21 countries and territories



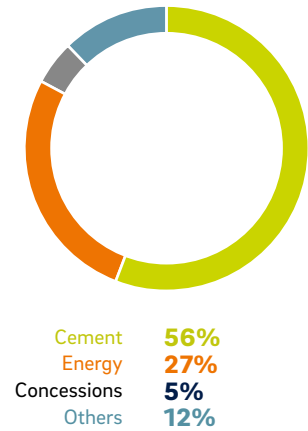
Countries by business

- Cementos Argos
- Celsia
- Odinsa

Separated Revenue



Consolidated Revenue



Grupo Empresarial Argos

Consolidated

Revenue

COP **22.6** trillion

Ebitda

COP **5.5** trillion

Net Income

COP **1.5** trillion

Equity

COP **27.8** trillion

Assets

COP **49.4** trillion

Sustainable financing

COP **3.6** trillion
 › 26.7% of debt

Trees planted

19.6 million
 › Accumulated since 2016

Board of Directors

[2-9, 2-11, 2-12, 2-13]

The Board of Directors is the company's highest management body and maintains an overall vision of all of Grupo Empresarial Argos's businesses. It has a diverse composition in terms of gender, abilities and experience, and active participation from independent members.

Grupo Argos's Board of Directors defines the company's strategy, oversees management activities and monitors economic, environmental and social risks and opportunities as they arise.

It also supports the engagement system between the busi-

nesses in Grupo Empresarial Argos, which serves as a foundation for defining strategy, policy and other guidelines that apply to all the businesses and seeks to ensure a unity of purpose and direction.

All this seeks the best interests of the shareholders and other stakeholders, making sure their rights are protected and their expectations are met in a balanced manner, subject to the highest ethical, behavioral, and transparency standards.

Women on the Board of Directors

[405-1]

3

Total number of sessions

17

Board of Directors attendance rate

97%

Action plan fulfillment rate

100%

- » The Board of Directors has seven principal members.
- » Reported indicators are calculated for the seven seats on Grupo Argos's Board of Directors.

Esteban Piedrahita

Rector of Universidad ICESI



Start date: April 1, 2023

Support Committee:



Other Boards of Directors: 3

- › Ecopetrol S.A.
- › Seguros Comerciales Bolívar S.A.
- › Compañía de Seguros Bolívar S.A.

Non-profit entities:

- › Fundación Sidoc
- › Centro Internacional de Investigaciones Médicas (CIDEIM)

Studies:

- › Economics, Harvard University
- › Master of Philosophy & History of Science, London School of Economics

Professional background:

- › Rector of Universidad ICESI
- › Previous position: Chairman of the Cali Chamber of Commerce

Experience:

- › Corporate Finance
- › Business Affairs
- › Construction Materials Industry
- › Governance and Public policy
- › International

Jorge Uribe

Independent consultant



Start date: April 1, 2015

Board Committees:



CEO

Other Boards of Directors: 3

- › Carvajal S.A.
- › Ingredion Inc.
- › General Mills Inc.

Studies:

- › Engineering Management, Universidad Nacional
 - › MBA, Xavier University
- Professional background:**
- › Independent consultant
 - › Previous position: Global Productivity and Organization Transformation Director, P&G

Experience:

- › Risks
- › Corporate Finance
- › Business Affairs
- › Sustainability
- › International
- › Talent

Ana Cristina Arango

Director of Inversiones El Yarumo S.A.



Start date: April 1, 2009

Board Committees:



Other Boards of Directors: 3

- › Distribuciones Agralba S.A.
- › Productos del Caribe S.A.
- › Inversiones El Yarumo S.A.

Studies:

- › Civil Engineering, Universidad Eafit
- › MBA, Universidad de Los Andes

Professional background:

- › Director of Inversiones el Yarumo S.A.S.
- › Previous position: Financial Management Assistant Cementos Rioclaro S.A.

Experience:

- › Corporate Finance
- › Construction Materials Industry
- › Sustainability

Rosario Córdoba

Independent consultant



Chair of the Board of Directors

Start date: April 1, 2011

Board Committees:



CEO

Other Boards of Directors: 1

- › Fiduciaria Bogotá

Non-profit entities:

- › Universidad Jorge Tadeo Lozano
- › Fundación Santa Fe de Bogotá
- › Fedesarrollo
- › Fundación Alejandro Ángel Escobar
- › Women in Connection

Studies:

- › Economics, Universidad de Los Andes
- › Master of Economics, Universidad de Los Andes

Professional background:

- › Independent consultant
- › Previous position: Chair of Consejo Privado de Competitividad

Experience:

- › Risks
- › Corporate Finance
- › Crisis Management
- › Sustainability
- › Governance and Public policy



Mauricio Ortega

Partner - Manager of Suma Legal S.A.S.



Start date: April 1, 2023

Board Committee:



Non-profit Entities:

- › Museo de Arte Moderno de Medellín
- › Fundación Fraternidad Medellín

Studies:

- › Law, Universidad Pontificia Bolivariana
- › Specialization in Tax Law, Universidad Pontificia Bolivariana
- › Specialization in Management Law, Universidad Pontificia Bolivariana

Professional background:

- › Partner - Manager of Suma Legal S.A.S.
- › Previous position: Assistant Chief Legal Officer ANDI
- › Legal Manager General Secretary Cristalería Peldar S.A.
- › Legal counsel and litigation

Experience:

- › Business Affairs
- › Legal Affairs
- › International

Claudia Betancourt

General Manager for Amalfi S.A.S.



Start date: April 16, 2018

Board Committee:



Other Boards of Directors: 6

- › Gases de Occidente S.A.
- › Promigas S.A.
- › Contecar S.A.
- › Palmar de Altamira S.A.S.
- › Sociedad Portuaria de Cartagena S.A.
- › Cartagena II S.A.

Non-profit entities:

- › Fundación Notas de Paz
- › Fundación Scarpetta Gnecco
- › Propacífico

Studies:

- › Economics, Colegio Mayor de Nuestra Señora del Rosario

Professional background:

- › General Manager Amalfi S.A.
- › Previous position: Chief Risk Officer, Corporación Financiera del Valle S.A.

Experience:

- › Risks
- › Corporate Finance
- › Business Affairs
- › Crisis Management

Armando Montenegro

Chair of BTG Pactual S.A.



Start date: April 1, 2015

Board Committee:



Other Boards of Directors: 1

- › Banco BTG Pactual Colombia S.A.

Non-profit entities:

- › Fedesarrollo

Studies:

- › Industrial Engineering, Universidad Javeriana
- › Master of Economics and Latin American Studies, Ohio University
- › Ph.D. in Economics, New York University

Professional background:

- › Chair of BTG Pactual S.A.
- › Previous position: Managing Director Ágora Corporate Consultants
- › Director of the National Planning Department
- › Chair of ANIF

Experience:

- › Risks
- › Internal control
- › Corporate Finance
- › Crisis Management
- › Governance and Public policy



Independent member



Non-executive



Audit, Finance and Risk Committee



Sustainability and Corporate Governance Committee



Talent Committee



Compensation Committee

Steering Committee

[2-13]



Its members' technical knowledge, experience and personal qualities make Grupo Argos's Steering Committee the governing body with competence to make sure the company's strategy is achieved.

This Committee advises the CEO on decisions inherent to or that have an impact on Grupo Argos. In turn, each of its members is responsible for their own individual responsibilities and for related issues with a Grupo Empresarial Argos-wide scope.

- 1. Alejandro Piedrahita**
Chief Officer for Strategy and Corporate Finance
- 2. Jorge Mario Velásquez**
CEO
- 3. Rafael Olivella**
Chief Officer for Corporate Affairs

CEO Committee

With an in-depth understanding of each strategic business, this Committee discusses decisions that concern Grupo Empresarial Argos.

The CEO of each business is fully accountable for their own company's results, under the direction of their corresponding boards of directors and within the corporate framework and context of Grupo Empresarial Argos.

- 1. Juan Esteban Calle.**
Cementos Argos CEO
- 2. María Clara Aristizábal.**
Manager of the Real Estate Business
- 3. Mauricio Ossa.**
Odinsa CEO
- 4. Jorge Mario Velásquez**
Grupo Argos CEO
- 5. Ricardo Sierra**
Celsia CEO



02 Management Report





Management Report from the Board of Directors and the CEO



Cementos Argos
Mixers
United States

Dear Shareholders

This is a special Meeting that commemorates 90 years of Grupo Argos, an auspicious time to take stock of our history, and, especially, to recognize the role played by you, our founders, the leaders that came before us, the employees and the tens of thousands of people that, with a shared vision for the future, helped make possible the following story of entrepreneurship and working for the development of Colombia

The story that began on February 27, 1934, with a company started by Don Jorge Arango Carrasquilla and Don Carlos Sevillano Gómez, gave rise to what Argos is today: a flagship company in Colombia and the continent.

This organization opened its doors with the intent of producing the cement that our country needed to drive the construction of its cities and industries. It was determination, rigor, and a capacity for creation and innovation that made this dream

possible and drove an evolution that has resulted in our presence in 21 countries and territories, management of close to COP 50 trillion in assets, and the creation of wealth and comprehensive value for shareholders, employees, suppliers, and all our stakeholders.

This way of doing business allowed us to achieve the best results in the company's 90 years of history in 2023 and drove the realization of important strategic milestones that lay the foundations for Grupo Argos's future.

On the financial front, the company ended 2023 with COP 1.4 trillion in separated revenue, growing 83%. EBITDA reached COP 945 billion, doubling the previous year's results, and net income was COP 789 billion, a 128% increase compared to 2022. As regards consolidated figures, our revenue was COP 22.6 trillion, EBITDA was COP 5.5 trillion, and net income, COP 1.5 trillion.

COP
1.4 trillion
separated revenue

COP
945 billion
Ebitda

COP
789 billion
Net Income

From a strategic perspective, the asset combination agreement between Argos USA and Summit Materials strengthened Cementos Argos's position as an important player in the industry in the world's number one economy. COP 5 trillion in investments made over 18 years in the United States, turned a profit of COP 6 trillion as a result of this operation.

Along these same lines, Odinsa and *Macquarie Asset Management* established a new airport infrastructure investment platform that includes over COP 1.3 trillion in assets and opens doors to develop projects like the new Cartagena Airport and the expansion of El Dorado Airport in Bogota.

In turn, Celsia announced its entry into Peru with a large-scale renewable energy plant while simultaneously divesting certain assets in Central America. These resources were used to reduce its net debt, with a positive effect on return on employed capital, which reached 18.3%.

Another highlight was the agreement to divest Grupo Argos' investment in Grupo Nutresa, which will increase the company's share in Grupo Sura. This transaction, which benefits all shareholders, will allow each organization to focus on its strategic roadmap and continue to grow and create value for their stakeholders.

The organization's achievements and performance in 2023 create avenues for its profitable growth and are founded on a history of entrepreneurship, the vision of those that came before us, the hard work of thousands of people and, specifically, the support of our stakeholders. This history of transformation inspires us to continue moving forward.



Túnel de Oriente
Antioquia

90 years building the country

On February 27, 1934, "*Compañía de Cemento Argos*" was incorporated at the Second Notary of Medellín. This company focused, according to its deed of incorporation, on the "*exploitation of the cement industry and the production of any other limestone or clay-based materials or articles...*"

This association to produce cement represented a fascinating milestone that put into evidence the values and capabilities that have accompanied the drive inherent to businesspeople in Antioquia: a commitment to generate shared value, an ongoing conviction of being on the cutting edge of knowledge, respect for ethics and values, and the vision and audacity to invest in infrastructure development within a framework of small amounts of equity that, over decades, have configured a much larger social capital than the initial sum of their parts. In the late 1920s and early 1930s, in the midst of a



Panoramic view of the Argos factory in Medellín in 1936

global financial depression, visionary entrepreneurs dreamed of creating a large company that would drive the growth of housing and civil construction work in Colombia. As Gabriel García Márquez described it years later in the weekly paper *Crónica*, the cement industry was already emerging as one of the most important for society at the time, because, in his words, *"in reality, to manufacture cement is to manufacture cities."*

For several years, while trips on muleback were being taken around Antioquia to identify limestone and other mineral deposits and reserves, progress was made with structuring and disseminating this project that would be called Cemento Argos.

Faced with the challenge of a lack of capital to make this venture a reality, the founders turned to regional cooperation that drove the creation of large assets in Antioquia, involving 99 partners, both individuals and corporations, who not only contributed enough capital to start building the factory and commissioning it two years later, but also provided

the confidence to continue creating and strengthening the country's industry. This has been a characteristic of Grupo Argos's development from day one: its vocation to be a public company, where anyone can invest their assets to become a partner and participate in the growth of this company that is, at the same time, the history of the industrial growth of Antioquia and Colombia.

In its early years, Cemento Argos expanded its production capacity rapidly to meet growing demand in Colombia. These studies were extended to other regions of the country, revealing the potential of the lands around the Magdalena River, as well as in Valle del Cauca and on the Caribbean Coast.

In 1938, in collaboration with investors from Valle del Cauca, Cementos Argos participated with a 30% stake in the creation of Cementos del Valle, whose plant began operations in 1941, marking the first of the partnerships that would establish it as a company with a nation-wide reach. Over the following years, Argos promoted the creation and

strengthening of other companies including Cementos del Caribe, Cementos de Caldas, Tolcemento, Colclínker, Cementos Paz del Río, Cementos del Nare, Cementos El Cairo and Cementos Rioclaro.

Between the end of the 20th century and the beginning of the 21st, Colombia accelerated its economic openness, which provided the foundation for geographical diversification. Thus, the company began developing capacities to export to the Caribbean basin and several states of the American Union. It then started partnerships that led to the acquisition of cement companies in Panama, the Dominican Republic, Haiti and Venezuela. At the turn of this century, leadership and long-term vision drove us to gradually build up a valuable platform of cement, concrete and logistics assets in 12 states of the world's largest economy. This exercise cemented the accomplishments we are announcing this year.

Meanwhile, in Colombia, the market had changed and its challenges led to the eight regional cement companies created or acquired by Cemento Argos, becoming a single company through a careful transformation process. The eight initial companies, each from a different region, came together to consolidate a national industrial icon. This milestone turned on the green light of Cementos Argos, which focused on the cement and concrete business, and Grupo Argos, the owner of 70% of this company and corporation, which subsequently received the



Mixer Truck. 1956

non-cement investments of the original companies.

Grupo Argos focused on developing alternative and complementary industries to the cement business, consolidating four strategic businesses: cement, with Cementos Argos, energy, with Celsia, toll roads and airport concessions, with Odinsa, and real estate, with Pactia and the Real Estate Business.

The COP 300,000 in capital with which the company was incorporated, became an equity of COP 17 trillion 90 years later. The 15 thousand tons of installed capacity with which it began had reached over 24 million tons by the end of 2023.

The raw material for this story, beyond limestone or clinker, lies in creativity, vision of the future, desire for transformation, innovation, and commitment. Within the private sector, Grupo Argos has established itself as an engine for development and growth, but above all as a benchmark that has viewed the opportunities offered by Colombia and the region with optimism, to work and inspire the millions of entrepreneurs who, like our founders, shareholders and collaborators, intend to continue building the country.



First sack of Argos brand cement

Strategy

The largest business deal by a Colombian company in the United States: The combination between Argos USA and Summit Materials



Cementos Argos Harleyville Plant
United States

In 2005, Grupo Argos' cement business was consolidated in the U.S. market with a long-term vision: establish itself as a relevant player in the U.S. construction materials industry. This year, the combination between Argos USA and Summit Materials achieved this ambition, resulting in a company with an enterprise value (EV) of approximately USD 9 billion, listed on the New York Stock Exchange, and with a 31% stake belonging to Cementos Argos.

This move valued our United States operations at around USD 3.2 billion and opens up new opportunities in that country, generating value for all Cementos Argos shareholders, including Grupo Argos.

The transaction also represented a cash inflow of USD 1.2 billion, USD 700 million of which was assigned to paying off the U.S. operation's debt, and USD 500 million to reducing net debt in Colombia.

The new combined entity has 5.5 billion short tons of aggregates, equivalent to over 90 years of reserves, immediately exposing Cementos Argos to a sector where the market usually recognizes valuation multiples higher than mostly cement com-

panies and to which we previously had no relevant exposure. Similarly, this new company has 11.8 million tons of installed cement capacity, 224 concrete plants, 32 asphalt plants, and a presence in 30 states.

Together, these two companies have the potential to generate close to USD 1 billion in pro forma EBITDA per year, including synergies estimated at over USD 100 million in incremental EBITDA per year. Cementos Argos's operations in Colombia, Central America and the Caribbean will be strengthened by a series of complementary agreements between the two entities and by improved capital structure flexibility.

At the time of the transaction's announcement, Cementos Argos had a market cap of less than USD 1 billion, which is evidence of the mismatch between the real value of its assets and its stock market value. This business deal alone is more than double that value, without considering the valuation of its other assets in Colombia, Central America, and the Caribbean, which produce about half of the compa-

ny's total EBITDA.

Since the announcement was made and until the end of 2023, Cementos Argos' common and preferred stock appreciated over 120%. However, we believe that the company's current listing on the Colombian Stock Exchange does not yet fully reflect its intrinsic potential. According to Summit Materials' share price on January 31, the investment in this new company alone represents around COP 5,700 per share of Cementos Argos.

Agreement and divestment in Nutresa

Just as 2023 was a year of transformation for our cement business, it was also one for Grupo Argos' investment in Grupo Nutresa, a company in which we had maintained an investment for nearly 40 years, and with which we share business principles and a vision based on a balance between the creation of economic, social, and environmental value. In recent decades, returns from this investment were profitable and enabled our growth within the energy, cement, and toll roads and airport concession sectors.

In June 2023, we announced the execution of a Framework Agreement that defined the terms of a swap of Grupo Argos's stake in Grupo Nutresa's food business for shares in Grupo Sura and for an indirect stake in Grupo Argos and Grupo Sura stock.

This transaction, through which Grupo Argos swaps its 9.9% stake in Grupo Nutresa for shares in Sociedad Portafolio and Grupo Sura, involves di-



Margaret Hunt Hill Bridge
infrastructure with the Argos seal
United States

vestment of a mature company under reasonable terms of exchange for all parties and in a manner consistent with the vision outlined by the company. This transaction allows Grupo Argos to receive adequate value for its stake in Grupo Nutresa, without being subject to prorations, and where all Nutresa's shareholders also have the flexibility to choose between the exit option that best suits their preferences.

On February 6, Grupo Argos and the other parties to the Framework Agreement signed on June 15, 2023, successfully carried out the first share swap. The company swapped all the shares it held in Grupo Nutresa for 36,070,836 ordinary shares of Grupo Sura owned by JGDB, Nugil, and IHC, and 14,932,413 ordinary shares of Sociedad Portafolio owned by Nugil.

Subsequently, following the execution of the Framework Agreement and under the provisions of

Decree 079/2024, the plan is to move forward with a public tender offer for up to 23.1% of the outstanding shares of Grupo Nutresa, which will be carried out jointly and not severally for all Grupo Nutresa shareholders. The procedures for the public tender offer will be implemented within the period provided for in the above Decree.

Once the public tender offer for the acquisition of Grupo Nutresa's shares has been completed, the second swap will take place, and this will complete the operations provided for in the Framework Agreement.

Highlighting the importance that its investment in Grupo Nutresa has had for this organization, and the admiration for and recognition of the role this company has played in the business development of the country and Antioquia, we highlight that the arrival of new investors to the food business is a milestone that maximizes value for all its shareholders and, as has been announced, a new avenue of growth to maintain its relevance for Medellín, Antioquia and Colombia, while ensuring that this regional reference for the point in the food industry has additional financial leverage to drive its growth globally. To Grupo Nutresa, its directors and over 46,000 employees, we extend our best wishes for a successful future and thank them for all these years of shareholding.



Alto Anchicayá Hydroelectric Power Plant
Valle del Cauca

A step toward the future: Spotlight on infrastructure

The divestment of Grupo Nutresa marks a new stage in Grupo Argos's history, where its priority is to release value for our shareholders and enhance the leadership the organization has achieved in the infrastructure sector over the past decade by consolidating investment platforms for energy transmission and distribution projects, solar generation and transportation platforms, attracting capital along the way from global investors that will remunerate our management and operational capacities.

We are aware that, not only are capital flows global now, but institutional investors have an increased appetite for specialized assets, such that they each make their own diversification decisions. Thus, although Grupo Argos and its subsidiaries have increased their share in Grupo Sura under this swap, the resulting structure will be temporary.

As reported to the market, Grupo Argos is an-



Cartagena Plant - Cementos Argos
Bolívar

alyzing strategic alternatives related to its investment in Grupo Sura. Once this analysis has been completed, a decision will be reported in due course.

Share performance

While we celebrate our share price performance over the last year, with both our common and preferred stock appreciating over 30%, we reiterate that the current listing of our companies on the Colombian Stock Exchange does not yet reflect their intrinsic potential. We will therefore continue to work and promote initiatives to reduce the gap between the real value and the share price. Proof of this is that Grupo Argos is trading at close to half its book value while, on average, throughout the time it has been listed on the stock exchange, the com-

pany's price has exceeded its book value at the end of each year.

This mismatch has many causes, including a low appetite of international investors for equity assets in emerging markets, a lack of liquidity in the Colombian market, political and institutional uncertainty in Latin America, high interest rates, and global economic volatility. According to a report published by J.P. Morgan in August 2023, valuation multiples at which Colombian stocks traded were less than half the average for other emerging markets.

Mariscal Sucre Airport
Ecuador





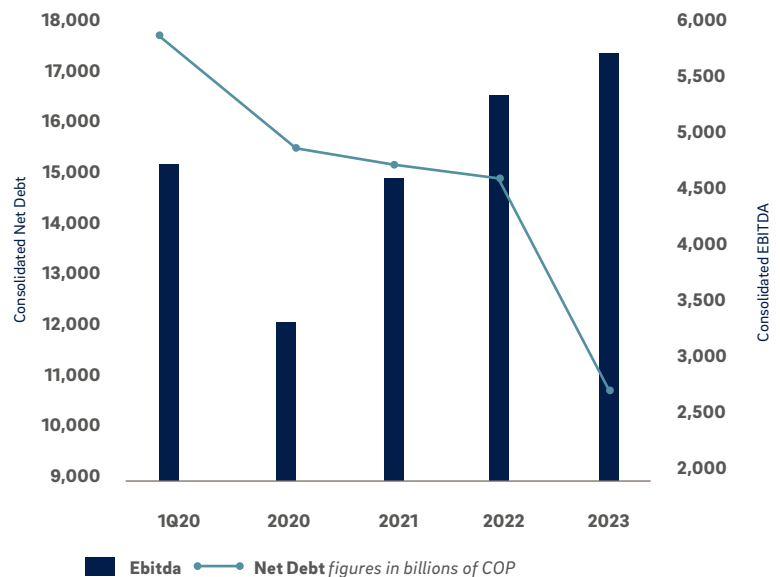
Pacifico 2 Operations Control Center
Antioquia

Against this backdrop, our priority was to take measures to disclose value to our shareholders. Thus, in 2023 we moved forward with share buyback programs for an aggregate amount of up to COP 1 trillion for the listed companies of Grupo Empresarial Argos market values, the share price for each shareholder that holds their investment increases.

We bought back over seven million shares in Grupo Argos. These efforts, together with other transactions announced during the year, were reflected in an increased appetite for and a 50% and 69% appreciation of common and preferred shares, respectively, since the buyback program was announced.

We also remain focused on operational excellence, prioritizing a deleveraging policy. Since the first quarter of 2020, the consolidated net debt of Grupo Empresarial Argos has decreased by over COP 6.0 trillion, while, during the same period our organization’s consolidated EBITDA grew by close to COP 1.0 trillion. In 2023, consolidated net debt closed at COP 10.8 trillion, which corresponds to a net debt to EBITDA ratio of 2.0 times.

Net Debt vs. Ebitda



Business Performance

Cement - Cementos Argos

In 2023, revenues from our cement business reached COP 12.7 trillion, a growth of 9%, while EBITDA was COP 2.6 trillion, growing 22% compared to 2022. Net income to the controlling interest was COP 320 billion pesos, 125% year-on-year growth, while the leveraging ratio of net debt to EBITDA closed at 2.6 times, the lowest in the last 10 years. This indicator will continue to drop during 2024 to less than 2.5x, due to the cash received from the Summit transaction.

Cementos Argos shipped 15.7 million tons of cement, a -3% variation compared to 2022. The company maintained its shipment levels in the United States, despite lower demand from the industry, had higher shipments in most countries in Central America and the Caribbean, and increased the cement exported from Cartagena, offsetting reductions due to decreased activities in the residential segment in Colombia.

U.S. operations saw improved margins. EBITDA was USD 367 million, growing 46%. In turn, the EBITDA margin expanded by 540 basis points, reaching 21.4% and setting the highest figures for Cementos Argos in this country. Revenues from the Colombia region were COP 3.0 trillion, 9% above the 2022 record, while export volumes grew 12% year-on-year, for 1.4 million tons. In Central America and the Caribbean, we ended 2023 with revenues of USD 544 million and EBITDA of USD 124 million, stable figures compared to the year before.

With the closing of the combination transaction between Argos USA and Summit Materials, Cementos Argos will consolidate its position and drive its growth in Colombia, Central America, and the Caribbean, and will enhance its export capabilities to the United States and other geographies. It should be noted that the economic results of this transaction will be reflected in the 2024 income statements.

Infrastructure

Energy - Celsia

Celsia's had COP 6.2 billion in revenue in 2023, a 12% increase compared to 2022. Consolidated EBITDA was COP 1.8 billion, growing 4%. Consolidated net income ended the year at COP 349 billion, impacted by increased financial costs and a volatile exchange rate.

The company is the fourth largest electric power generator in Colombia, with a mainly hydroelectric portfolio with thermal backup, and is consolidating



Mercedes-Benz-Stadium, infrastructure with the Argos seal United States

COP
12.7 trillion
revenue

COP
2.6 trillion
Ebitda

COP
320 billion
Net income controlling interest

its leadership in the country's and the region's energy transition. At the end of 2023, the company's total installed capacity was 1,959 MW, with over 70% of this from renewable sources.

Through C2Energía, the large scale solar generation platform in association with Cubico, Celsia achieved 300 MW in solar energy generation capacity in Colombia. In parallel, the company is currently developing additional solar farms that will add an additional 400 MW of capacity.

In turn, the company's commercial representation at the Meriléctrica and Tesorito thermal plants

played a leading role in 2023, providing support and reliability to the Colombian electrical grid in the midst of the El Niño phenomenon.

This year, Celsia reorganized its presence in Central America by divesting certain assets. This operation improved its financial flexibility, strengthened its liquidity position, and reduced net debt, achieving a 2.3x net leverage ratio over EBITDA.

The organization also announced its entry into Peru with the acquisition of the Caravelí wind power generation project, located in Arequipa, with 218 MW of installed capacity. With this, we seek to take advantage of the attractive natural resources this country offers for renewable energy initiatives.

We will continue to explore new expansion opportunities in the region and bring reliability to the electrical sector in Colombia. We are committed to providing quality services to over 1.3 million customers in Valle del Cauca and Tolima.

COP
6.2 trillion
revenue

COP
1.8 trillion
Ebitda

COP
349 billion
Net Income

Celsia Solar San Felipe
Tolima



Concessions - Odinsa

In 2023, the company continued contributing to the development of toll roads and airport infrastructure alongside *Macquarie Asset Management*, the largest infrastructure asset manager in the world.

The roadway platform ended 2023 with over 38 million vehicles in traffic, a figure that remained stable compared to the previous year, even with the reductions along Autopistas del Café due to the temporary closure of the El Alambrado bridge.

Airport traffic closed out the year at over 45 million passengers, 40 million of which correspond to El Dorado International Airport, a record figure for the asset, which is operating at full capacity.

With the cash Odinsa received from consolidation of the airport platform, in 2023 it paid off the bonds it had issued in 2020 for COP 280 billion, reducing its debt and improving its capital structure to drive the projects it is currently structuring in Colombia

Odinsa's verticals have a pipeline of USD 4.5 billion in projects that will transform the region's infrastructure over the next 10 years. Highlights include Conexión Centro, a Private Initiative (PI) that will optimize the infrastructure of Autopistas del Café; a PI for the construction of the new Cartagena airport, which will strengthen the tourist infrastructure of the city and the Caribbean region overall; expansion of Túnel de Oriente, which will result in a dual carriageway to serve the growing traffic along this roadway; the Perimetral de la Sabana PI, a regional integration project for the Bogotá savannah; and the Bogotá El Dorado Max PI, designed to increase the airport's capacity from 40 to 60 million passengers per year.

With these initiatives, Odinsa seeks to continue promoting a development model that, thanks to partnerships between public and private capital, has been able to help close the infrastructure gap that exists in Colombia, which is essential to promote competitiveness, development and, especially, social inclusion. Throughout the 20th century, transport infrastructure investments in Colombia remained on average at 1.0% of GDP. However, since the start of the 21st century, with the appearance of (PPPs) and an influx of private capital into the infrastructure sector, investments in these projects have more than doubled, with a positive and exponential effect upon all sectors of the economy and especially for the generation of employment.

We must insist that, to materialize the substantial investments we are structuring, it is essential that the rules of the game remain the same, that the institutional framework provides adequate con-



Pacífico 2 Bridges over the Cauca River
Antioquia

38 million
Vehicle traffic

46 million
Airport passenger traffic

ditions to continue attracting capital, and that the legal stability of the concession model is strengthened. We are convinced that better infrastructure is a driver to continue moving towards a more inclusive, just, and sustainable society, and that it must build on the institutionality that, in recent decades, has allowed Colombia to make progress in terms of connectivity as never before.



Túnel Mulatos Pacifico 2
Antioquia

Real Estate Business

This business ended the year with a record net cash flow of COP 105 billion, 76% higher than the average recorded since 2016. It also signed COP 244 billion in new deals for a contractually committed cash flow of COP 314 billion over the next 4 years.

In Barranquilla, Grupo Argos's contribution through this business was not limited to investments in urban planning and housing and commercial projects, but also to the positive externalities produced by the development of our properties, where 620 thousand m² are currently in operation as commercial premises and offices, 1,100 hotel rooms, colleges and universities that serve 15,000 students, and industrial developments that create 9,000 jobs.

Pactia, in turn, had a net operating revenue of COP 310 billion, growing 21%, and a consolidated EBITDA of COP 240 billion, 28% growth compared to 2022. The business also ended the year with a gross leasable area of 812 sq. mt. and COP 3.9 trillion in assets under management. Assets in all segments have high occupancy levels: 94% for commercial, 92% for logistics, and 99% for office space.

Financial results

Due to the outstanding results of all our investments, as well as non-recurring transactions such as the income received from the sale of Grupo Argos's stake in Opain after the conclusion of the airports vertical, accumulated revenues for the year in the separate financial statements closed at COP 1.4 trillion, growing 83%, EBITDA closed at COP 945 billion, 99% higher than the previous year, and net income was COP 789 billion, more than double its value at the end of 2022.

Grupo Argos also closed 2023 with consolidated revenues of COP 22.6 trillion and an EBITDA of COP 5.5 trillion, growing 6% and 5% compared to the previous year, even considering that, due to the creation of the roadway and airport verticals, Odinsa's assets are no longer consolidated line by line in the financial statements. Net income, in turn, ended the year at COP 1.5 trillion, growing 1%, and net income to the controlling interest was COP 881 billion, growing 4%. These figures are important considering that certain infrastructure assets are not consolidated this year and other non-recurring charges are also included.

Sustainable value creation for stakeholders

Grupo Argos's achievements over the past 90 years bear witness to a business vision that emphasizes the creation of wealth, leveraged by the creation of positive externalities for society and the environment. This vision was recognized once again in 2023 by the Dow Jones Sustainability Index, which ranked Grupo Argos and Cementos Argos amongst the most sustainable companies in their sector, a standard we have maintained without interruption for the last 12 years.

The company maintained its unrestricted commitment to the generation of inclusive environments, which value and respect diversity as one of the focuses of the talent strategy. It thus continued to promote initiatives in its businesses that allowed it to make progress with the specialized training of 97 employees in seven countries, achieve a 46% participation by women in the succession matrix for critical positions, and provide training for nearly 700 suppliers in tools to develop good practices throughout their value chains. These commitments and advances were recognized by Forbes and Statista in the *World's Top Companies for Women*

2023 ranking, where Grupo Argos's practices and to its conviction to strengthen the actions required to drive more diverse and inclusive organizations were highlighted.

This opportunity should also be used to recognize the purposeful and transcendent work done by our over 11,500 collaborators, who, with commitment and integrity, and guided by the capabilities and vision developed over these 90 years of history, have contributed greatly to the results we are presenting to you today.

From a social perspective, we moved forward with the construction and delivery of the new Providencia and Santa Catalina Hospital after an investment of more than COP 12,4 billion, which intends to provide a space for caring for life, contribute to infrastructure recovery after the effects of Hurricane Iota in November 2020, and help improve standards of living amongst the inhabitants of the Colombian Caribbean islands. This infrastructure benefits over 4,000 people and Fundación Grupo Argos and other public and private allies participated in its development.

Additionally, in 2023, and intending to contribute to the development of the regions most affect-

ed by the conflict in Colombia, the Creando Valor Social program led the initial execution of close to COP 72 billion in 12 roadway infrastructure and education projects in Antioquia, Cauca, Sucre, Tolima and Valle del Cauca, through the Works for Taxes mechanism. The organization was also involved in close to COP 90 billion in new projects that had previously been approved under this mechanism, that will be invested in secondary roads and education initiatives in Antioquia, Cauca, and Valle del Cauca. In 2023 the Fundación Grupo Argos invested over COP 33 billion in 11 programs that benefited nearly 860 thousand people in 20 departments of Colombia, and contributed to the conservation of 13 water basins. In a separate document delivered to you today, we report on the achievements of Fundación Grupo Argos, implemented thanks to the generosity of our shareholders.

Hogares Saludables - La Honda neighborhood - Medellín
Antioquia



Our vision for the future

Standing on the shoulders of the businessmen who, 90 years ago, dreamed that Colombia could produce its own cement, on the vision, tenacity, leadership, and dedication of those who have gone before us, and strengthened by the talent and effort of the more than 11,500 employees that currently make up Grupo Empresarial Argos, the history of this company drives us to persist in our tireless work to build the foundations that will allow this organization to continue transforming the lives of millions of people for many years to come.

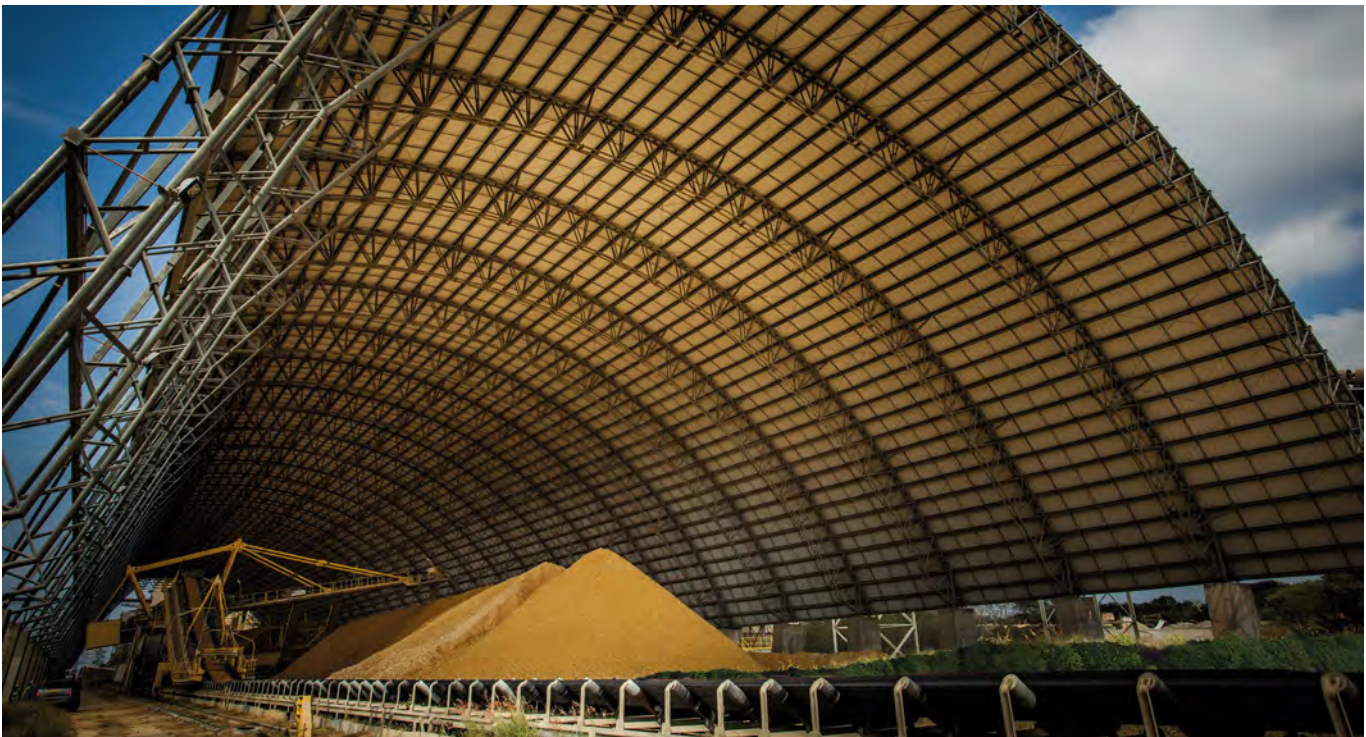
Our new exposure to the U.S. building materials industry through Cementos Argos' share in Summit Materials, the potential of renewable energy as a driver of the global economy in the coming decades, the continent's growing construction and infrastructure needs, among many other opportunities that can be seen in the sectors where we operate, encourage us to continue creating value for all our shareholders, always faithful to the values and principles that have guided Grupo Argos since its foundation to achieve its current position.

Dear shareholders, let this be an opportunity to express our deepest gratitude for your support and trust on behalf of all the people that are part of this organization, and to recognize that none of what Grupo Argos is today would have been possible without the leaders, employees, shareholders, suppliers, customers, and hundreds of thousands of people that have contributed to its 90 years of history. We are inspired by all of them and are filled with energy to continue building this story that is just beginning.

Thank you very much.

Rosario Córdoba Garcés
Ana Cristina Arango Uribe
Claudia Betancourt Azcárate
Armando Montenegro Trujillo
Jorge Alberto Uribe López
Esteban Piedrahita Uribe
Mauricio Ortega Jaramillo
 Board of Directors

Jorge Mario Velásquez Jaramillo
 CEO





Mariscal Sucre Airport
Ecuador

Annex: Legal and Corporate Governance Matters

Grupo Argos has observed applicable legislation on intellectual property and copyright, and the operations performed with administrators and shareholders were conducted in compliance with relevant regulations and according to market conditions. Details of transactions with related parties can be found in notes 38 and 41 to the separated and consolidated financial statements, respectively. Moreover, the company allowed the free circulation of supplier invoices.

Aspects related to Article 446 of the Commercial Code, as well as the Corporate Group Report referred to in Law 222/1995, Article 29, and the Corporate Governance Annual Report are contained in the documentation provided to shareholders.

Grupo Argos has implemented an internal control system to ensure adequate preparation and presentation of financial information to its shareholders, the market and the public at large. In 2023, the company's Management, Risk Evaluation Department, Internal Auditor, and Statutory Auditor evaluated the internal control system's design and effectiveness. These analyses were submitted to the Audit, Finance and Risk Committee, and it concluded that the system functions properly.

On the other hand, Grupo Argos held two extraordinary sessions of the Shareholders' Meeting: (i) on March 30, 2023, to decide on the authorization required in terms of potential conflicts of interest of the legal representatives of Grupo Argos to vote on the decisions submitted for consideration by the shareholders' meetings of Grupo Nutresa S.A. and Grupo Sura S.A., and on the

ratification of all votes taken by the legal representatives of Grupo Argos, directly or through proxies, at the shareholders' meetings of said companies; and (ii) on June 26, 2023, to decide on the authorization required in terms of potential conflicts of interest of some members of the Board of Directors of Grupo Argos to deliberate and decide on the Framework Agreement signed with and between Grupo Nutresa S.A., Grupo Sura S.A., JGDB Holding S.A.S., Nugil S.A.S. and IHC Capital Holding L.L.C. for the exchange of shares of Grupo Nutresa S.A. owned by Grupo Argos, for a share in Grupo Sura S.A. and Grupo Argos stock, and the ratification and authorization required in terms of potential conflicts of interest of the legal representatives of Grupo Argos to enter into and perform all acts, contracts, operations and transactions related to the Framework Agreement. Subject to the authorizations issued, the Board of Directors of Grupo Argos deliberated and decided on the Framework Agreement, as reported at that time to the market through the relevant reporting mechanism.

Grupo Argos's legal matters, including legal and administrative proceedings, are being dealt with in a timely manner by the Directors and Counsel and no material rulings affecting the company's financial situation were handed down.

Finally, a report on the implementation of Country Code recommendations can be found on the website www.grupoargos.com.

03 Our Business





How We Create Value

A purpose that inspires us [2-25]

We positively transform lives by mobilizing financial, human, intellectual, and social capital with investments that generate superior economic results, obtained with a sense of transcendence and creating comprehensive value for our shareholders and stakeholders.

We believe in the importance of playing an active role as an investment manager to drive value maximization and the selective and profitable growth of Grupo Empresarial Argos.

Policies and guidelines

[2-23; 2-24; 2-25]

To strengthen performance in each value driver, we developed a management model that includes a set of policies, processes and tools that frame Grupo Argos's sustainability execution. The Sustainability Policy plays a key role in this regard, as it defines pillars of action for implementing business activities that are aligned with the creation of comprehensive value.

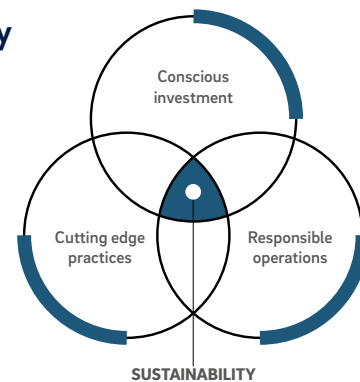
Sustainability policy

We transform capital into products and services responsibly and with a long-term vision. Our conscious investments, cutting-edge practices and responsible operation of all our businesses define us as a sustainable infrastructure investment corporate group.

We act ethically and transparently towards our stakeholders, with whom we build mutually beneficial relationships throughout our entire value chain.

Grupo Empresarial Argos companies, while developing individually, share a common goal of sustainability.

Shared values of our sustainability strategy



Stakeholders [2-29]

At Grupo Argos, we identify and prioritize stakeholders according to their level of dependence and influence on our strategy. This process adheres to the Stakeholder Engagement Standard (SES), published by Accountability (AA1000).

Stakeholder identification process:

1

We perform an analysis to define key actors in the two-way interactions between stakeholders and the organization.

2

We draw up a list of potential stakeholders for different areas of the company, with whom we analyze the level of involvement or closeness of the different stakeholders with the organization and the potential influence or impact of our issues upon them.

3

We use these results to define our priority stakeholders, so we can respond more effectively to their expectations and strengthen the way we create value for them.

As a result of this exercise, we prioritized the following seven stakeholder groups:

Stakeholders and value promises |2-29|

Shareholders and investors

Make their investments profitable over the long term and ensure their participation as owners, in the purpose, strategy and performance of Grupo Argos and its businesses.

Management, administration and talent

Strengthen employee commitment, develop their leadership, empower their inspiration, and allow their results to transcend together with the organization.

Investments

Enhance their value, both individually and as part of Grupo Empresarial Argos

Strategic Partners

Provide the capabilities required to drive and strengthen joint investments, within a framework of ethics, good corporate governance, and transparency.

Government and authorities

Maintain transparent, collaborative relationships with public institutions, to contribute to the development of the countries where we operate.

Society

Actively participate in shared development, understanding the needs of society and supporting processes with our internal capacities.

Suppliers and contractors

Establish fair and sustainable business relations over time for the benefit of all the parties involved.



Learn more about our stakeholder engagement plan by scanning the code

Memberships |2-28|

Member of
Dow Jones Sustainability Indices
Powered by the S&P Global CSA



Awards |2-28|

- » **Merco Empresas:** Ranked 10th amongst companies with the best reputation in Colombia, and 1 amongst business conglomerates.
- » **Forbes - The World 's Top Female-Friendly Company**
- » **Private Social Investment Index -** Ranked 7 in Colombia



Grupo Argos S.A.
Materials construction industry

Top 10%

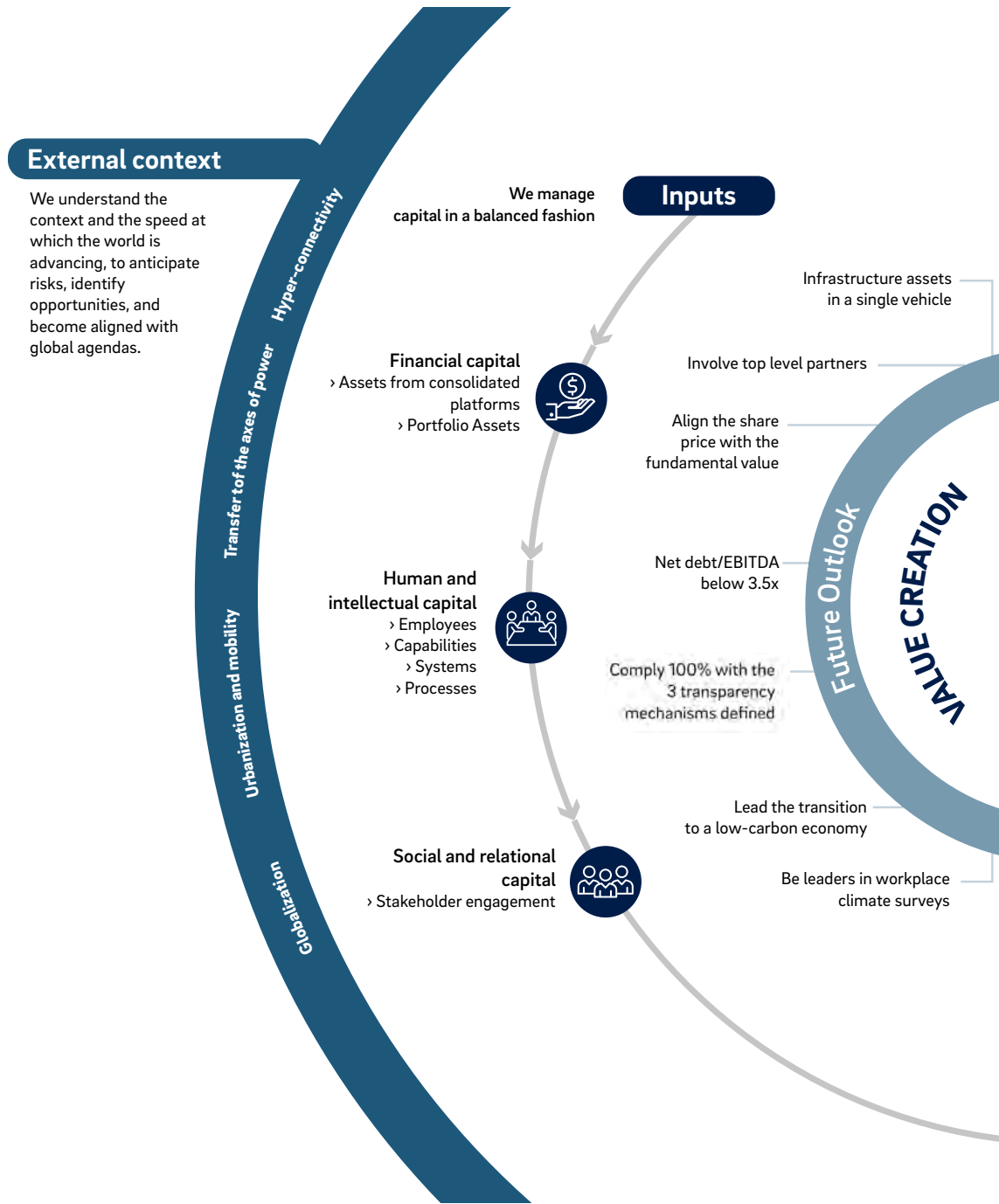
S&P Global Corporate Sustainability Assessment (CSA) Score 2023

S&P Global CSA Score 2023: E2/100
Score date: February 7, 2024
The S&P Global Corporate Sustainability Assessment (CSA) Score is the S&P Global ESG Score without the inclusion of any modeling adjustments.
Positive and scores are industry specific and reflect industry screening criteria.
Learn more at <https://www.spglobal.com/esg/industrybooks/industrybooks/>

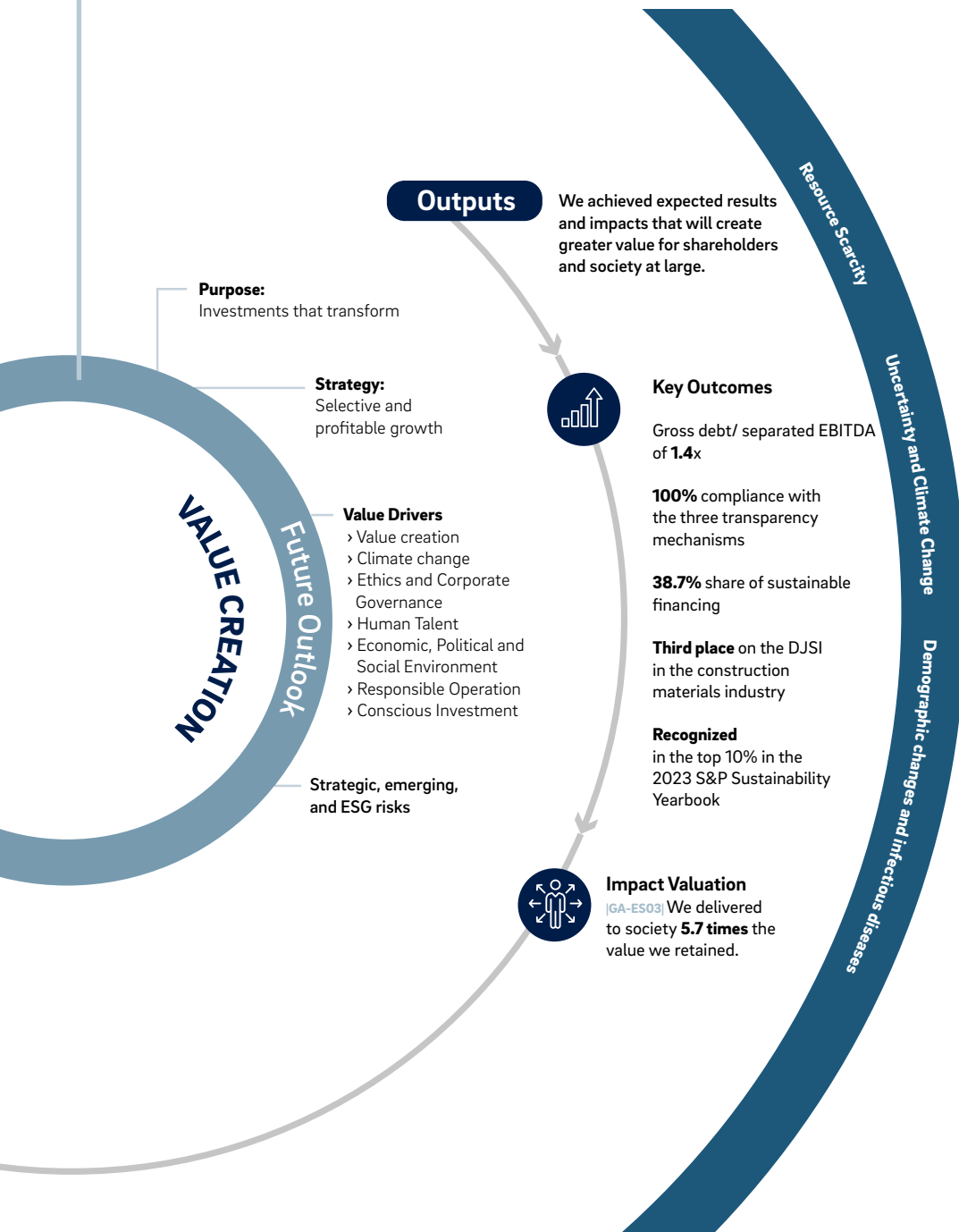
S&P Global

Value Creation Model

[2-6] At Grupo Argos we are working to become a reference for infrastructure asset management in the Americas, to attract institutional capital and grow selectively within the region, developing attractive and profitable platforms for long-term institutional investors.



Our business activities allow investors to have exposure to the infrastructure sector through a diverse portfolio that includes access to equity markets, capital allocation and financial flexibility according to specific strategic objectives.



With this model we respond to the value promises of our stakeholder groups:



Shareholders and investors



Management, administration and talent



Strategic partners



Investments



Government & authorities



Suppliers & contractors



Society

Strategic risks

Our Comprehensive Risk Management System (SGiR, in Spanish) is an iterative and dynamic process that involves the attention and participation of the entire organization and aims to improve ongoing decision-making, anticipating opportunities and/or threats, and identifying how these can impact the organization. The SGiR articulates the COSO and ISO 31000 methodologies and frameworks to enable us to identify, analyze, assess, process, and monitor events that could significantly affect the company's strategic objectives, seeking to ensure their fulfillment.

The SGiR feeds into the Steering Committee, the Board of Directors and each area of the organization who, together with the Strategic Planning and Risk teams, make up the consolidated risk landscape.

To keep the risk matrix updated and current, we carry out a trend and risk exploration process that compares Grupo Argos's business against its environment and considers long-term trends and specificities of the businesses to define roadmaps to ensure the companies' sustainability.

We carry out qualitative analyses that are complemented by quantifications used to estimate short-, medium- and long-term impacts based on projected variables and different scenarios.

We also monitor the appearance of new risks and work actively and decidedly to turn them into capacities that will make us more resilient and, therefore, more competitive.

Strategic risks

1 Allocation and cost of capital

Inability to generate sustainable and profitable growth of the assets under management.

Mitigation plan

- » Business plan execution and performance of investment thesis
- » Diversification and constant innovation of funding sources
- » Participation by senior management in government bodies
- » Operations in hard currency
- » Engagement and reporting with business teams
- » Industrial, geographic and currency diversification

2 Social, political, and economic environment

Conditions external to the organization that impact the social, corporate, institutional and regulatory environment. Unfavorable location within the economic cycle.

Mitigation plan

- » Active engagement with all stakeholders
- » Geographical and sectoral diversification
- » Corporate & investment structures
- » Consistent ESG practices
- » Legislative & regulatory monitoring
- » Crisis response structures
- » Vision of the corporate social role

3 Climate change and other global risks

Low competitiveness in the transition to a low-carbon economy and threats from natural events. Other global risks that compromise our portfolio.

Mitigation plan

- » Renewable energy investment strategy
- » Grupo Empresarial Argos climate change strategy
- » Climate change mitigation and adaptation plans by business
- » Innovation & technology adoption
- » Remediation plans and strengthening of the infrastructure of current assets

4 Reputation

Impacts on reputation and on stakeholder confidence that compromise the organization's ability to operate and enable business performance.

Mitigation plan

- » Management of issues with potential reputational impacts and crisis management structures
- » ESG Best Practices
- » Corporate reputation strategy
- » Contingency and legal processes management»
Closing gaps identified by internal and external measurements
- » Communication channels with different audiences and perception monitoring
- » Spokesperson structure and message clarity

5 Human talent

Risks related to attraction, selection, development, and loyalty processes that do not allow the organization to have the talent it requires.

Mitigation plan

- » Leadership, succession & diversity strategy
- » Being-based leadership model
- » Identification of critical and developmental positions
- » Corporate culture as a competitive advantage
- » Performance and productivity management
- » Mindful balance: financial, physical, and mental wellbeing
- » Employer brand

6 Technology and cybersecurity

Failures in the technological platform that enables asset competitiveness and efficient cybersecurity management.

Mitigation plan

- » Cybersecurity committees
- » Adherence to world-class standards
- » Security ring creation with the internal team and external validation
- » Operational continuity and restoration plans
- » Robust and secure IT structure
- » Permanent monitoring of cybersecurity threats



Value Added Statement – VAS

We aim to give back more to our environment than we take from it and we are aware of our responsibility as social agents of change. We go beyond a quest for profitable growth, making decisions that consider the environmental, social, and economic risks and impacts of our businesses and investments to ensure our company's persistence over time.

Our Model

We transform the different kinds of capital used by our operations into value. This includes financial, natural, human and intellectual, social, and relational capital. Throughout this process, we generate negative and positive impacts. To measure these, we developed a Value Added Statement (VAS) that allows us to estimate the net value we deliver to our surroundings over a single year.

Results are expressed in monetary terms using a waterfall graph. The graph begins with a blue bar, representing the retained benefit for the period. The following bars represent economic, social, and environmental externalities that translate into benefits or costs for society. These amounts are expressed in dollars and are added up to obtain a net value, reflected by the final blue bar.

Externalities

For our analysis of Grupo Argos, we calculated nine economic, social, and environmental externalities that reflect our most relevant impacts.

Economic

Financial capital flows that boost the economy with payments that include salaries, interest to banks and investors, dividends to shareholders, and taxes to the State.

Social

Impacts associated with other activities, including:

- » Income and benefits for employees who are better compensated by the job market after receiving training.
- » Costs to employees and their families from workplace injuries and illnesses.
- » Social investment that represents community well-being

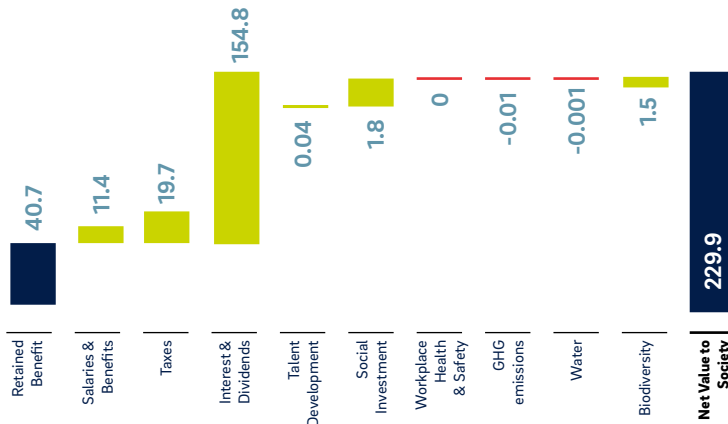
Environmental

Impacts caused by: direct and indirect (scope 1 and 2) greenhouse gas (GHG) emissions, potential water scarcity caused by consumption and biodiversity impacts related to urban planning operations, and from offset and rehabilitation programs.

Results

Grupo Argos 2023 Separated

In 2023, the organization had unprecedented financial results. Separated revenue was COP 1.4 trillion, growing 83% compared to 2022, due to the outstanding results of all our investments, and arising from non-recurring transactions including the income received from the sale of Grupo Argos's stake in Opain after the conclusion of the airports vertical. EBITDA, in turn, was COP 945 billion, growing 99% compared to the previous year.



Retained benefit = EBITDA - income tax - financial expenses - dividends paid.
 Figures in USD Million

- » Figures in millions of dollars, Average 2023 Exchange Rate COP 4,330.14
- » Figures from the Separated Financial Statement, including the Real Estate Business

We delivered to society

5.7 TIMES
 our retained benefit

Our retained benefit was USD 40.7 million. This value is due to a 48% increase in dividends paid, increased financial costs and an increased moving average rate used to convert financial figures into dollars. Even with the challenges of inflation, high interest rates and devaluation, Grupo Argos generated USD 229.9 million in value to society.

We boosted the economy with the payment of salaries, benefits, taxes, interest, and dividends, generating an estimated benefit of USD 185.9 million. A 50% increase compared to the previous year. This represents 80.8% of the net value added and is a significant contribution to the productivity and competitiveness of the regions where we operate.

In the social dimension, our training programs achieved an average of 90.5 hours per collaborator and an estimated benefit of approximately USD 38,271.

We moved part of these resources through Fundación Grupo Argos, our social investment vehicle, and contributed to culture and skills development for entrepreneurs in the area of influence of our Urban Development Business. This is equivalent to an estimated community benefit of USD 1.8 million. The company had no social costs associated with employee injuries. The estimated social benefit was USD 1.8 million.

Environmentally, our main impact was due to greenhouse gas (GHG) emissions, which represent an estimated social cost of -USD 8,311. Biodiversity results were positive, as offset and voluntary planting programs had an important impact on the rehabilitation of planted hectares for an estimated benefit of USD 1.5 million. This represents an estimated net positive value of USD 1.5 million in the environmental dimension.

This impact assessment exercise reaffirms our superior purpose of positively transforming the lives

of millions of people and generating value for our shareholders and all our stakeholders.

Benefits

We firmly believe that we need to make informed and objective decisions to guarantee the creation of comprehensive long-term value as we contribute to solving current global challenges. Tools like the VAS enable the following:

- 1 MAKE DECISIONS** that are increasingly better informed
- 2 MANAGE RISKS** with greater precision
- 3 BE TRANSPARENT** towards our stakeholders

As an asset manager, we know that our decisions have the potential to make a positive or negative impact on the economy, the planet, and the people that inhabit it. Besides the above, we developed the Conscious Investment Model, a methodology that includes the VAS, for due diligence processes inherent to operations that allows confronting financial criteria against monetized ESG impacts.

04 Value Drivers





Materiality Analysis

[3-1] This is a roadmap that reflects our most important environmental, social and governance (ESG) focal points, the management of which is a priority during the three years it is current, and which allows us to adapt to changes in our surroundings, market dynamics, and stakeholder expectations.[3-2] The relevance of the topics developed in this chapter reflects the seven material topics or value drivers, which allow Grupo Argos, as an investment manager, to create comprehensive value.

In 2022, we updated our value drivers together with an external sustainability expert consulting firm (PwC) following the double materiality methodology, which analyzes key sustainability issues from two perspectives: (i) financial materiality, which refers to the environment's positive and negative impacts on the organization's financial, strategic and reputational performance; and (ii) impact materiality, which corresponds to potential impacts of the company and its value chain on society and the environment. The final outcome was verified by a limited and independent third-party assurance service provider (BDO Audit S.A.S.).

For this exercise, we considered the practices required by *Global Reporting Initiative* (GRI) standards, the *Integrated Reporting Framework* (IRF), elements suggested by *International Sustainability Standards Board* (ISSB) standards, and *Accountability's AA1000* standard for stakeholder relations.

The prioritization process to define our drivers has five steps:

1. Identification of topics to prioritize

We began by gathering potential material topics from a variety of external sources, including the 2030 Agenda and its 17 Sustainable Development Goals, global trends, best practices by sector, the media, and different sustainability frameworks and standards, together with internal sources, including our business strategy, strategic and emerging risks, policies and codes, among others. These potential issues were then analyzed from two perspectives:

- » Potential, actual, positive, and negative impacts on society and the environment
- » Impacts that could potentially change the company's financial value

2. Identification of stakeholders to consult

We reviewed and updated our stakeholder groups to define the appropriate mechanisms and identify key stakeholders to consult.

3. Internal and external consultations

We held interviews and open workshops with representatives from the updated stakeholder groups, who asked questions and identified material issues that could impact them or generate an impact on the organization.

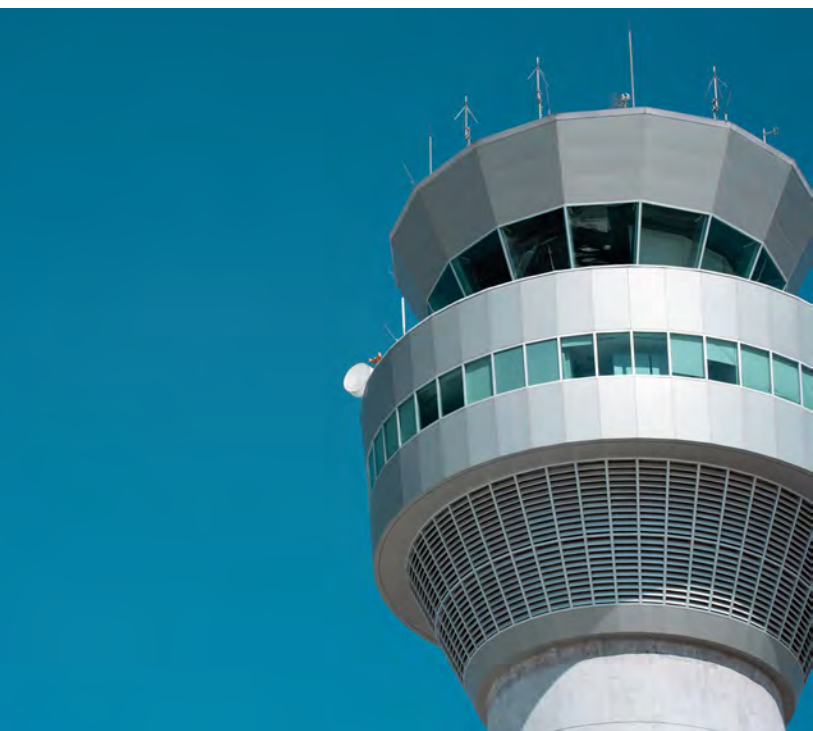
4. Prioritization of material issues

The inputs obtained from previous stages allowed rating and assigning a priority score to each potentially material topic identified. This prioritization resulted in the issues that need to be actively managed and that contribute to strategic risk management.

5. Validation

We submitted and validated our preliminary prioritization results with upper management, the Sustainability and Corporate Governance Committee and the Board of Directors. The end result provides us with a roadmap to focus our resources on our prioritized material issues.

Throughout this chapter, we explain the relevance of each of these material issues or value drivers, together with their management, progress, and most significant milestones in 2023. We also present our vision for the future using short, medium and long-term goals, and their associated challenges and opportunities.



Mariscal Sucre Airport Traffic Control Tower
Ecuador

Value Drivers

Value creation: we manage our investment portfolio by allocating resources, promoting new perspectives, and growing efficiently and profitably.

Climate Change: We identify, assess, and manage the risks and opportunities of climate change to maximize the operation's positive impacts and minimize its negative ones, while increasing the resilience of our investments.

Ethics and Corporate Governance: We frame our activities within corporate principles that allow us to strengthen the trust of all stakeholders in the organization.

Human Talent: We attract, develop and retain the best talent, ensuring the well-being of our employees, to respond to business challenges under the pillars of transcendence, integrity, inspiration and commitment that make up the culture of the Grupo Empresarial Argos.

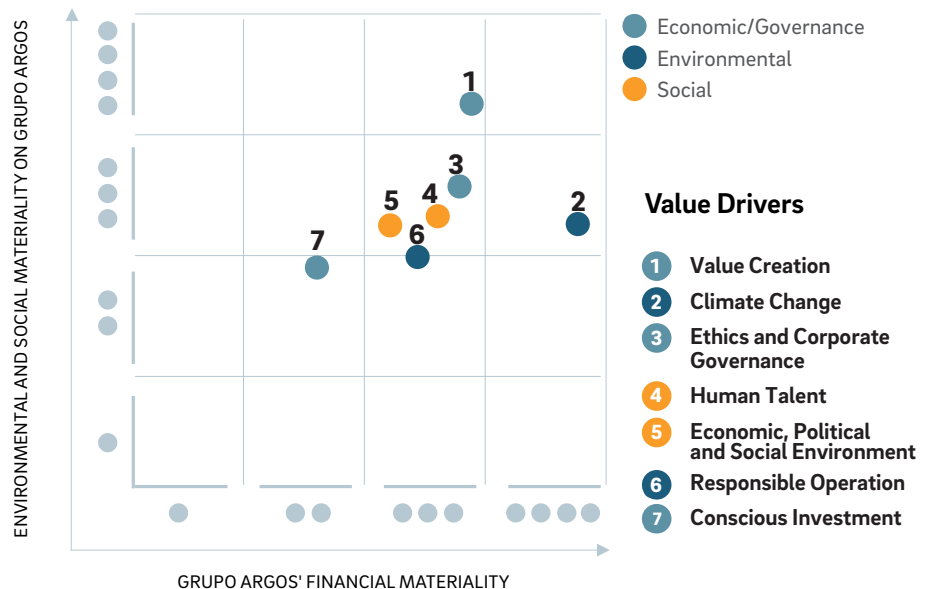
Economic, Political and Social Environment: We developed an engagement strategy, social investment programs, collaborative work with the value chain, and human rights protection strategy through ongoing and transparent dialogue to build trust and anticipate political, economic, and social risks.

Responsible Operation: We transform capital, seeking a balance between value creation and the efficient and responsible use of natural resources.

Conscious Investment: Besides financial criteria, our process for reviewing investment or divestment opportunities considers environmental, social and governance (ESG) elements for making decisions.



El Dorado Airport
Bogota





To see more details on our corporate policies and guidelines and how they relate to our value drivers, scan this code.



Strategic risks

1. Assignment and cost of capital
2. Social, political, and economic environment
3. Climate change and other global risks
4. Reputation
5. Human talent
6. Technology and cybersecurity

Value Driver / Material Issues	Proper management of our value drivers allows us to:		
	Mitigate our strategic risks	Manage our impacts to maximize the positive and minimize the negative ones	
		Primary business impact	Potential impacts on society*
Value creation	1, 2, 4, 5	Revenue generation	Salaries and benefits Taxes Interest and dividends
Climate change	1, 3, 4	Risk minimization	Greenhouse Gas (GHG) Emissions
Ethics and corporate governance	4, 5, 6	Risk minimization	Salaries and benefits Taxes Interest and dividends
Human Talent	4, 5, 6	Revenue generation	Salaries and benefits Talent development Occupational health and safety
Economic political & social environment	1, 2, 4	Risk minimization	Salaries and benefits Taxes Interest and dividends Community investments
Responsible operations	1, 2, 3, 4	Costs reductions	Greenhouse Gas (GHG) Emissions Water consumption Biodiversity
Conscious investment	1, 2, 3, 4	Risk minimization	Salaries and benefits Taxes Social Investment Occupational health and safety Greenhouse Gas (GHG) Emissions Water consumption Biodiversity

*Quantified in our Value Added Statement (VAS). See page 40



Celsia Solar Lancersos Tolima

Commitment to the 2030 Agenda

At Grupo Argos we have the conviction that private sector commitment is crucial to meeting the 2030 Agenda and its Sustainable Development Goals (SDG). Thus, as an important actor that promotes development and competitiveness, we have carried out a prioritization exercise where we considered the company's purpose, strategy, strategic risks, materiality, and business opportunities.

As a result of this, we prioritized eight of the 17 SDGs: 5, 8, 9, 11, 12, 13, 16, and 17. Additionally, and with the aim of making progress with measuring our contributions to the global agenda, we present how we contribute to them, based on our value drivers, and provide some related key indicators.



- 5** › 52.4% women in leadership positions
- › 43% women on the Board of Directors
- › COP 945 billion EBITDA
- 8** › 8,870 total training hours
- › 90.51 hours on average per employee
- › 0 fatalities
- › 38.7% of debt tied to sustainability indicators
- 9** › Agreement with Universidad Nacional de Colombia

- 11** › COP 9.26 billion in total social investment
- 12** › 35.5% of primary energy consumption from renewable and alternative sources
- › 5,145 m³ of water consumption
- 13** › 192 t CO₂ scope 1 & 2
- › 12,357 t CO₂ scope 3
- › 0 confirmed cases of corruption
- 16** › 100% of operations evaluated for corruption risks
- › 100% of employees received anti-corruption training
- › We delivered **5.7 times** our retained value to society.
- 17** › COP 474 million in contributions to public policy institutions

1. Value Creation

We manage our investment portfolio by allocating resources, promoting new perspectives, and growing efficiently and profitably.



Cementos Argos Martinsburg Plant
United States

Relevance to Value Generation |3-3|

Our operations as a strategic architect seek to make Grupo Argos the main alternative asset manager in the region by mapping, assessing, and executing high-impact investments, and strengthen the competitive position of our businesses, to create value for our shareholders.

We support the attraction of institutional capital that will remunerate the operations of Grupo Argos and its businesses, strengthening a path towards profitable and sustainable growth and increasing in-depth knowledge around the investment management model.

We assist the businesses' investment teams with analyzing risks and opportunities and constantly monitoring the investments performed, which helps the businesses respond with greater agility to changing economic, political, and competitive realities.



Management Approach |3-3|

Selective and profitable growth and value maximization are the cornerstones of our strategy. Along these lines, we constantly assess the performance of our investments and the management of their risks and opportunities to implement measures that will allow us to fulfill our business plans. Additionally, our Corporate Governance, lead by our Board of Directors and the Audit, Finance and Risk Committee, assists with the management and oversight of the different value creation mechanisms.

The following mechanisms allow us to ensure proper management of our investments:

- » We manage strategic risks and opportunities to maximize the value captured by our businesses
- » We ensure an optimized equity structure, ensuring an adequate mix of indebtedness and capital allocation.
- » We promote and develop new alternatives in equity markets that provide financial flexibility and can be implemented within the Grupo Empresarial Argos and even by other local companies. We also work together with banks to design innovative products for the financial system.
- » We review our capital allocation model every year to identify challenges and opportunities, and to formulate plans and initiatives that are endorsed by the boards of directors of our businesses to obtain improved financial indicators.
- » We coordinate integration of our corporate management services through Summa, our shared services center.
- » We monitor key financial support indicators to protect the cashflow of our operational businesses and ensure their sustainability.

Progress |3-3|

- » We concluded an agreement to divest the stake in Grupo Nutresa with favorable terms of exchange for Grupo Argos’s shareholders.
- » We maintained an average cost of debt below average inflation (10.2% vs 11.8%), generating COP 113 billion in cash savings, which represent 49% of our financial expenses, via interest rate hedging operations and investments in fixed return securities.
- » We took out a COP 232 billion loan with Sumitomo that allows us to generate returns above the cost of debt, anticipating our liquidity risk and maturity rates in 2024.
- » We executed the share buyback program approved by Grupo Argos Shareholders’ Meeting for COP 63 billion in 2023, out of a COP 500 billion total. This mechanism generates value for shareholders, based on the current value gap on the Colombian stock market.
- » We strengthened cybersecurity protocols, governance and action plans and trained the Crisis Committee and employees in potential situations associated with this risk.
- » We updated the plan for political, social, and economic risks, quantifying them and establishing mitigation strategies.
- » We ended the year with a gap of COP 500 billion between dividends received and dividends paid, 2.3 times higher than the historical mean since 2015.
- » We strengthened our capital structure, ending 2023 with a consolidated debt of COP 13.5 trillion, a 10% reduction, and a 2x Net Debt/EBITDA ratio. Separated net debt was COP 0.70 trillion, 37% lower than the previous year.
- » We ended the year with a ROCE vs WACC gap of -1.4%, compared to -2.9% the previous year.

Targets |3-3|

STATUS
 ● Accomplished ● In progress ○ Not started

To 2023	2023 closing value
● Achieve a net separated debt of less than 1 trillion by 2023	COP 0.7 trillion
The future	
● Maintain a Fitch AAA rating to 2030*	AAA
● Maintain a real reduction in Grupo Argos’s separated controllable expenses to 2030 compared to a 2015 baseline*	4.5% reduction
● Obtain a primary surplus in the separated financial statements by 2030*	COP 539 billion
● Maintain a separated Net Debt / EBITDA** below 3.5 times to 2030.	0.6 times

*These goals are considered ongoing and their status is defined according to the previous year’s results

**Adjusted separated EBITDA

Challenges and Opportunities |3-3|

Facing with a challenging macroeconomic outlook, we will seek operating and financial strategies to continue driving value creation for our shareholders.

We identify an opportunity to continue attracting investors willing to capture long-term returns, leveraged on Grupo Argos’s positioning, infrastructure experience, presence in our countries of operation, and a solid business strategy with ESG criteria.

12.8%
 Weighted ROCE

38.7%
 is the percentage of Grupo Argos separated debt tied to sustainability indicators

2. Climate Change



We identify, assess, and manage the risks and opportunities of climate change to maximize the operation's positive impacts and minimize its negative ones, while increasing the resilience of our investments.

Relevance to Value Generation

|3-3|

The effect of human activity on rising global temperatures and changes in climate regimes exposes our investments and operations to physical and transition risks. Thus, and as a strategic opportunity to create value and help solve global challenges, we work to strengthen our businesses' resilience, promote sustainable infrastructure, optimize operational efficiency, and contribute to a low-carbon economy.

This approach will both strengthen our operations in the face of today's challenges and generate lasting and sustainable value for all our stakeholders.

Management Approach |3-3|

The Board of Directors assists with the management and oversight of economic, social, and environmental risks and opportunities, including climate change. This body, together with its Sustainability and Corporate Governance and Audit, Finance and Risk Committees, have included the progress and performance of the implementation of our climate change strategy and the monitoring of related risks and opportunities on its agenda. Grupo Argos's variable compensation system also incentivizes meeting targets aligned with the company's climate change strategy.

Our business model approaches climate change as a strategic, tactical, and operational challenge, and integrates into company analyses three climate scenarios based on projections of several variables including greenhouse gas (GHG) emissions, demographic growth, technology availability, cost, and assimilation, and economic growth, among others. This analysis allows us to align our actions to minimize climate impacts with the company's strategic objectives, and offers an accurate quantification of risks and opportunities for decision-making.

Likewise, in our role as strategic architect and in a manner consistent with the company's Environmental Policy, we continue to assist our businesses to make sure their strategy includes climate change as an important part of their decision-making processes, and we also contribute to emissions reduction initiatives, and generate synergies and create alliances to achieve our climate targets and increase our operations' resilience.



Solar farm of the Cementos Argos Choloma plant Honduras

Climate Scenarios

SUSTAINABILITY

Lower likelihood of the occurrence of extreme weather events and higher likelihood of stricter climate related regulations

COMMITMENT

Higher likelihood of the occurrence of extreme weather events and lower likelihood of stricter climate related regulations

CONTINUITY

Higher likelihood of the occurrence of extreme catastrophic weather events and less strict or non-existent climate related regulations

We have managed to reduce our specific scope 3 emissions by 71.4% compared to the baseline, thanks to improvements in our carbon footprint measurement. This progress has focused specifically on Category 1 Scope 3 emissions, and has been made possible through active collaboration with critical suppliers

Progress |3-3|

- » We established three climate scenarios to analyze the impact of this phenomenon on our strategy and define a unified basis for quantifying the associated risks and opportunities
- » Grupo Argos certified its carbon neutrality (scope 1 & 2 and scope 3 category 6) for 2022 under the PAS 2060 standard. This process assessed greenhouse gas (GHG) emissions, defined an emissions reduction commitment through a management plan, offsetting excess emissions, and documentation and verification
- » We have prioritized Grupo Argos' critical suppliers according to their contribution to the scope 3 carbon footprint and carried out a first construction workshop to identify the most important opportunities to reduce their emissions
- » For the third year in a row, we published the details of our climate change management by applying the Task Force on Climate Related Financial Disclosures (TCFD) framework, strengthening our commitment to transparency in our sustainability actions

Challenges and Opportunities |3-3|

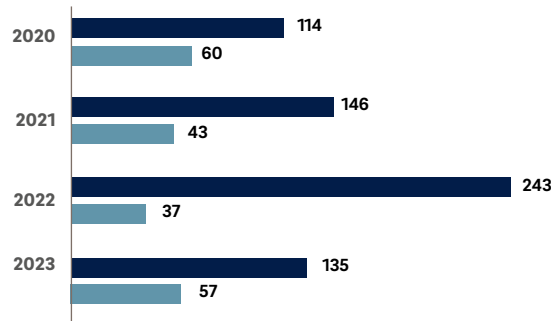
- » Take advantage of sustainable and climate-resilient investment opportunities in the infrastructure sector
- » Improve information reporting by continuously monitoring the results of the most appropriate climate metrics for our strategy as an infrastructure asset investment manager.

Targets |3-3|

STATUS
 ● Accomplished ● In progress ○ Not started

To 2023	2023 closing value
● Certify Grupo Argos's carbon neutrality for 2022 in 2023	Carbon neutrality certified for 2022
● By 2030, we will reduce our scope 3 CO ₂ emissions to 12 kg CO ₂ per million COP in revenue. We will redefine our CO ₂ scope 3 emissions reductions target for 2030.	8.7 kg CO ₂ per million COP in revenue.

Direct GHG emissions (Scope 1) • (Scope 2) en/ tCO₂e

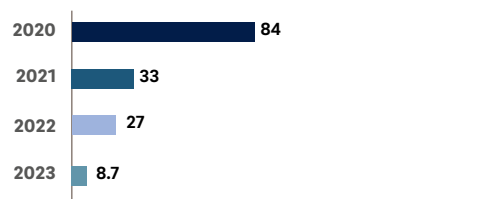


Environmental Policy. For more details, scan this code.



[201-2]
 Grupo Argos Carbon Neutrality Statement. For more details, scan this code.

Specific emissions (Scope 3) en/ kg CO₂e / million COP in revenue



*The material categories for Grupo Argos are: 1, 3, 5, 6, 7, and 13.



[201-2]
 We published our third TCFD report for 2023. For more details, scan this code.

3. Ethics and Corporate Governance

We frame our activities within corporate principles that allow us to strengthen the trust of all stakeholders in the organization.



Grupo Argos Employees
Antioquia

Relevance to Value Generation [|3-3|](#)

Solid corporate governance and compliance systems foster an environment of trust and transparency to maintain long-term stakeholder engagement.

Management Approach [|3-3|](#)

Intending to ensure the integrity, sustainability, and competitiveness of the businesses we invest in and strengthen investor confidence, we implement best practices and have clear rules for action, as well as suitable behavior and administration parameters.

Ethics: [\[2-23; 2-25; 2-26\]](#)

Our Compliance System is structured around unequivocal statements in our Corporate Code of Conduct on our commitment to transparency and good business behavior. The governance structure of our Compliance System is made up of a Central Conduct Committee, a Corporate Conduct Committee, and a Corporate Con-

duct Officer. The latter is responsible for answering questions regarding the scope or application of the Corporate Code of Conduct. We also periodically hold a Compliance Roundtable with participation from representatives of the corporate group's companies, that reviews progress made with work plans, fosters a unity of purpose, and jointly and permanently analyzes best practices to promote a culture of compliance related prevention and risk management. We also have backup mechanisms, including effective management of the Transparency Line and monitoring of any corrective actions required by reports made over it.

Corporate Governance: [\[2-23; 2-25; 2-26\]](#)

With our Good Governance Code and corporate policies, we implement high standards of corporate governance and define transparent shareholder and investor, market and society facing management mechanisms.

7.5 years of average tenure of Board members as of December 31, 2023. [2-27; 205-3]
In 2023 Grupo Argos received no sanctions or fines for breaches of legislation or regulations

Our Board of Directors and its supporting Sustainability and Corporate Governance Committee includes the vision of corporate and independent members, with a diverse range of knowledge and experience, to ensure proper management of the Corporate Governance and Compliance System. We also have a Corporate legal roundtable, responsible for reviewing best corporate governance practices and ensuring their implementation.

Progress [3-3]

- » We were recognized by Transparencia por Colombia during the First Round of Good Business Practices for innovation in training processes on transparency, integrity and anti-corruption management.
- » We obtained the *Investor Relations* award from the Colombian Stock Exchange for the eleventh year running with a score of 95.1%.
- » The Corporate Audit verified compliance with current statutory provisions and confirmed the existence of appropriate practices and procedures for managing corporate governance.
- » We amended the company's Articles of Association to update provisions related to the company's operations.
- » All legal proceedings were carried out so the Shareholders' Meeting could authorize the legal representatives to vote at the shareholders' meetings of Grupo Nutresa and Grupo Sura, as well as those members of the Board of Directors that stated potential conflicts of interest to deliberate and decide on the Framework Agreement for the Grupo Nutresa share swap.

Targets [3-3]

STATUS
 ● Accomplished ● In progress ○ Not started

The future	2023 closing value
● 100% of employees will take the Annual Course of Conduct and the Annual Declaration of Potential Sources of Conflicts of Interest.	100%
● 100% of target employees will fill out the Annual Assets and Income Declaration*	100%
● Confirmed breaches of the Corporate Code of Conduct*	0

* These goals are considered ongoing and their status is defined according to the previous year's results

- » In 2023 we prepared the information required to comply with new regulations for reporting on social and environmental matters, including climate issues, to the stock market, as established in Circular Letter 031 from the Colombian Financial Superintendent.
- » We adopted regulations including Circular Letter 012 from the Colombian Financial Superintendent.



Scan this code to read our Corporate Governance Report

Challenges and Opportunities [3-3]

Considering Grupo Argos's new realities regarding its strategic roadmap, we will review and implement applicable corporate governance practices to continue generating long-term trust, transparency, and comprehensive value for all our shareholders and stakeholders.

Changing market and regulatory dynamics invite us to anticipate the risks that exist in the environments where we operate, and to constantly review the performance of our Compliance and Corporate Governance Systems.

4. Human Talent



We attract, develop and retain the best talent, ensuring the well-being of our employees, to respond to business challenges under the pillars of transcendence, integrity, inspiration and commitment that define the culture of the Grupo Empresarial Argos.

Relevance to Value Generation |3-3|

Talent management is a strategic pillar to drive our value proposal and achieve outstanding organizational results. We enable and promote the behaviors and leadership required by the corporate culture to achieve the organization's strategy by aligning its interests with its shareholders and investors, comprehensive talent development, and the creation of diverse and efficient teams that are committed to Grupo Argos's higher purpose.

The organization's great transformations reflect its extraordinary, diverse and multicultural talent that act in an inspired and connected manner to ensure the creation of comprehensive value.

Management Approach |3-3|

We have an inclusive leadership model that allows the organization to align its talent and drive achievement of its strategy through a corporate culture with transcendent meaning. This model promotes the development of integral leaders, considering their personal and professional competencies to promote diverse and inclusive thinking.

The Board of Directors, through the Talent Committee, assists with the definition and development of the talent strategy as one of the company's long-term value drivers.

Our talent management is characterized by a close, dynamic engagement that adapts to the needs of the employees, the organization and the labor market. This model allows us to act as a strategic partner for our employees, providing them with a healthy, competitive and attractive work environment based on the following practices:

- » Professional development to ensure successful succession for critical positions within Grupo Empresarial Argos
- » Deployment of cultural appropriation initiatives, implementation of a wide range of wellness and quality of life offerings, and a competitive comprehensive compensation program. Together, these initiatives help attract and retain people
- » Creation of inclusive environments that value and respect diversity and promote equal opportunities for all. This allows us to have a healthy and positive organizational climate, and guarantee a competitive advantage that leverages innovation by integrating different visions and solutions that enrich the business, making it more competitive and consolidating us as the best option to work with
- » Development of a comprehensive experience that leverages our employees' development throughout their cycle within the company through:
 - **Education, scholarships, and sponsorships:** To acquire required leadership, strategic communication, negotiation, impact and influence, diversity and inclusion skills, and to strengthen their technical and future skills
 - **Feedback** Through performance management, coaching, mentorship, care for being, and 360 review programs.
 - **Exposure:** Through participation in projects, commissions, and internships. We also promote

Leadership Model



- » **My Essence:** We promote our employees' personal growth, well-being, and quality of life
- » **My Career:** We accompany each of our employees in their development process to leverage their growth and persistence within the company
- » **My Team:** We know the team's strengths, we value difference, and we include a diversity of perspectives from our employees
- » **My Company:** We are responsible for both our results and the way we get there, balancing the impact of our decisions
- » **My Community:** we want our employees to transcend and share their skills to impact society

horizontal movement and mentorship participation for startups, suppliers, and cultural institutions.

- **Connecting corporate purpose with personal purpose:** Our employees have several spaces and opportunities to make a positive impact through social programs, while they develop leadership competencies.

Progress |3-3|

- » We obtained second place on the PEER Gender Equality and Diversity Ranking maintained by Aequales, in the Top 10 Colombia category for companies with 1 to 200 employees
- » We were recognized by Forbes magazine and the market research firm Statista on the 2023 World's Top Companies for Women ranking for our gender equity practices. We ranked 36th out of 400 companies analyzed worldwide, being the only Colombian company included.
- » We were included in Bloomberg's Gender Equity Index (GEI), in recognition of our progress with inclusion and equality
- » We achieved a favorability of 92 out of 100 in the diversity and inclusion dimension of the work environment survey conducted using the Mercer Sirota approach
- » |404-1| 90.5 hours of training on average per employee
- » |403-5| Grupo Argos prioritizes care for life and health. In 2023 we dedicated 4,334 hours of training for all our employees and contractors in workplace health and safety, as follows:
 - 3,115 hours of employee training with 100% coverage
 - 1,219 hours of contractor training with 100% coverage

Targets |3-3|

STATUS
 ● Accomplished ● In progress ○ Not started

To 2023	2023 closing value
● Achieve 100% participation by Grupo Argos employees in leadership programs	96% of employees participated
The future	
○ Train senior management in unconscious bias and gender equity by the end of 2024	n.a.
● Increase the number of overall training hours and the number of training hours that promote leadership	8,870 total hours of training 404-1 2,731 hours of leadership training (+6.5% vs. 2022)
● 100% of employees will have a space for performance evaluation and feedback on meeting objectives*	95% 404-3
● There will be zero fatalities amongst Grupo Argos employees and contractors*	0 403-9
● Achieve an Employee Engagement Index equal to or greater than 94% for Grupo Argos*	94%

*These goals are considered ongoing and their status is defined according to the previous year's results

Challenges and Opportunities |3-3|

- » Labor market dynamics have changed and one of the factors that people prioritize when deciding to stay in a company is to have a career plan. In a 2022 survey of over 25,000 people by the consulting firm EY, 63% of participants in the labor market say that not having a clear development plan within an organization is their main reason for changing jobs. We thus have the challenge of designing a crosscutting career plan for all Grupo Empresarial Argos employees that promotes mobility, retention and talent development
- » Strengthen the Performance Management process with more objective rating criteria and reduced rating biases
- » There is currently proposed legislation that could change the regulation of labor relations and would represent new technical, compliance and investment challenges for companies

5. Economic, Political, and Social Environment



We developed strategy of engagement, social investment, collaborative work with the value chain, and human rights protection through ongoing and transparent dialogue to build trust and anticipate political, economic, and social risks.



Verde Vivo Program
Fundación Grupo Argos

Relevance to Value Generation |3-3|

Managing our environment also allows us to enhance and promote Grupo Argos's role. We focus on building relationships of trust to facilitate an understanding and adaptation to our environment, which favors access to business opportunities that promote strategic execution, generate a sense of corporate pride, and maintain an adequate engagement with all our stakeholders.

Management Approach |3-3|

Environmental analysis is a key factor in the strategic planning proposed by the organization's Steering Committee. Progress is shared periodically, and decisions are made by the Board of Directors in this regard.

To manage this topic, we prepare a profile of environmental risks and opportunities. We then select priority variables and rate their impact on the organization. Any significant modifications or alerts regarding strategic impacts are communicated to

the Board of Directors for its knowledge and for decision-making. We have defined four working roadmaps that allow us to understand and properly engage with the environment:

- » Institutional engagement
- » Social investment
- » Value chain
- » Human rights

Working roadmaps

Institutional engagement |2-25|: We identify and prioritize stakeholders according to their level of dependence and influence on our strategy, and on ours towards theirs. We analyze their perception of our business activities, develop differentiated value promises to meet their expectations, and communicate topics that are relevant to each one. We strengthen our reputation through internal, external and brand communications, and we manage institutional relations with unions, authorities, and opinion leaders.

Social investment: Fundación Grupo Argos is the main volunteer social management vehicle for Grupo Argos and its businesses. Its Board of Directors has defined two lines of action:

- » Water and biodiversity protection: To contribute towards water security in the territories.
- » Territorial transformation: To contribute to solving the issues we share as a society.

Value chains: We work hand in hand with suppliers to ensure good labor practices and strengthen responsible management of our surroundings and the environment. We thus help care for jobs, strengthen the business fabric, and contribute to the consolidation of their own value chains.

Human rights: We are committed to respecting and promoting human rights, being guided by integrity as the foundation for corporate management. We take responsibility for identifying, preventing, and managing human rights risks associated with our operations.

Progress |3-3|

Institutional engagement |2-25|

- » |415-1| We made COP 474 millions to business associations and organizations. We also participate actively in meetings that discuss legal reforms and public policies to ensure the interests of private enterprise.

Social investment

- » We allocated COP 9.26 billion to social investment by Grupo Argos in 2023, 94% of which was voluntary and 6% mandatory
- » We received the Camacol Social Responsibility Award for the Reciclemos Juntos Barú program of the Real Estate Business. This initiative allowed us to contribute to the development of the Playa Blanca Waste Classification and Utilization Station (ECA, in Spanish). This project, besides helping reduce environmental impacts, aims to generate decent employment for the island's waste pickers.

Value chains

- » We held the first workshop Scope 3 Carbon Footprint with critical suppliers to identify opportunities to reduce their carbon footprint, in line with value generation for their businesses.
- » Grupo Argos, Cementos Argos, Celsia and Odinsa signed the Sourcing2Equal project, which which we commit to promoting acquisitions with a gender perspective throughout our value chain.
- » Our Emprender Mujer and Puentes (urban collectives) programs, part of the Creamos Valor Social initiative, helped strengthen **347** startups and **33** territorial collectives that became suppliers to Grupo Empresarial Argos and other allied companies.

Human rights

- » We periodically monitor strategic political, social and economic risks, subject to the parameters in our Comprehensive Risk Management System, to analyze our environment and design strategies to adapt to any threats we find.

Targets |3-3|

STATUS
 Accomplished In progress Not started

To 2023	2023 closing value
<ul style="list-style-type: none"> ● Implement Grupo Argos's reputation model 	Implemented
<ul style="list-style-type: none"> ● Keep Grupo Argos ranked #1 amongst business conglomerates with the best reputation in Colombia. 	#1
<ul style="list-style-type: none"> ● Map Grupo Argos's critical suppliers using ESG criteria. 	We identified and convened the main suppliers that contribute to Grupo Argos's category 1 scope 3 to work on improving information and identify management opportunities.

The future

- Update the Human Rights policy according to new regulations by 2024.
- Update the human rights due diligence process by 2024.
- Hold conversations with representatives from all stakeholders to further strengthen our response to their expectations by 2024.

Challenges and Opportunities |3-3|

Grupo Argos is committed to taking an active role within its environment, maintaining the strength of its business model, generating long-term value for all its stakeholders, strengthening responsible practices, and developing initiatives that promote respect for human rights.

To contribute to the construction of fabric in favor of a society with better conditions, it is essential to develop social initiatives that bring about positive change in the territories. The company thus needs to implement an impact measurement for these initiatives, which will provide us with information on the change generated and that can also be implemented efficiently.

6. Responsible Operation



We transform capital, seeking a balance between value creation and the efficient and responsible use of natural resources. In this sense, we work on efficiency, on actions that contribute to the circular economy, and on increasing our contributions to sustainable infrastructure.



Cajamarca Substation
Tolima

Relevance to value generation

[3-3]

We recognize the importance of the environment as an enabler of long-term value creation. We thus work to use resources appropriately, identifying and managing the impacts and dependencies on nature, their risks and opportunities, and strengthening the ecosystem services on which our investments, supply chain and people and ecosystems in the geographies where we operate depend.

Management Approach [3-3]

Our Board of Directors and its Sustainability and Corporate Governance Committee accompany the development and progress of the Responsible Operation strategy.

In response to global environmental challenges, and acknowledging the importance of responsible operation as a pillar of the Sustainability Policy, Grupo Argos published its Environmental Policy in 2023. This is a public statement that reflects our commitment to participating in investments that comply with climate change, nature, resource efficiency, and sustainable infrastructure principles and guidelines, to strengthen business practices that minimize environmental impact and the proper use of natural resources, understanding natural capital as a critical asset for long-term value creation.



Celsia Solar Palmira
Valle del Cauca



Scan this code to view our environmental policy

Progress |3-3|

- » We achieved 35% of renewable and alternative energy consumption in Grupo Argos’s activities
- » |302-1| We reduced our water consumption by 42% and included the value chain in quantifying water footprint indicators.

Challenges and Opportunities |3-3|

- » Define nature-related risk and opportunity assessment and management systems
- » Promote resource efficiency, the circular economy, water management, biodiversity, and energy, by designing strategies that focus on these issues
- » Drive strategic actions within the value chain to strengthen the attention paid to and awareness of natural capital.

Targets |3-3|

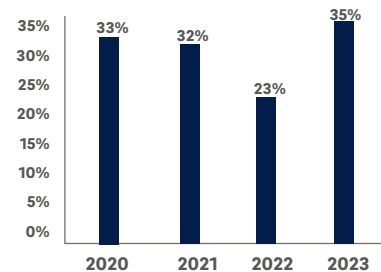
STATUS
 Accomplished In progress Not started

To 2023	2023 closing value
<input checked="" type="radio"/> We will update a water consumption baseline and goal for Grupo Argos considering the impacts of our value chain.	303-5 5,145 m ³
The future	2023 closing value
<input type="radio"/> By 2025 we will have our first report under the Task Force on Nature Related Financial Disclosure (TNFD) framework.	n.a.
<input type="radio"/> Have a performance indicator by 2025 that measures Grupo Argos’s contribution to sustainable infrastructure and an associated target	n.a.

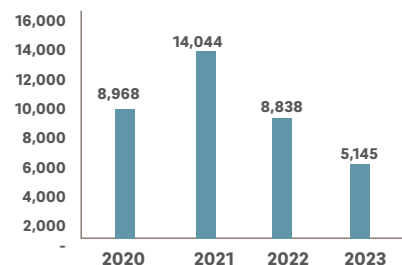


Túnel de Oriente
Antioquia

|302-1| Renewable Energy Consumption



|303-5| Water consumption (m³)



7. Conscious Investment



Besides financial criteria, our process for reviewing investment and divestment opportunities considers environmental, social and governance (ESG) decision-making elements.

Relevance to value generation

[3-3]

Conscious investment allows us to advance the company's long-term strategic vision, while ensuring responsible resource use, in equilibrium with society and the environment. Our strategy encourages us to make investments with a high economic, social and environmental impact by attracting institutional financial capital under a model that remunerates Grupo Argos' intellectual capital and the company's ability to manage infrastructure assets.

This strategy incorporates ESG analyses and risk management criteria to ensure our company's sustainability over time and its generation of value for all our stakeholders.

Management Approach [3-3]

[3-3] Conscious investment is managed through the company's governance bodies. Thus, all mergers and acquisitions are evaluated at different levels, including by strategic committees, boards of directors of the businesses, and the Board of Directors of Grupo Argos.



Hotel Sofitel Calablanca Barú
Bolívar



Parque Realismo Mágico
Atlántico

Targets |3-3|

STATUS
 ● Accomplished ● In progress ○ Not started

The future	2023 closing value
● FN-AC-410a.1 By 2030, 100% of the assets under management must have an evaluation that incorporates ESG criteria*	100%
○ By 2024, update strategic risks and include ESG-related risks in their analyses	n.a.
○ By 2025, update the ESG due diligence process for investment or divestment processes to incorporate the latest trends in this regard.	n.a.

*Ongoing targets and their status defined based on the previous year's results

Progress |3-3|

Within our role as strategic architect, we enable spaces with our businesses to promote the implementation of a methodology for calculating the internal carbon price according to their geography, industry, and regulations so it can be incorporated into investment and operating decisions.

Within the context of the recent transaction that led to the combination of the U.S. Cement operations with Summit Materials, special attention was paid to ESG criteria. The evaluation process prioritized several environmental aspects, intending to maintain exposure in the construction materials sector with less environmental impact. It also considered social criteria, including industrial safety and practices promoting diversity, equity, and in-

clusion in the workplace. From a corporate governance perspective, corporate policies aimed at ensuring transparency, ethics, and accountability throughout the operations of the combined company were evaluated.

Incorporation of these ESG criteria reflects the commitment of the parties involved to responsible and sustainable practices. By incorporating environmental, social, and governance considerations into the structure of the transaction, we seek to both maximize economic value and to make a positive long-term contribution to the environment, the community, and business operations.

Challenges and Opportunities

|3-3|

Institutional investors are becoming more demanding and rigorous in their analysis of ESG criteria when making investment decisions. Ratings by sustainability rating agencies also challenge us to strengthen our role as a holding company and become more active in directing and monitoring the ESG management in our businesses.

These ESG investment trends in the financial markets give us the opportunity to capitalize on Grupo Argos's experience to attract institutional investors and leverage the company's growth in the region.

Material Issues

Grupo Empresarial Argos

Grupo Argos's sustainability strategy is based on three principles that can be found in our Sustainability Policy: conscious investment, responsible operation, and cutting-edge practices. This three-part vision is aligned and integrated with our businesses' strategic vision, to generate value for our shareholders, investors, and other stakeholders.

Strategy

Sustainability has been defined as a key topic of interaction between Grupo Argos and its businesses, and the process of defining a strategic framework on this topic contributes to the achievement of the company's results.

The sustainability framework in the organization is defined by its Sustainability Policy and complemented by the priorities defined as material issues for Grupo Empresarial Argos. Grupo Argos's material issues as an infrastructure asset investment manager (see pages 44 - 45) and those of its businesses were considered for its definition. Throughout this process, each company considered strategy, risks, a prioritization exercise, stakeholder consultations, and a broad vision of trends.



Cementos Argos Mixer
United States

Grupo Empresarial Argos's crosscutting material issues are:

Economic and corporate governance dimension	Environmental dimension	Social dimension
<ul style="list-style-type: none"> » Value creation » Ethics, transparency and corporate governance » Sustainable infrastructure 	<ul style="list-style-type: none"> » Climate change » Nature and resource efficiency 	<ul style="list-style-type: none"> » Shared development » Talent, health & safety
<ul style="list-style-type: none"> » These material issues are defined every three years, and were last updated in 2022 		<ul style="list-style-type: none"> » The definition of crosscutting material issues is used to feed into the comprehensive management of objectives, targets, and action plans.

ESG Governance

In its role as strategic architect, Grupo Argos sits on the boards of directors of the businesses and their respective supporting committees, where it accompanies and aligns the definition of material issues, targets and work plans, and oversees outcomes to make sure they are in line with expectations.

Space	Configured by	Main functions
CEO Committee	Grupo Argos CEO and business CEOs	<ul style="list-style-type: none"> » Approve Grupo Empresarial Argos's cross-cutting material issues » Generate synergies » Analyze Grupo Empresarial Argos's sustainability performance outcomes
Sustainability synergy roundtable	Sustainability representatives in each company (report directly to each CEO)	<ul style="list-style-type: none"> » Approved the proposed cross-cutting material issues, prior to submission to the CEO Committee » Approve Grupo Empresarial Argos's cross-cutting material issues » Approve work plans for meeting targets related to the cross-cutting material issues » Provide guidelines on synergy generation actions » Analyze Grupo Empresarial Argos's sustainability performance outcomes
Sustainability Roundtable	Sustainability representatives from each company	<ul style="list-style-type: none"> » Build a proposal for cross-cutting material issues, their indicators, targets, and action plans for achieving their objectives. » Identify specific synergy actions to promote achievement of targets defined for cross-cutting material issues. » Analyze Grupo Empresarial Argos's sustainability performance outcomes
Thematic support roundtables	Thematic representatives from each company	<ul style="list-style-type: none"> » Analyze indicators, targets, and action plans for the organization's cross-cutting material issues » Identify trends and propose the adoption of those considered key for Grupo Empresarial Argos or any of its businesses.

Bolívar Substation
Bolívar



We also have a variable compensation system that incentivizes fulfillment of strategic targets, including sustainability targets that apply to Grupo Empresarial Argos. Depending on each employee's level in the organization, two types of incentives may apply: (i) short term, and (ii) long term. As a fundamental element, as part of the definition of compensation system indicators, sustainability elements have a weight of at least 15% in the long term component. These include indicators associated with climate change, gender diversity, compliance, and performance on sustainability evaluations.

Economic and Corporate Governance Dimension

Value Creation

We are an infrastructure asset investment manager and are committed to long-term comprehensive value creation. To do this, we leverage value maximization and selective and profitable growth.

Our business activities allow investors to have exposure to the infrastructure sector through a diverse portfolio that includes access to equity markets, capital allocation and financial flexibility aligned with specific strategic objectives.

2023 in figures

	Grupo Argos	Cementos Argos	Celsia	Odinsa
Revenue*	1.4	12.7	6.2	0.2
Ebitda*	0.94	2.6	1.8	0.5
Sustainable financing (%)	38.7	29.3	0.5	0
Net debt/ebitda	0.6	2.6	2.3	0.0

*In trillions of COP

Targets | 3-3 |

STATUS ● Accomplished ○ In progress ○ Not started

2023 Progress	Target *
● We maintained our AAA rating from S&P	Maintain a AAA rating from S&P to 2030*
● We achieved a consolidated net debt/ebitda ratio of 2.0x, vs. 2.7x in 2022	Maintain a consolidated net debt/ebitda ratio of less than 4 times to 2030*
● We ended the year with 26.7% of the debt on the consolidated financial statements tied to sustainability indicators, higher than 18% in 2022, when it ended the year at 3.4 trillion.	At least 20% of consolidated debt tied to sustainability indicators to 2025*

*These goals are considered ongoing and their status is defined according to the previous year's results

Progress

- » We achieved the combination of Argos USA's operations with *Summit Materials*, strengthening the capital structure of Cementos Argos and revealing its fundamental value to all its shareholders, including Grupo Argos. Cementos Argos received USD 1.2 billion in cash and a 31% stake in the combined company, listed on the NYSE. This cash will reduce leveraging and achieve net debt/EBIT-DA levels of less than 2.0 times in 2024.
- » We concluded satisfactorily the involvement of *Macquarie Infrastructure and Real Assets*, MIRA, as a strategic international partner for the airport business, consolidating our roadway and airport platforms for a value of COP 1.3 trillion.
- » Summa, Grupo Empresarial Argos's shared services center, has assisted us in seven strategic transactions, including the combination of Argos USA with Summit Materials, the transition of Celsia Central America, and Payroll By Summa for Argos Colombia. It expanded its digital ecosystem with three new digital assets: SForYou, STravel, SmartBusiness, and strengthened existing ones: Snetwork and SDigitalTax. In addition to the above, it made COP 30.8 trillion in payments to suppliers, with approximately COP 11.5 billion in savings.

Challenges and Opportunities

Faced with a challenging macroeconomic outlook, we will seek operational and financial strategies that will allow us to create and consolidate business platforms through partnerships with top-level investors, to capture long-term returns, specifically in the energy, road and airport concessions businesses. This will be leveraged by our positioning and experience in the infrastructure sector, our knowledge of the countries where we operate, and our strong business strategy based on environmental, social and governance criteria. We thus increase the value of our businesses and generate value for our shareholders.



Scan this code to find out why the combination of cement assets in the United States creates value

Ethics, Transparency and Corporate Governance

We adopt and implement high corporate governance standards, with integrity as a fundamental principle for action when making decisions to fulfill its business strategy. We act ethically and transparently towards our stakeholders, with whom we build mutually beneficial relationships throughout our entire value chain.



Scan this code to learn the opinions of our employees on The Power of Your Decision, a behavior training program

La Castellana Park Atlantico

2023 in figures

STATUS
 ● Accomplished ● In progress ○ Not started

Ethics and Transparency	Grupo Argos	Cementos Argos	Celsia	Odinsa	Target*
● Completed the Annual Behavior Course (%)**	100	92	100	100	100
● Filled out the Declaration on Conflicts of Interest (%)**	100	92	90****	100	100
● Filled out the Declaration on Assets and Income (%)***	100	85	100	100	100
● 2-27 Breaches of legislation and regulations	0	0	0	0	0

*These goals are considered ongoing for Grupo Empresarial Argos and their status is defined according to the previous year's results

** % of total employees

*** % of employees in the target audience

**** As of December 31, 2023, 36% of employees had filled out this Declaration

Corporate Governance	Grupo Argos	Cementos Argos	Celsia	Odinsa	Target*
● 405-1 Women on the Board of Directors (%)	43	29	14	20	N.A.
● Board of Directors attendance rate (%)	97	96	95	95	100
● 205-2 Board Members informed about anti-corruption policies and procedures (%)	100	100	100	100	100

*These targets are ongoing for Grupo Empresarial Argos and their status is defined according to the previous year's results

Targets |3-3|

STATUS
 ● Accomplished ● In progress ○ Not started

2023 Progress	Target*
● 205-1 100% of our businesses and operations assessed for corruption-related risks	Maintain 100% of our businesses and operations assessed for corruption-related risks to 2030.
● 205-3 Ten confirmed cases of corruption	0

*These targets are considered ongoing and their status is defined according to the previous year's results

Challenges and Opportunities

Our businesses operate in 21 countries and territories and are exposed to different ways of doing business, which requires us to have clear ethical and integrity guidelines for decision-making. We have high corporate governance and behavior standards based on integrity, ethics and transparency, which facilitate access to business opportunities.

Sustainable Infrastructure

We drive development, progress, and well-being for millions of people that benefit from our projects and investments. Thus, through infrastructure with sustainability characteristics, we seek to help build an environment of economic growth, with improved standards of living, climate resiliency, and development opportunities for the territories where we are present.



Parque Realismo Mágico
Atlántico

Challenges and Opportunities

The demand for infrastructure with sustainable characteristics is increasing, not only from designers who are increasingly incorporating ESG criteria into their projects, but also from end users, who increasingly demand infrastructure that balances the environment, well-being, and efficient maintenance. This means we have state-of-the-art practices that allow us to strengthen the development of infrastructure solutions to offer end consumers an experience that reflects their commitment to sustainability.



Scan this code to find out why Parque Realismo Mágico in Barranquilla is an example of sustainable infrastructure



Parques Palmas del Río
Atlántico

Environmental Dimension

Climate Change

We firmly believe in the need to understand, prioritize, and internalize the effects of climate change within our business model to meet our promise of value creation. We have a cross-cutting Climate Change strategy with actions to mitigate CO₂e emissions and to promote actions to adapt our businesses to the effects of this global phenomenon.

As part of this strategy, and in our role as a strategic architect, we monitor risk mitigation initiatives in each of our businesses, which allows us to identify and take advantage of opportunities to address climate change while generating comprehensive value.

We promote tree planting programs that align with the Nature-Based Solutions required by climate change and have enhanced projects to measure and

certify CO₂e emissions reductions related to efficiency projects as an opportunity to create value and increase the organization's commitment.

Progress

In 2023, we held six Grupo Empresarial Argos climate change roundtables, where the businesses' tactical and operational levels generated synergies and shared good practices, difficulties, and results around climate change. Among other topics, these spaces strengthened an understanding of risk and opportunity measurements and made progress with defining a common framework for climate change scenarios.

2023 in figures

	Grupo Argos	Cementos Argos	Celsia	Odinsa
305-1, 305-2 Scope 1 & 2 CO ₂ emissions (t CO ₂ e)	192	8,642,293	831,961	4,206
305-3 Scope 3 CO ₂ emissions (t CO ₂ e)	13,493	4,211,847	80,992	299,302
305-4 Emissions intensity	n.a.	609 (scope 1)	145.47 (scope 1 & 2)	n.a.
Targets	By 2030, achieve maximum 12 kg CO ₂ e/ COP million in revenues (-64%). 2021 Baseline	By 2030, maximum 523 kg CO ₂ e/t cementitious material in emissions. 2006 baseline	By 2025, achieve maximum 282 t CO ₂ e/ GWh (-25%). 2015 baseline	Reduce 68% by 2030. 2018 baseline Reduce 15%. 2018 baseline

*In trillions of COP

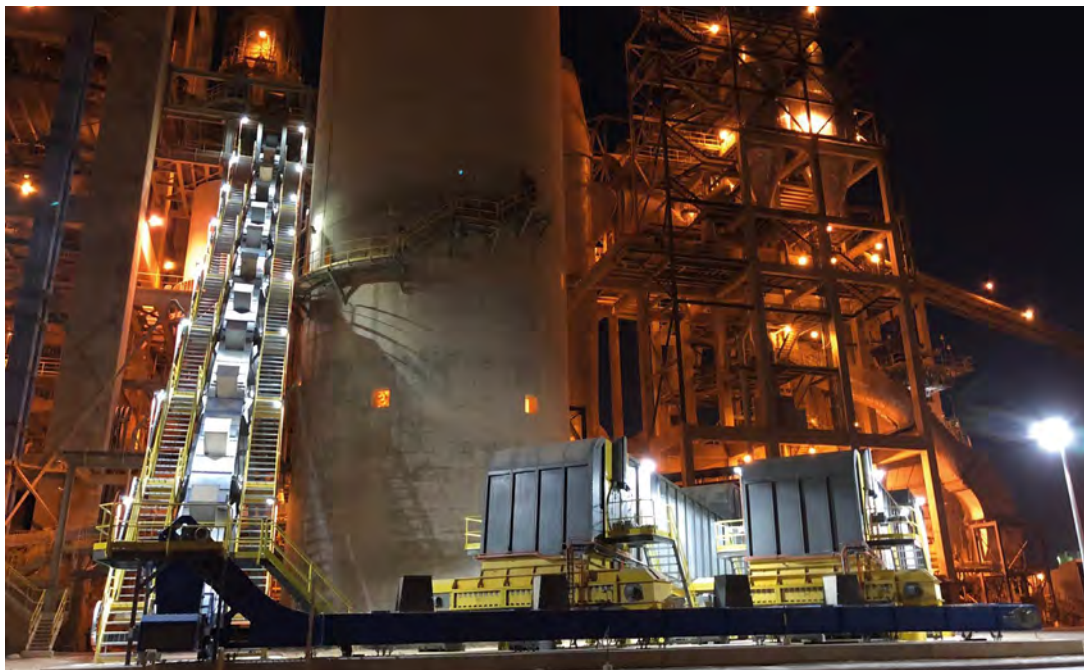
Targets |3-3|

STATUS
 ● Accomplished ● In progress ○ Not started

2023 Progress	Corporate Group Target
305-5 We reduced the intensity of direct and indirect (scope 1 & 2) CO ₂ e emissions per million in COP revenues by 40%. 2018 baseline ●	By 2030, we will reduce the intensity of direct and indirect (scope 1 & 2) CO ₂ e emissions per million in COP revenues by 46%. 2018 baseline
205-3 We reduced absolute direct and indirect (scope 1 & 2) CO ₂ e emissions by 23%. 2015 baseline ●	By 2030, we will reduce absolute direct and indirect (scope 1 & 2) CO ₂ e emissions by 37%. 2015 baseline

Challenges and Opportunities

- » Expand strategic partnerships to support exploring innovation ecosystems with cutting-edge technology to reduce CO₂ emissions, helping meet the goals of Grupo Empresarial Argos.
- » Continue to identify opportunities derived from climate change that we can exploit and that will make a relevant impact on business performance.



Scan this code and learn how this partnership with Terraformation helps meet climate change goals, protect biodiversity, and generate employment.

Cartagena Co-Processing Plant - Cementos Argos Bolivar

Nature and Resource Efficiency

We acknowledge the need to use natural resources responsibly as they are valuable inputs for our operations, and as a source of life for the communities and ecosystems in our areas of influence. We are committed to promoting, supporting and accompanying our businesses to operate in balance with nature, reduce their impacts, and improve their efficient resource use.

Progress

In 2023 we created the Nature and Resource Efficiency Roundtable as the strategic space where tactical and operational levels collaborate to generate synergies, share good practices, address challenges and communicate results related to the use and consumption of natural resources, circular economy strategies, and contributions to sustainable infrastructure within our operations and supply chain.

As a result of an analysis of the results to date in the targets set for this cross-cutting material issue and other global trends, at the end of 2023 we decided to update water and nature-related targets for Grupo Empresarial Argos.

2023 in figures

	Grupo Argos	Cementos Argos	Celsia	Odinsa
 303-5 Water consumption (m ³)	5,145	5.93 billion	430,498	641,068
 305-3 Specific water consumption	n.a.	227 L/t and 219 L/m ³ in water consumed for cement and concrete, respectively	n.a.	n.a.
Renewable and/or alternative energy consumption (%)	35.5	6.4 (7.2 use of alternative fuels)	2.7	36.3
		Target: By 2030, consume less than 245 L of water/t of cement and 216 L of water/m ³ of concrete and achieve 33% substitution of heat consumption using alternative fuels.		

Targets |3-3|

STATUS
● Accomplished ◐ In progress ○ Not started

2023 Progress	Target *
● 305-5 We have reduced water consumption by 73% per million COP in revenues. 2015 baseline.	By 2025, we will reduce water consumption in m ³ /million COP in revenue by 50%. 2015 baseline**
◐ 305-5 We have reduced water consumption per million COP in revenues by 27%. 2020 baseline	By 2030, we will reduce water consumption in m ³ /million COP in revenue by 55%. 2020 baseline
● 100% of water sources cared for	By 2025, we will care for 100% of the water sources classified as high risk. 2018 baseline***
n.a.	By 2025, we will use the TNFD framework to publish the identified and assessed nature-related issues for the investments of Grupo Empresarial Argos*
◐ 19.6 million trees planted	We will plant 25 million native trees by 2030. 2016 Baseline

*The following companies of the Corporate Group are included in this target: Grupo Argos, Cementos Argos, Celsia, and Odinsa

** As of this year, this target is updated to the following target for 2030 *** This target was updated by the one that refers to TNFD adoption by 2025

Challenges and Opportunities

- » Understand challenges related to natural risks, and their identification and management by Grupo Empresarial Argos's different businesses
- » Empower results through the synergies we can generate for efficiently using resources and caring for nature and the ecosystem services it provides in the performance of our own and our stakeholders' activities.



Scan this code to learn how we use e-mobility batteries to store energy and contribute to the energy transition.

Social dimension

Shared Development

We manage our environment to provide opportunities and generate shared development amongst our stakeholders using cooperation, while protecting the company's solid reputation and leverage investor trust with clear rules for action and ongoing monitoring of our economic, political, and social environment. We can thus increase the company's competitiveness while improving the economic and social conditions of our stakeholders.

Progress

In 2023 we held conversations around strategies, metrics and results and identified synergy opportunities by region and project type. We also strengthened the organization's impact measurement capabilities as a key management, communication and generation tool.

a) Institutional engagement:

We continue strengthening the framework agreement with Universidad Nacional de Colombia. To date, we have worked on at least four specific agreements to make joint efforts to find climate change solutions. We also reformulated the Sustainability and Climate Change Course with the University, to expand its impact nationally during the first half of 2024.

We structured five new projects for COP 97 billion and, in 2023, we became involved in works for taxes projects along with other allies for a total of COP 101 billion (allies account for COP 46 billion and Grupo Empresarial Argos for COP 55 billion).

b) Social investment:

From Fundación Grupo Argos:

- » We benefited over 44,500 people with the Aquavida program in 15 departments around Colombia, providing over 8,300 solutions for access to safe drinking water.
- » We consolidated the Sembrando Futuro program, planting 1,021,966 native trees and generating 129 direct and 376 indirect green jobs.
- » We provided 153 scholarships with a retention rate of 94%.
- » We consolidated a volunteer strategy that has implemented 104 activities with participation from over 2,800 volunteers, including companions, that invested more than 22,300 hours.



Conecta Volunteer Program
Antioquia



Scan this code to read the report of Fundación Grupo Argos.



Scan this code to learn about our Social Value Creation program

We also consolidated the social value creation strategy through three lines of work: job creation, supplier development, and sustainable social development.

- » With the Alliance for Employment, we managed to find jobs, with support from over 30 allied companies, for 6,192 young people and women, meeting 309% of the goal set in 2021.
- » **Emprender Mujer:**
 - We strengthened 347 enterprises led by women in urban and rural areas of Antioquia, Valle del Cauca, and Barranquilla, with assistance from 84 volunteers from Grupo Empresarial Argos who contributed over 486 hours of work.
 - We created 113 jobs and 118 alliances that impacted these ventures with 113% increased sales in urban areas and 36% in rural areas. They also launched 97 new products.
 - We held 21 training bootcamps, 98 training workshops and 20 networking events in rural areas

- We created a revolving credit fund worth COP 100 million to fund entrepreneurs that participated in the program. This fund grants lower than current market rates and supports loan execution.
- » We worked with 33 social and cultural groups from the Moravia, La Loma and Manrique neighborhoods, which received over 21,520 hours of assistance to enhance their skills and allow them to make a positive impact in their communities, with collaboration from 56 volunteers from Grupo Empresarial Argos. 31 new commercial connections worth close to COP 100 million were generated, and 192 million in incentives for sustainability were delivered.

c) Suppliers:

In 2023, we strengthened the Grupo Empresarial Argos supply desk, through which we defined an action plan to enhance ESG strategies throughout our supply chain.

During the year we held our first supplier meeting with a focus on Diversity, Equity and Inclusion, to promote a more equitable, just and inclusive society. 699 suppliers and contractors participated virtually and in person.



We Create Social Value
Antioquia

Challenges and Opportunities

Our businesses are located in territories that have great social and economic challenges, which means we need an in-depth understanding of the environment in which we perform our activities. Our engagement model allows us to connect with the territory to adapt and contribute to the development of the regions and the company itself, while considering the diversity of businesses, countries, and stakeholders with which we interact.

2023 in figures

	Grupo Argos	Cementos Argos	Celsia	Odinsa
Total social investment*	9,262	35,156	50,020	6,970
Local suppliers (%)	96	89	94	94
204-1 Local procurement (%)	73.2	81.7	97.7	80.4
CONECTA volunteers	97	763	288	401
415-1 Contributions to guilds and associations*	474	18,223	1,059	565

*Figures in millions of COP

Targets |3-3|

STATUS
● Accomplished ● In progress ○ Not started

2023 Progress	Target
<p>● The supply desk of Grupo Empresarial Argos defined a reference reporting scheme to advance with analyzing and drafting an action plan.</p>	By 2024, analyze potential gender gaps that take place during the procurement process and identify good practices within the organization that could be replicated to make its procurement operations more inclusive.
<p>● The organization performed analyses to configure a new vehicle to execute Works for Taxes resources.</p>	Structure a new vehicle to promote, manage and develop Works for Taxes projects by 2025.
<p>● We developed impact evaluation capacities in the teams responsible for projects.</p>	We will develop a pilot impact assessment for a project or social initiative to identify the potential for scaling it up in the other projects of the organization.



Scan this code to understand how we experienced our meeting with suppliers, a space where we talked about the importance of diversity, equity and inclusion in the supply chain.

Talent, Occupational Health and Safety

We focus on attracting, developing, and retaining the best talent, emphasizing capacity building to promote mobility, meet business needs in a timely manner and ensure successful successions, while being committed to the health safety and wellbeing of our employees and contractors.



Cementos Argos Yumbo Plant Employee
Valle del Cauca



Scan this code and learn how our Diversity Multipliers program inspires us to work towards gender equality in the corporate group.

2023 in figures

	Grupo Argos	Cementos Argos	Celsia	Odinsa
405-1 Women in leadership positions	52.4%	30.4%	26.3%	39.8%
404-1 Training hours per employee	90.5	35.1	32.6	65.6
403-9 Fatalities	0 employees 0 contractors	0 employees 0 contractors	0 employees 2 contractors	0 employees 0 contractors
Accident frequency index	0 employees 4.60 contractors	0.54 employees 0.26 contractors	2.2 employees 12.1 contractors	6.9 employees 15.7 contractors
Target		By 2030, 35% of women in leadership positions	35% of women in management and junior management positions by 2025.	By 2025, 31% of women in leadership positions

*Figures in millions of COP

Targets |3-3|

STATUS
 ● Accomplished ● In progress ○ Not started

2023 Progress	Corporate Group Target
● 405-1 24% of women in senior management of Grupo Empresarial Argos	By 2028, we will have 35% of women in senior management of Grupo Empresarial Argos.
● 405-1 32.6% of women in leadership positions in Grupo Empresarial Argos	By 2030, we will achieve at least 33.4% participation by women in leadership positions at Grupo Empresarial Argos.
● We began the Diversity Multipliers program with 97 employees in different regions and countries.	In 2023, the second class of the Diversity Multipliers program will begin. In 2024, 100% of the employees enrolled in the second class of the Diversity Multipliers program will graduate.
● 79 active pairs 84 mentors 75% women mentors 52% women mentees	In 2023, we will ensure continuity for the mentorship program, focused on and ensuring strengthening for women succession and leadership.
● 403-9 0 employees 2 contractors	Record zero fatalities amongst employees and contractors*

*This is considered an ongoing target for Grupo Empresarial Argos. Its status is defined according to the previous year's results.

Challenges and Opportunities

We have businesses that operate in different contexts, economic sectors, and geographical locations. This requires us to have a cross-cutting talent model that will facilitate decision-making, talent mobility and diversity, and mobilize the Group's Culture as a tool for comprehensive value creation across all businesses. The organization has the ongoing challenge of keeping a crosscutting career plan updated to promote the mobility and development of its human capital.

Market realities have challenged the organization and its employees to deal with changing environments with a high degree of uncertainty. This reality has led us to face great challenges in related to the health care and well-being of our employees, especially in terms of mental and financial health, which are high impact areas for employees.

05 Separated Financial Statements





Grupo Argos S.A.

Separated Statement of Financial Position

As of December 31 | In millions of Colombian pesos

	Notes	2023	2022
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	410,866	72,319
Derivative financial instruments	7	9,936	3,521
Other financial assets	11	43,954	180,827
Trade and other accounts receivable, net	8	328,287	249,639
Inventories, net	9	293,414	268,832
Tax assets	10	79,583	12,556
Pre-paid expenses and other non-financial assets	12	24,178	32,209
CURRENT ASSETS		1,190,218	819,903
Non-current assets held for sale	17	2,035,970	64,617
TOTAL CURRENT ASSETS		3,226,188	884,520
NON-CURRENT ASSETS			
Trade and other accounts receivable, net	8	127,049	112,593
Right-to-use assets (properties, plant and equipment), net	19	4,970	7,021
Property, plant and equipment, net	13	2,546	1,491
Investment properties	14	1,958,064	2,020,317
Investments in associates and joint ventures	15	5,360,686	5,346,383
Investments in subsidiaries	16	8,109,749	10,512,565
Other financial assets	11	818,528	2,078,396
Pre-paid expenses and other non-financial assets	12	2,353	1,548
TOTAL NON-CURRENT ASSETS		16,383,945	20,080,314
TOTAL ASSETS		19,610,133	20,964,834

Grupo Argos S.A.

Separated Statement of Financial Position

As of December 31 | In millions of Colombian pesos

	Notes	2023	2022
LIABILITIES			
CURRENT LIABILITIES			
Financial liabilities	18	26,841	8,920
Lease liabilities	19	1,318	3,706
Employee benefits liabilities	20	16,519	13,907
Provisions	21	257	5,255
Trade and other accounts payable	22	139,079	148,922
Current tax payables	10	21,602	2,135
Derivative financial instruments	7	1	-
Bonds and compound financial instruments	23	145,326	10,357
Other non-financial liabilities	24	163,814	175,533
TOTAL CURRENT LIABILITIES		514,757	368,735
NON-CURRENT LIABILITIES			
Financial liabilities	18	620,814	392,297
Lease liabilities	19	4,149	3,617
Deferred tax, net	10	622,842	557,402
Employee benefits liabilities	20	2,040	1,646
Derivative financial instruments	7	1,805	-
Bonds and compound financial instruments	23	860,778	994,367
TOTAL NON-CURRENT LIABILITIES		2,112,428	1,949,329
TOTAL LIABILITIES		2,627,185	2,318,064
EQUITY			
Share capital	26	54,697	54,697
Share issue premium	25	1,503,373	1,503,373
Share buyback plan	26	(68,994)	-
Retained earnings		8,480,217	8,473,522
Reserves	27	3,094,653	3,241,099
Income for the year		789,341	345,789
Other equity components	28	352,533	300,068
Other comprehensive income	27	2,777,128	4,728,222
TOTAL EQUITY		16,982,948	18,646,770
TOTAL LIABILITIES AND EQUITY		19,610,133	20,964,834

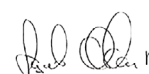
The accompanying notes are an integral part of these separate financial statements.



Jorge Mario Velásquez Jaramillo
CEO | Legal Representative
(See attached certification)



Claudia Patricia Alvarez Agudelo
Accountant | Professional License No. 69447-T
(See attached certification)



Gonzalo Alonso Ochoa Ruiz
Statutory Auditor | Professional License
No. 43668-T
Member of KPMG S.A.S.
(See report from February 23, 2024)

Grupo Argos S.A.

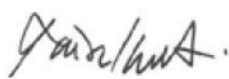
Separated Statement of Income

As of December 31 | In millions of Colombian pesos, except for net return per share

	Notes	2023	2022
Revenue from financial activity	30	618,222	142,454
Revenue from real estate business	30	306,780	298,851
Equity method in subsidiary income, net	30	502,214	337,881
REVENUE FROM ORDINARY ACTIVITIES	30	1,427,216	779,186
Cost of ordinary activities	31	(298,839)	(112,955)
GROSS INCOME		1,128,377	666,231
Administration expenses	32	(169,872)	(188,531)
Sales expenses	33	(1,255)	(2,279)
STRUCTURAL EXPENSES		(171,127)	(190,810)
Other expenses, net	35	(15,025)	(13,422)
INCOME FROM OPERATIONAL ACTIVITIES		942,225	461,999
Financial revenues	36	182,000	59,359
Financial expenses	36	(265,364)	(168,032)
Exchange rate differences, net	36	(23,067)	3,468
INCOME BEFORE TAX		835,794	356,794
Income tax	10	(46,453)	(11,005)
INCOME FOR THE YEAR		789,341	345,789
EARNINGS PER SHARE FROM ONGOING OPERATIONS (*)			
Attributable to shareholders			
Basic	37	909.47	398
Diluted	37	909.47	398

(*) Figures expressed in Colombian pesos.

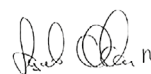
The accompanying notes are an integral part of these separate financial statements.



Jorge Mario Velásquez Jaramillo
CEO | Legal Representative
(See attached certification)



Claudia Patricia Alvarez Agudelo
Accountant | Professional License No. 69447-T
(See attached certification)



Gonzalo Alonso Ochoa Ruiz
Statutory Auditor | Professional License
No. 43668-T
Member of KPMG S.A.S.
(See report from February 23, 2024)

Grupo Argos S.A.

Separated Statement of Other Comprehensive Income

As of December 31 | In millions of Colombian pesos

	Notes	2023	2022
INCOME FOR THE YEAR		789,341	345,789
ENTRIES THAT WILL NOT BE RECLASSIFIED AFTER PRESENTING THE STATEMENT OF INCOME FOR THE PERIOD	27.2	39,616	635,338
Earnings on equity investments		298,951	716,509
Deferred taxes on equity investments		(24,917)	(269,596)
New measurements of employee defined benefit liabilities		(4,872)	(9,248)
Share in other comprehensive income of subsidiaries, net		(229,546)	197,673
ENTRIES THAT WILL BE RECLASSIFIED AFTER PRESENTING THE INCOME STATEMENT FOR THE PERIOD	27.2	(1,990,608)	1,079,556
Effect of cash flow hedging instruments		(5,183)	1,947
Deferred tax from cash flow hedging instruments		1,687	(759)
Share in other comprehensive income of subsidiaries, net		(1,987,112)	1,078,368
OTHER COMPREHENSIVE INCOME, NET OF TAX	27.2	(1,950,992)	1,714,894
TOTAL COMPREHENSIVE INCOME		(1,161,651)	2,060,683

The accompanying notes are an integral part of these separate financial statements.



Jorge Mario Velásquez Jaramillo
CEO | Legal Representative
(See attached certification)



Claudia Patricia Alvarez Agudelo
Accountant | Professional License No. 69447-T
(See attached certification)



Gonzalo Alonso Ochoa Ruiz
Statutory Auditor | Professional License
No. 43668-T
Member of KPMG S.A.S.
(See report from February 23, 2024)

Grupo Argos S.A.

Separated statement of changes in equity

Years ending on December 31 in millions of Colombian pesos

	Notes	Capital and share issue premium	Share buyback plan	Legal reserve	Other reserves	Other comp. income	Cumulative results for the period	Other equity components	Total Equity
BALANCE AS OF JANUARY 1, 2022		1,558,070	-	29,665	3,309,958	3,012,156	8,924,492	275,290	17,109,631
Income for the year		-	-	-	-	-	345,789	-	345,789
Other comprehensive income for the period, net of tax	27.2	-	-	-	-	1,714,894	-	-	1,714,894
2022 Comprehensive income for the period		-	-	-	-	1,714,894	345,789	-	2,060,683
Ordinary cash dividends declared	29	-	-	-	-	-	(328,814)	-	(328,814)
Preferential cash dividends declared	29	-	-	-	-	-	(105,914)	-	(105,914)
Creation of reserves	27.1	-	-	-	6,900	-	(6,900)	-	-
Release of reserves	27.1	-	-	-	(105,424)	-	105,424	-	-
Transfers to accumulated earnings	27.2	-	-	-	-	1,172	(1,172)	-	-
Effect of income tax rate change in Colombia		-	-	-	-	-	(112,082)	-	(112,082)
Other variations	28	-	-	-	-	-	(1,512)	24,778	23,266
BALANCE AS OF DECEMBER 31, 2022		1,558,070	-	29,665	3,211,434	4,728,222	8,819,311	300,068	18,646,770
BALANCE AS OF JANUARY 1, 2023		1,558,070	-	29,665	3,211,434	4,728,222	8,819,311	300,068	18,646,770
Income for the year		-	-	-	-	-	789,341	-	789,341
Other comprehensive income for the period, net of tax	27.2	-	-	-	-	(1,950,992)	-	-	(1,950,992)
2023 COMP. INCOME FOR THE PERIOD		-	-	-	-	(1,950,992)	789,341	-	(1,161,651)
Buyback of common shares	26	-	(56,522)	-	1,145	-	-	-	(55,377)
Buyback of preferential shares	26	-	(6,484)	-	206	-	-	-	(6,278)
Ordinary cash dividends declared	29	-	-	-	-	-	(377,835)	-	(377,835)
Preferential cash dividends declared	29	-	-	-	-	-	(121,739)	-	(121,739)
Creation of reserves	27.1	-	-	-	8,163	-	(8,163)	-	-
Release of reserves	27.1	-	-	-	(161,948)	-	161,948	-	-
Transfers to accumulated earnings	27.2	-	-	-	-	(102)	102	-	-
Other variations	28	-	(5,988)	-	5,988	-	6,593	52,465	59,058
BALANCE AS OF DECEMBER 31, 2023		1,558,070	(68,994)	29,665	3,064,988	2,777,128	9,269,558	352,533	16,982,948

The accompanying notes are an integral part of these separate financial statements.



Jorge Mario Velásquez Jaramillo
CEO | Legal Representative
(See attached certification)



Claudia Patricia Alvarez Agudelo
Accountant | Professional License No. 69447-T
(See attached certification)



Gonzalo Alonso Ochoa Ruiz
Statutory Auditor | Professional License No. 43668-T
Member of KPMG S.A.S.
(See report from February 23, 2024)

Grupo Argos S.A.

Separated Statement of Cash Flow

Years ending on December 31 | In millions of Colombian pesos

	Notes	2023	2022
CASH FLOW FROM OPERATING ACTIVITIES			
INCOME FOR THE YEAR		789,341	345,789
Adjustments for:			
Revenue from dividends and shares		(251,927)	(143,615)
Income tax	10.3	46,453	11,005
Equity method in subsidiary income, net	30	(502,214)	(337,881)
Financial expenses recognized in the statement of income for the period, net		113,596	74,632
Profit (loss) recognized for employee benefits and provisions		(103)	750
Profit on disposal of non-current assets	16	(256,540)	(2)
Profit from fair value measurements		(72,241)	(88,272)
Depreciation and amortization of non-current assets	32	(2,430)	13,858
Impairment, net of financial assets		323	595
Impairment of non-current assets and inventory, net		328	-
Foreign exchange gains and losses on financial instruments recognized through profit or loss, net	36	23,067	(3,468)
Other adjustments		(5,570)	(898)
		(113,057)	(127,507)
CHANGES IN WORKING CAPITAL FOR:			
Trade and other accounts receivable		9,272	(10,507)
Inventories		63,493	53,322
Other assets		(777)	(22,000)
Trade and other accounts payable		(25,498)	24,320
Provisions	21	(1,271)	(449)
Other liabilities		(837)	56,611
CASH USED IN OPERATIONS		(68,675)	(26,210)
Dividends received and revenue from other shareholding	15 - 16	992,632	802,790
Income tax (paid) received		(40,541)	9,721
CASH FLOW FROM OPERATING ACTIVITIES, NET		883,416	786,301

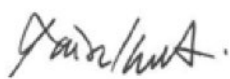
Grupo Argos S.A.

Separated Statement of Cash Flow

Years ending on December 31 | In millions of Colombian pesos

	Notes	2023	2022
CASH FLOW FROM INVESTMENT ACTIVITIES			
Financial interest received		107,466	39,636
Acquisition of property, plant and equipment	13	(1,443)	-
Proceeds from the sale of property, plant and equipment		20	-
Acquisition of investment property	14	(11,701)	(5,246)
Proceeds from the sale of investment properties		-	800
Acquisition of subsidiaries		-	(12,282)
Proceeds from the sale of shares in subsidiaries	30	274,554	13,052
Proceeds from the sale of investments in associates and joint ventures		-	256
Acquisition of financial assets	6	(534,510)	(364,571)
Proceeds from the sale of financial assets	6	230,000	144,247
Loans to third parties		-	(10,821)
Proceeds from the repayment of loans to third parties		7,269	17,854
Refund of contributions	11	52	11,191
CASH FLOW GENERATED (USED) BY INVESTMENT ACTIVITIES, NET		71,707	(165,884)
CASH FLOW FROM FINANCING ACTIVITIES			
Buyback of common shares	26	(56,523)	-
Buyback of preferential shares	26	(6,484)	-
Payment of bonds		-	(95,107)
Increase in other financing instruments	6	767,065	43,385
Decrease in other financing instruments	6	(538,649)	(43,756)
Payment of lease liabilities		(1,845)	(1,826)
Purchase of ownership interest in subsidiaries that do not lead to control	16	(54,137)	-
Collections from financial derivatives with financial liability hedging		-	10,790
Dividends paid on ordinary shares	6	(365,620)	(246,854)
Dividends paid on preferential shares	6	(116,539)	(78,630)
Interest paid		(221,338)	(152,177)
Other cash outflows		(180)	(30)
CASH FLOW (USED) IN FINANCING ACTIVITIES, NET	7.7	(594,250)	(564,205)
INCREASE IN CASH AND CASH EQUIVALENTS, NET		360,873	56,212
Cash and cash equivalents at the start of the period	6	72,319	16,237
Effect of exchange rate variations on cash and cash equivalents held in foreign currency		(22,326)	(130)
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	6	410,866	72,319

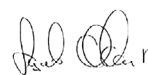
The accompanying notes are an integral part of these separate financial statements.



Jorge Mario Velásquez Jaramillo
CEO | Legal Representative
(See attached certification)



Claudia Patricia Alvarez Agudelo
Accountant | Professional License No. 69447-T
(See attached certification)



Gonzalo Alonso Ochoa Ruiz
Statutory Auditor | Professional License
No. 43668-T
Member of KPMG S.A.S.
(See report from February 23, 2024)

Certification by the Company's Legal Representative

Medellin, February 23, 2024

To the Shareholders of Grupo Argos S.A.

In my capacity as Legal Representative, I certify that the Separate Financial Statements as at December 31, 2023, and that have been made public, contain no flaws, inaccuracies or material misstatements that could prevent the true financial position of or transactions performed by Grupo Argos S.A. during the corresponding period from being known.



Jorge Mario Velásquez Jaramillo
CEO | Legal Representative
(See attached certification)

Certification by the Company's Legal Representative and Accountant

Medellin, February 23, 2024

To the Shareholders of Grupo Argos S.A.

The undersigned Legal Representative and Accountant of Grupo Argos S.A. (hereinafter the Company) do hereby certify that the Company's Separate Financial Statements as at December 31, 2023 and 2022, have been taken faithfully from the accounting books and that, before making them available to you and third parties, we have certified the following statements contained therein:

- a) All assets and liabilities included in the Company's financial statements as at December 31, 2023 and 2022, exist, and all transactions included therein were made during the years ending on those dates.
- b) The economic actions undertaken by the Company during the years ending on December 31, 2023 and 2022 have been acknowledged in the financial statements.
- c) The assets represent probable future economic benefits (rights) and the liabilities represent future economic sacrifices (obligations) obtained by the Company or for which it is responsible as of December 31, 2023 and 2022.
- d) All elements have been recognized at their appropriate values according to the Generally Accepted Accounting and Financial Reporting Standards in Colombia.
- e) All the economic actions that affect the Company have been properly classified, described, and disclosed in the financial statements.



Jorge Mario Velásquez Jaramillo
CEO | Legal Representative
(See attached certification)



Claudia Patricia Alvarez Agudelo
Accountant | Professional License No. 69447-T
(See attached certification)



KPMG S.A.S.
Calle 2 No. 20 – 50, Piso 7, Edificio Q Office
Medellín - Colombia

Teléfono 57 (4) 3556060
home.kpmg/co

(FREE TRANSLATION OF THE REPORT ISSUED IN SPANISH)
STATUTORY AUDITOR'S REPORT

To the Shareholders
Grupo Argos S.A.:

Report on the Audit of the Separate Financial Statements

Opinion

I have audited the separate financial statements of Grupo Argos S.A. (the Company), which comprise the separate statement of financial position as of December 31, 2023 and the separate statements of income and comprehensive income, changes in equity, and cash flows for the year then ended and its respective notes, which include significant accounting policies and other explanatory information.

In my opinion, the aforementioned separate financial statements, prepared with information faithfully taken from the books and attached to this Report, present fairly, in all material respects, the separate financial position of the Company as at December 31 of 2023, the separate results of its operations and its separate cash flows for the year ending on that date, in accordance with Accounting and Financial Information Standards accepted in Colombia, applied on a basis consistent with that of the preceding year.

Basis for Opinion

I conducted my audit in accordance with International Standards on Auditing (ISAs) accepted in Colombia. My responsibilities under those standards are further described in the "Statutory Auditor's Responsibilities for the Audit of Separate Financial Statements" section of my Report. I am independent of the Company in accordance with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA Code) included in the Information Assurance Standards accepted in Colombia, together with the ethical requirements that are relevant to my audit of the separate financial statements established in Colombia, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the above mentioned IESBA Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key Audit Matters are those matters that, in my professional judgment, were of most significance in my audit of the separate financial statements of the current period. These matters were addressed in the context of my audit of the separate financial statements as a whole and in forming my opinion thereon, and I do not provide a separate opinion on these matters.



2

Assessment of the recoverability of investments in subsidiaries and a significant associate (See Notes 15 and 16 to the separate financial statements)	
Key Audit Matters	How it was addressed in the Audit
<p>The Company's separate statement of financial position as at December 31, 2023 includes investments in subsidiaries and a significant associate for \$12.484.915 million COP, representing 63,7% of the Company's total assets.</p> <p>I have identified the assessment of the recoverability of these investments as a Key Audit Matter because it involves significant judgment in identifying impairment indicators for these investments. Additionally, due to the materiality of the balance, it is considered one of the areas of greatest audit attention.</p>	<p>My audit procedures to evaluate the recoverability of investments in subsidiaries and a significant associate included, among others, the following:</p> <ul style="list-style-type: none"> – Identification of events, facts, and/or circumstances that indicated the existence of objective evidence of impairment of the investments, based on the impairment tests of the different cash-generating units in the context of the audit of the separate financial statements. – Evaluation of the work performed by the audit team of significant Subsidiaries in relation to the identification of objective evidence of impairment in the underlying assets in the investees. – Professionals with relevant industry expertise and experience assisted me in: (1) evaluating the key assumptions used in the impairment test performed by the Company on its investment in this significant associate, including input data; (2) performing independent recalculations supported with information obtained from external sources on the discount rate and macroeconomic variables used; and (3) comparing the result of the calculations obtained, with those performed by the Company.



Assessment of the valuation of investment properties in accordance with the provisions of IAS 40 – Investment Properties (See Note 14 to the separate financial statements)	
Key Audit Matters	How it was addressed in the Audit
<p>The Company's separate statement of financial position as at December 31, 2023 includes a significant amount of investment properties for \$1.958.064 million COP, mainly represented in land measured at fair value through profit or loss.</p> <p>The Company engages qualified external experts for the periodic determination of the fair value of its investment properties, who employ significant judgments in the determination of key valuation assumptions such as: the use of market comparables, estimated future cash flows, discount rates applied, and expected market growth.</p> <p>The main reasons for considering this a Key Audit Matter are: (1) there was significant judgment by the Company to determine the key assumptions for the valuation of investment properties; and (2) there was significant judgment and audit effort to evaluate the evidence obtained related to the appraisals performed, as well as the audit effort involving the use of professionals with specialized skills and knowledge in real estate valuation.</p>	<p>My audit procedures to assess the valuation of investment properties in accordance with IAS 40 included, among others, the following:</p> <ul style="list-style-type: none"> – Evaluation of the design, implementation, and operating effectiveness of the key control established by the Company to determine and recognize for accounting purposes the fair value of investment properties, specifically in the review and approval by the Real Estate Strategy Department, of the appraisals performed by external professionals with expertise in real estate valuation engaged by the Company. – Evaluation of the competition and capacity of the external professionals engaged by the Company, who determined the fair value of the investment properties. – Involvement of a professional with relevant knowledge and experience in real estate valuation, who assisted me in the evaluation of the key assumptions used by the external professionals engaged by the Company to determine the fair value of investment properties, and whether the procedures and techniques applied are in accordance with IFRS 13 - Fair Value Measurement, and with the International Valuation Standards.



Other Matters

The separate financial statements as at and for the year ended December 31, 2022 are presented solely for comparative purposes. These were audited by myself and in my Report dated February 28, 2023, I expressed an unqualified opinion thereon

Other Information

The Management is responsible for the *other information*. The *other information* comprises information included in the integrated report but does not include the separate financial statements and my corresponding Audit Report, nor the management report on which I pronounce myself in the “*Report on Other Legal And Regulatory Requirements*” section, in accordance with the provisions of Article 38 of Law 222 of 1995. The information contained in the integrated report is expected to be available to me after the date of this Audit Report.

My opinion on the separate financial statements does not cover the other information and I do not express any form of assurance conclusion on it.

In connection with my audit of the separate financial statements, my responsibility is to read the other identified information when available and, in doing so, consider whether there is a material inconsistency between that information and the separate financial statements, or my knowledge obtained in the audit, or whether in any way, there appears to be a material misstatement

When I read the contents of the integrated report, if I were to conclude that there is a material misstatement in that other information, I am required to report this fact to Those Charged With Governance and describe the applicable actions.

Responsibilities of Management and those charged with the Company’s governance in relation for the separate financial statements

The Management is responsible for the preparation and fair presentation of these separate financial statements in accordance with Accounting and Financial Reporting Standards accepted in Colombia. This responsibility includes designing, implementing, and maintaining such internal control as Management determines is necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

In preparing the separate financial statements, Management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.



Those Charged with Governance are responsible for overseeing the Company's financial reporting process.

Statutory Auditor's Responsibilities in relation to the Audit of the Separate Financial Statements

My objectives are to obtain reasonable assurance about whether the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate financial statements.

As part of an audit in accordance with ISAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I were to conclude that a material uncertainty exists, I am required to draw attention in my Auditor's Report to the related disclosures in the separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my Auditor's Report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the separate financial statements, including the disclosures, and whether the separate financial statements present the underlying transactions and events so as to achieve a fair presentation.



- Obtain sufficient appropriate audit evidence regarding the financial information of the Entities or business activities within the Group to express an opinion on the Group's financial statements. I am responsible for the direction, supervision, and performance of the Group's audit. I remain solely responsible for my audit opinion.

I communicate with Those Charged with the Company's Governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during my audit.

I also provide Those Charged with Governance with confirmation that I have complied with relevant ethical requirements for independence and that I have disclosed to them all relationships and other matters that might reasonably be considered to bear on my independence and, where applicable, related safeguards.

From the matters communicated with Those Charged with Governance, I determine the matters that were of most significance in the audit of the current period's separate financial statements and, therefore, are the Key Audit Matters. I describe these matters in my Auditor's Report unless law or regulation prevents public disclosure about the matter or when, in extremely exceptional circumstances, I determine that a matter should not be communicated in my Report because the adverse consequences of doing so would reasonably outweigh the benefits to the public interest of such communication.

Report on Other Legal and Regulatory Requirements

Based on my test results, in my opinion, during 2023:

- a) The bookkeeping of the Company has been kept in accordance with legal regulations and accounting techniques.
- b) The transactions recorded in the ledgers are in accordance with the bylaws and the decisions of the General Shareholders' Meeting.
- c) Correspondence, account vouchers, minute books, and share registry books are duly kept and maintained.
- d) There is a concordance between the accompanying financial statements and the Management Report prepared by the administrators, which includes the Management's acknowledgment of the free circulation of invoices issued by vendors or suppliers.
- e) The information contained in the returns of contribution to the Comprehensive Social Security System, particularly that related to affiliates and their contribution base income, has been taken from the accounting records and supporting documentation. The Company is up to date in its contributions to the Comprehensive Social Security System.



In order to comply with the requirements of Articles 1.2.1.2. and 1.2.1.5. of the Single Regulatory Decree 2420 of 2015, in development of the responsibilities of the Statutory Auditor contained in numerals 1º) and 3º) of Article 209 of the Commercial Code, related to the evaluation of whether the acts of the Company's administrators are in accordance with the bylaws and the orders or instructions of the General Shareholders' Meeting and whether there are adequate measures of internal control, and conservation and custody of the Company's assets or those of third parties in its possession, I issued a separate report dated February 23, 2024.

(Original version Spanish and signed by)
Gonzalo Alonso Ochoa Ruiz
Statutory Auditor of Grupo Argos S.A.
Registration 43668 - T
Member of KPMG S.A.S.

February 23, 2024



KPMG S.A.S.
Calle 2 No. 20 – 50, Piso 7, Edificio Q Office
Medellín - Colombia

Teléfono 57 (4) 3556060
home.kpmg/co

(FREE TRANSLATION OF THE REPORT ISSUED IN SPANISH)
STATUTORY AUDITOR'S REPORT ON COMPLIANCE WITH THE 1ST) AND 3RD) NUMERALS
OF ARTICLE 209 OF THE COMMERCIAL CODE

To the Shareholders
Grupo Argos S.A.:

Description of the Main Subject Matter

As part of my duties as Statutory Auditor and in compliance with Articles 1.2.1.2 and 1.2.1.5 of Single Regulatory Decree 2420 of 2015, amended by Articles 4 and 5 of Decree 2496 of 2015, respectively, I must report on compliance with numerals 1^o) and 3^o) of Article 209 of the Commercial Code, detailed as follows, by Grupo Argos S.A., hereinafter "the Company," as of December 31, 2023, in the form of a conclusion of independent reasonable assurance that the Management's performance has complied with the provisions of the bylaws and the General Shareholders' Meeting and that there are adequate internal control measures, in all material respects, in accordance with the criteria indicated in the paragraph entitled "Criteria" of this Report:

1st) Whether the acts of the Company's Management are in accordance with the bylaws and the orders or instructions of the General Shareholders' Meeting, and

3rd) Whether the internal control measures, and the conservation and custody measures of the Company's assets or those of third parties in its possession are in place and adequate.

Responsibility of Management

The Company's Management is responsible for compliance with the bylaws and the decisions of the General Shareholders' Meeting and for designing, implementing, and maintaining adequate internal control measures and measures for the conservation and custody of the Company's assets or those of third parties in its possession, in accordance with the requirements of the internal control system implemented by the Management and Section III, Title V, Chapter I of the Basic Legal Circular of the Financial Superintendence of Colombia.

Responsibility of Statutory Auditor

My responsibility is to examine whether the acts of the Company's Management are in accordance with the bylaws and the orders or instructions of the General Shareholders' Meeting, and whether the internal control measures, and conservation and custody measures of the Company's assets or those of third parties in its possession are adequate, and to report thereon in the form of an independent reasonable assurance conclusion based on the evidence obtained. I performed my procedures in accordance with the International Standard on Assurance Engagements 3000 accepted in Colombia (ISAE 3000, issued by the International Auditing and Assurance Standards Board [IAASB] and translated into Spanish in 2018). Such



Standard requires that I plan and perform the procedures that I consider necessary to obtain reasonable assurance about the compliance of the acts of management with the bylaws and the decisions of the General Shareholders' Meeting and about whether there are adequate measures of internal control—which include the Comprehensive System for the Prevention and Control of Money Laundering and Financing of Terrorism—, and conservation and custody measures of the Company's assets or those of third parties in its possession, in accordance with the requirements of the internal control system implemented by the Management and Section III, Title V, Chapter I of the Basic Legal Circular of the Financial Superintendence of Colombia, in all material respects.

The Accounting Firm to which I belong, and which appointed me as Statutory Auditor of the Company, applies International Quality Control Standard No. 1 and, consequently, maintains a comprehensive quality control system that includes documented policies and procedures on compliance with ethical requirements, and applicable legal and regulatory professional standards.

I have complied with the independence and ethics requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants - IESBA, which is based on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

The procedures selected depend on my professional judgment, including the assessment of the risk that the acts of management do not comply with the bylaws and decisions of General Shareholders' Meeting and that the internal control measures, which include the Comprehensive System for the Prevention and Control of Money Laundering and Financing of Terrorism, and conservation and custody measures of the Company's assets or those of third parties in its possession are not adequately designed and implemented, in accordance with the requirements of the internal control system implemented by the Management and Section III, Title V, Chapter I of the Basic Legal Circular of the Financial Superintendence of Colombia.

This reasonable assurance engagement includes obtaining evidence for the year ended December 31, 20223. The procedures include:

- Obtaining a written representation from the Management as to whether the acts of the administrators are in accordance with the bylaws and the decisions of the General Shareholders' meeting and as to whether there are adequate internal control measures, and conservation and custody measures of the Company's assets or those of third parties in its possession, in accordance with the requirements of the internal control system implemented by the Management and Section III, Title V, Chapter I of the Basic Legal Circular of the Financial Superintendence of Colombia.
- Review of the Company's bylaws and verification of compliance with said bylaws.



3

- Obtaining a certification from the Management on the meetings of the General Shareholders' Meeting, documented in the minutes.
- Reading of the minutes of the General Shareholders' Meeting and the bylaws, and verification of whether the acts of management are in compliance with the same.
- Inquiries with the Management on changes or draft amendments to the Company's bylaws during the period covered, and validation of their implementation.
- Evaluation of the existence and adequacy of internal control measures—which include the Comprehensive System for the Prevention and Control of Money Laundering and Financing of Terrorism—, and conservation and custody measures of the Company's assets or those of third parties in its possession, in accordance with the requirements of the internal control system implemented by the Management and Section III, Title V, Chapter I of the Basic Legal Circular of the Financial Superintendence of Colombia, which includes:
 - Testing of the design, implementation, and operating effectiveness of the relevant controls of the components of internal control over financial reporting, which include the requirements of External Circular 012 of 2022, included in Chapter I, Title V of Section III of the Basic Legal Circular of the Financial Superintendence of Colombia and the elements established by the Company, such as control environment, risk assessment process by the Entity, information systems, control activities, and monitoring of controls.
 - Evaluation of the design, implementation, and operating effectiveness of the relevant manual controls over key business processes related to significant accounts in the financial statements.
 - Verification of proper compliance with the rules and instructions on the Comprehensive System for the Prevention and Control of Money Laundering and Financing of Terrorism.

Inherent Limitations

Due to the inherent limitations of any internal control structure, it is possible that effective controls may exist at the date of my examination that may change in that condition in future periods because my Report is based on selective testing and because the evaluation of internal control is susceptible to becoming inadequate due to changes in conditions or because the degree of compliance with policies and procedures may deteriorate. Moreover, inherent limitations of internal control include human error, failures due to collusion by two or more persons, or inappropriate override of controls by the Management.

**Criteria**

The criteria considered for the evaluation of the matters mentioned in the *“Description of the Main Subject Matter”* paragraph, include: a) the Company's bylaws and the minutes of the General Shareholders' Meeting and, b) the internal control components implemented by the Company, such as the control environment, risk assessment procedures, its information and communications systems and the monitoring of controls by Management and Those Charged with Governance, which are based on the requirements of the internal control system implemented by the Management and Section III, Title V, Chapter I of the Basic Legal Circular of the Financial Superintendence of Colombia.

Conclusion

My conclusion is based on the evidence obtained on the matters described and is subject to the inherent limitations set forth in this Report. I believe that the audit evidence I have obtained provides a reasonable assurance basis for my conclusion expressed hereafter:

In my opinion, the acts of management are in accordance with the bylaws and the decisions of the General Shareholders' Meeting, and the measures of internal control, which include the Comprehensive System for the Prevention and Control of Money Laundering and Financing of Terrorism, and conservation and custody of the Company's assets or those of third parties in its possession are adequate, in all material respects, in accordance with the requirements of the internal control system implemented by the Management and Section III, Title V, Chapter I of the Basic Legal Circular of the Financial Superintendence of Colombia.

(Original version Spanish and signed by)
Gonzalo Alonso Ochoa Ruiz
Statutory Auditor of Grupo Argos S.A.
Registration 43668 - T
Member of KPMG S.A.S.

February 23, 2024

Reporting under Code of Commerce, Article 446

	2023
1. DISBURSEMENTS IN FAVOR OF MANAGEMENT STAFF	33,537,829,375
1.1. Salaries, benefits and other expenses	31,686,451,975
1.2. Representation expenses	403,877,400
1.3. Board of Directors fees ¹	1,447,500,000
2. PROFESSIONAL FEES PAID TO ADVISORS AND MANAGERS	43,609,323,778
2.1. Technical consultancies	6,324,040,062
2.2. Legal counsel	14,791,911,060
2.3. Financial consultancies	22,493,372,656
3. FREE TRANSFERS	6,977,431,151
4. ADVERTISING AND PUBLICITY EXPENSES	2,715,933,020
5. PUBLIC RELATIONS EXPENSES	525,919,007
6. INVESTMENTS AND ASSETS ABROAD	469,489,939,244
6.1. Assets abroad	378,921,592,909
6.2. Investments in foreign companies	90,568,346,335
7. INVESTMENTS IN DOMESTIC COMPANIES	16,278,318,313,539
7.1. Investments in subsidiaries	8,109,747,923,760
7.2. Investments in joint ventures and associates	5,360,686,717,766
7.3. Other investments	2,807,883,672,013
8. LIABILITIES IN FOREIGN CURRENCY	272,332,146

¹ Compensation for members of the Board of Directors only includes fees approved by the Shareholders' Meeting. Expenses for the operation of the Board of Directors, including transportation, lodging, and outside counsel, are operating expenses of the company and do not constitute compensation for Directors.

06 Consolidated Financial Statements





Grupo Argos S.A. and subsidiaries

Consolidated statement of Financial Position

As of December 31 | In millions of Colombian pesos

	Notes	2023	2022
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	2,201,475	1,429,105
Derivative financial instruments	7	159,018	70,236
Trade and other accounts receivable	8	3,109,086	2,718,115
Inventories, net	9	1,658,803	1,924,803
Tax assets	10	412,419	275,803
Biological assets	20	5,892	5,112
Other financial assets	11	45,233	763,678
Prepayments and other non current assets	12	334,380	336,957
CURRENT ASSETS		7,926,306	7,523,809
Non-current assets held for sale	13	2,112,245	6,169,569
TOTAL CURRENT ASSETS		10,038,551	13,693,378
NON-CURRENT ASSETS			
Trade and other accounts receivable	8	713,673	574,099
Goodwill	14	1,873,506	2,339,301
Assets by right of use	22	513,956	669,838
Intangibles, net	15	545,533	763,912
Property, plant and equipment, net	16	21,292,470	22,497,982
Investment properties	17	2,203,969	2,290,960
Investments in associates and joint ventures	18	10,663,666	11,116,749
Derivative financial instruments	7	34,916	87,544
Deferred tax	10	306,791	326,029
Biological assets	20	57,170	57,993
Other financial assets	11	1,063,764	2,373,015
Prepayments and other non financial assets	12	94,376	150,268
TOTAL NON-CURRENT ASSETS		39,363,790	43,247,690
TOTAL ASSETS		49,402,341	56,941,068

Grupo Argos S.A. and subsidiaries

Consolidated Statement of Financial Position

As of December 31 | In millions of Colombian pesos

	Notes	2023	2022
LIABILITIES			
CURRENT LIABILITIES			
Financial liabilities	21	2,797,619	1,635,930
Lease liabilities	22	127,258	148,443
Employee benefits liabilities	23	373,964	277,951
Provisions	24	99,539	142,956
Trade liabilities and other accounts payable	25	3,490,702	2,840,691
Current tax payables	10	125,450	233,247
Derivative financial instruments	7	226,271	22,014
Bonds and compound financial instruments	26	404,052	830,643
Other current liabilities	7.2	88,266	85,018
Other non-financial liabilities	27	587,961	594,852
CURRENT LIABILITIES		8,321,082	6,811,745
Liabilities associated with non-current assets held for sale	13	628	3,509,787
TOTAL CURRENT LIABILITIES		8,321,710	10,321,532
NON-CURRENT LIABILITIES			
Financial liabilities	21	4,824,620	6,080,834
Lease liabilities	22	470,032	615,979
Deferred tax	10	1,657,284	1,479,769
Employee benefits liabilities	23	357,121	292,873
Provisions	24	201,745	207,384
Trade liabilities and other accounts payable	25	29,117	127,424
Derivative financial instruments	7	115,943	649
Bonds and compound financial instruments	26	5,635,355	5,784,720
TOTAL NON-CURRENT LIABILITIES		13,291,217	14,589,632
TOTAL LIABILITIES		21,612,927	24,911,164

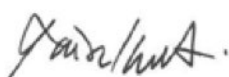
Grupo Argos S.A. and subsidiaries

Consolidated Statement of Financial Position

As of December 31 | In millions of Colombian pesos

	Notes	2023	2022
EQUITY			
Share capital	28	54,697	54,697
Share issue premium	28	1,503,373	1,503,373
Bought back shares		(68,994)	-
Retained earnings		9,750,839	9,218,971
Reserves	29	3,094,653	3,241,099
Income for the period		915,503	881,424
Other equity components	30	(133,226)	(151,350)
Other comprehensive income	29	3,770,085	6,303,067
EQUITY ATTRIBUTABLE TO MAJORITY SHAREHOLDERS		18,886,930	21,051,281
Minority holdings	32	8,902,484	10,978,623
TOTAL EQUITY		27,789,414	32,029,904
TOTAL LIABILITIES AND EQUITY		49,402,341	56,941,068

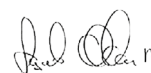
The accompanying notes are an integral part of these consolidated financial statements.



Jorge Mario Velásquez Jaramillo
CEO | Legal Representative
(See attached certification)



Claudia Patricia Alvarez Agudelo
Accountant | Professional License No. 69447-T
(See attached certification)



Gonzalo Alonso Ochoa Ruiz
Statutory Auditor | Professional License
No. 43668-T
Member of KPMG S.A.S.
(See report from February 23, 2024)

Grupo Argos S.A. and subsidiaries

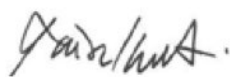
Consolidated Statement of Income

Years ending on December 31 | In millions of Colombian pesos, except for profit per share

	Notes	2023	2022
Revenue from sales of goods and services	33	19,698,366	18,632,618
Other revenue from ordinary activities	33	2,308,313	1,947,815
Equity method for associations and joint ventures	33	586,422	759,273
TOTAL REVENUE FROM ORDINARY ACTIVITIES		22,593,101	21,339,706
Cost of ordinary activities	34	(16,312,090)	(15,791,372)
GROSS INCOME		6,281,011	5,548,334
Administration expenses	35	(1,810,088)	(1,705,008)
Sales expenses	36	(356,115)	(334,174)
STRUCTURAL EXPENSES		(2,166,203)	(2,039,182)
Other revenue, net	37	31,429	84,113
INCOME FROM OPERATIONAL ACTIVITIES		4,146,237	3,593,265
Financial revenues	38	416,552	234,000
Financial expenses	38	(2,191,545)	(1,675,341)
Exchange rate differences, net	38	(140,551)	102,353
INCOME BEFORE TAX		2,230,693	2,254,277
Income tax	10.3	(770,695)	(813,936)
NET INCOME		1,459,998	1,440,341
Attributable to:			
MAJORITY HOLDING		915,503	881,424
Minority holdings		544,495	558,917
EARNINGS PER SHARE FROM ONGOING OPERATIONS, NET (*)			
Attributable to the majority shareholder's ordinary shareholders:			
Basic (*)	39	1,054.84	1,013.76
Diluted (*)	39	1,054.84	1,013.76

(*) Figures expressed in Colombian pesos.

The accompanying notes are an integral part of these consolidated financial statements.



Jorge Mario Velásquez Jaramillo
CEO | Legal Representative
(See attached certification)



Claudia Patricia Alvarez Agudelo
Accountant | Professional License No. 69447-T
(See attached certification)



Gonzalo Alonso Ochoa Ruiz
Statutory Auditor | Professional License
No. 43668-T
Member of KPMG S.A.S.
(See report from February 23, 2024)

Grupo Argos S.A. and subsidiaries

Consolidated Statement of Other Comprehensive Income

Years ending on December 31 | In millions of Colombian pesos

	2023	2022
NET PROFIT	1,459,998	1,440,341
Gains and losses on equity investments	295,223	717,830
Deferred taxes on equity investments	(25,037)	(269,593)
New measurement of defined benefit plan liabilities	(89,533)	31,397
Deferred taxes from defined benefit plan liabilities	21,667	(12,787)
Deferred tax due to property, plant and equipment revaluation	113	1,241
ENTRIES THAT WILL NOT BE RECLASSIFIED AFTER PRESENTING THE STATEMENT OF INCOME FOR THE PERIOD	202,433	468,088
Earnings from cash flow hedging instruments, net	122,612	(41,236)
Deferred taxes from cash flow hedges	(40,077)	18,551
Exchange difference when converting foreign operations	(3,503,292)	2,019,647
Deferred tax when converting foreign operations	4,315	(3,227)
ENTRIES THAT WILL BE RECLASSIFIED AFTER PRESENTING THE STATEMENT OF INCOME FOR THE PERIOD	(3,416,442)	1,993,735
Share in associates and joint ventures, net	(1,128,824)	1,140,401
OTHER COMPREHENSIVE INCOME, NET OF TAX	(4,342,833)	3,602,224
TOTAL COMPREHENSIVE INCOME	(2,882,835)	5,042,565
Attributable to:		
MAJORITY HOLDING	(1,617,181)	3,186,691
Minority holdings	(1,265,654)	1,855,874

The accompanying notes are an integral part of these consolidated financial statements.



Jorge Mario Velásquez Jaramillo
CEO | Legal Representative
(See attached certification)



Claudia Patricia Alvarez Agudelo
Accountant | Professional License No. 69447-T
(See attached certification)



Gonzalo Alonso Ochoa Ruiz
Statutory Auditor | Professional License
No. 43668-T
Member of KPMG S.A.S.
(See report from February 23, 2024)

Grupo Argos S.A. and subsidiaries

Consolidated Statement of Changes in Equity

Years ending on December 31
In millions of Colombian pesos

	Capital and share issue premium	Legal reserve	Other reserves	Other comp. income	Cumulative results for the period	Other equity components	Attributable to controlling shareholders	Minority holdings	Total, Equity
BALANCE ON DECEMBER 31, 2021	1,558,070	29,665	3,309,958	3,996,628	9,673,351	(111,432)	18,456,240	10,350,318	28,806,558
Income for the period	-	-	-	-	881,424	-	881,424	558,917	1,440,341
Other comprehensive income for the period, net of tax	-	-	-	2,305,267	-	-	2,305,267	1,296,957	3,602,224
Comprehensive income for the period	-	-	-	2,305,267	881,424	-	3,186,691	1,855,874	5,042,565
Stock issues	-	-	-	-	-	-	-	1,973	1,973
Ordinary cash dividends declared (Note 31)	-	-	-	-	(328,815)	-	(328,815)	(715,499)	(1,044,314)
Preferential cash dividends declared (Note 31)	-	-	-	-	(105,914)	-	(105,914)	(27,202)	(133,116)
Appropriation of reserves (Note 29.1)	-	-	(98,524)	-	98,524	-	-	-	-
Equity method for associates and joint ventures (Notes 30 - 32)	-	-	-	-	-	(61,048)	(61,048)	(6,048)	(67,096)
Transfer from other comprehensive income to cumulative earnings (Note 29.2)	-	-	-	1,172	(1,172)	-	-	-	-
Purchases and sales to minority holdings (Note 30 - 32)	-	-	-	-	-	20,157	20,157	(82,911)	(62,754)
Loss of control of subsidiaries (Note 32)	-	-	-	-	-	-	-	(290,830)	(290,830)
Effect of income tax rate change in Colombia (Note 29.3)	-	-	-	-	(115,492)	-	(115,492)	(19,590)	(135,082)
Commitments to purchase minority holdings (Note 32)	-	-	-	-	-	-	-	(85,018)	(85,018)
Other variations	-	-	-	-	(1,511)	973	(538)	(2,444)	(2,982)
BALANCE ON DECEMBER 31, 2022	1,558,070	29,665	3,211,434	6,303,067	10,100,395	(151,350)	21,051,281	10,978,623	32,029,904

Grupo Argos S.A. and subsidiaries

Consolidated Statement of Changes in Equity


Years ending on December 31
In millions of Colombian pesos

	Capital and share issue premium	Bought back shares	Legal reserve	Other reserves	Other comp. income	Cumulative results for the period	Other equity components	Attributable to controlling shareholders	Minority holdings	Total, Equity
BALANCE ON DECEMBER 31, 2022	1,558,070	-	29,665	3,211,434	6,303,067	10,100,395	(151,350)	21,051,281	10,978,623	32,029,904
Income for the period	-	-	-	-	-	915,503	-	915,503	544,495	1,459,998
Other comprehensive income for the period, net of tax	-	-	-	-	(2,532,684)	-	-	(2,532,684)	(1,810,149)	(4,342,833)
Comprehensive income for the period	-	-	-	-	(2,532,684)	915,503	-	(1,617,181)	(1,265,654)	(2,882,835)
Buyback of common shares (Note 28, 29.1)	-	(56,522)	-	1,145	-	-	-	(55,377)	(20,009)	(75,386)
Buyback of preferential shares (Note 28, 29.1)	-	(6,484)	-	206	-	-	-	(6,278)	(1,991)	(8,269)
Ordinary cash dividends declared (Note 31, 32)	-	-	-	-	-	(377,835)	-	(377,835)	(523,606)	(901,441)
Preferential cash dividends declared (Note 31, 32)	-	-	-	-	-	(121,739)	-	(121,739)	(30,388)	(152,127)
Appropriation of reserves (Note 29.1)	-	-	-	(153,785)	-	153,785	-	-	-	-
Equity method for associates and joint ventures (Note 30, 32)	-	-	-	-	-	-	(65,242)	(65,242)	(6,343)	(71,585)
Transfer from other comprehensive income to cumulative earnings (Note 29.2)	-	-	-	-	(295)	295	-	-	-	-
Purchases and sales to minority holdings (Note 30, 32)	-	-	-	-	-	-	73,350	73,350	(149,756)	(76,406)
Loss of control of subsidiaries (Note 32)	-	-	-	-	-	-	-	-	(91,994)	(91,994)
Commitments to purchase minority holdings (Note 32)	-	-	-	-	-	-	-	-	(3,247)	(3,247)
Other variations	-	(5,988)	-	5,988	(3)	(4,062)	10,016	5,951	16,849	22,800
BALANCE ON DECEMBER 31, 2023	1,558,070	(68,994)	29,665	3,064,988	3,770,085	10,666,342	(133,226)	18,886,930	8,902,484	27,789,414

The accompanying notes are an integral part of these consolidated financial statements.



Jorge Mario Velásquez Jaramillo
CEO | Legal Representative
(See attached certification)



Claudia Patricia Alvarez Agudelo
Accountant | Professional License No. 69447-T
(See attached certification)



Gonzalo Alonso Ochoa Ruiz
Statutory Auditor | Professional License No. 43668-T
Member of KPMG S.A.S.
(See report from February 23, 2024)

Grupo Argos S.A. and subsidiaries

Consolidated Statement of Cash Flow

Years ending on December 31 | In millions of Colombian pesos

	Notes	2023	2022
CASH FLOW FROM OPERATING ACTIVITIES			
NET INCOME		1,459,998	1,440,341
Adjustments for:			
Revenue from dividends and shares	33	(90,098)	(70,138)
Income tax expense recognized through profit or loss	10	770,695	813,936
Equity method for associations and joint ventures	33	(586,422)	(759,273)
Financial expenses recognized in the statement of income for the period, net	33 - 38	1,814,496	1,402,026
Loss recognized for employee benefits and provisions		226,922	174,089
Loss on sale and/or disposal of non-current assets		(348,686)	(208,226)
Profit from fair value measurements	20 - 33 - 38	(79,955)	(94,030)
Profit from bargain purchase, net	37	-	(4,225)
Impairment, net of financial assets		35,170	73,587
Impairment of non-current assets and inventory, net		126,287	144,368
Depreciation and amortization of non-current assets	34	1,356,988	1,626,911
Foreign exchange gains and losses on financial instruments recognized through profit or loss, net		194,452	(14,344)
Other adjustments to reconcile the year's results		(47,204)	(44,439)
		4,832,643	4,480,583
CHANGES IN WORKING CAPITAL FOR:			
Trade and other accounts receivable		(830,123)	(409,510)
Inventories		274,704	(314,205)
Other assets		23,139	(130,224)
Trade liabilities and other accounts payable		674,294	(62,427)
Other liabilities		(329,885)	148,296
CASH GENERATED FROM OPERATIONS		4,644,772	3,712,513
Income tax paid		(663,349)	(611,930)
Received dividends and shares	7.5 - 18	348,964	260,619
CASH FLOW GENERATION FROM OPERATIONS, NET		4,330,387	3,361,202
CASH FLOW FROM INVESTMENT ACTIVITIES			
Financial interest received		306,013	169,350
Acquisition of property, plant and equipment		(2,086,600)	(2,780,637)
Proceeds from the sale of property, plant and equipment		118,812	391,886
Acquisition of investment property	17	(11,701)	(5,797)
Proceeds from the sale of investment properties		97	4,884
Acquisition of intangible assets		(19,820)	(88,192)
From the sale of intangible assets		42,781	17,037
Acquisition of other non-current assets		(29)	-
From the sale of other non-current assets		23,091	13,508
Advances received for non-current asset transactions		84,101	188,842
Acquisition of control of subsidiaries and other businesses	42	(774)	-
Sale of businesses with loss of control	37 - 46	(46,847)	(228,151)
Acquisition and/or contributions to interest in associates and joint ventures	18	(65,909)	(86,392)
From the sale and restitution of shares in associates and joint ventures	18 - 46	434,858	236,084
Acquisition of financial assets		(773,319)	(1,284,411)
From the sale of financial assets		1,065,400	1,297,472
Restitution of subordinated debt		-	169,127
Loans to third parties		(15,000)	(8,803)
Proceeds from the repayment of loans to third parties		-	18,091
Other cash revenue		51	11,709
CASH FLOW USED IN INVESTMENT ACTIVITIES, NET		(944,795)	(1,964,393)

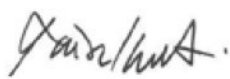
Grupo Argos S.A. and subsidiaries

Consolidated Statement of Cash Flow

Years ending on December 31 | In millions of Colombian pesos

	Notes	2023	2022
CASH FLOW FROM FINANCING ACTIVITIES			
Share buyback plan		(107,726)	-
Payment of bonds and commercial papers		242,500	297,769
Payment of bonds, structured notes and commercial papers		(894,837)	(1,217,837)
Increase in other financing instruments		3,460,324	6,386,381
Decrease in other financing instruments		(2,898,388)	(4,947,624)
Payment of lease liabilities		(159,913)	(161,512)
Purchase of ownership interest in subsidiaries that do not lead to control	19.3	(54,137)	(62,850)
Payments made to financial derivatives		(35,576)	(67,270)
Collections from financial derivatives		122,155	87,716
Capitalization of minority holdings		7,361	-
Dividends paid on ordinary shares	31	(842,079)	(691,824)
Dividends paid on preferential shares	31	(198,720)	(122,750)
Interest paid		(1,927,394)	(1,261,979)
Other cash outflows		(57,850)	(96,076)
CASH FLOW USED IN FINANCING ACTIVITIES, NET		(3,344,280)	(1,857,856)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS, NET		41,312	(461,047)
Cash and cash equivalents at the beginning of the period, including amounts presented in a group of assets held for sale	6 - 13	2,456,778	2,684,817
Effect of exchange rate variations on cash and cash equivalents held in foreign currency		(294,626)	233,008
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD, INCLUDING AMOUNTS PRESENTED IN A GROUP OF ASSETS HELD FOR SALE			
	6 - 13	2,203,464	2,456,778
Minus cash and cash equivalents included in a group of assets held for sale	13	1,989	1,027,673
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD, EXCLUDING CASH AND CASH EQUIVALENTS INCLUDED IN A GROUP OF ASSETS HELD FOR SALE			
	6 - 13	2,201,475	1,429,105


The accompanying notes are an integral part of these consolidated financial statements.



Jorge Mario Velásquez Jaramillo
CEO | Legal Representative
(See attached certification)



Claudia Patricia Alvarez Agudelo
Accountant | Professional License No. 69447-T
(See attached certification)



Gonzalo Alonso Ochoa Ruiz
Statutory Auditor | Professional License
No. 43668-T
Member of KPMG S.A.S.
(See report from February 23, 2024)

Certification by the Company's Legal Representative

Medellin, February 23, 2024

To the Shareholders of Grupo Argos S.A.

In my capacity as Legal Representative, I certify that the Consolidated Financial Statements as of December 31, 2023, and that have been made public, contain no flaws, inaccuracies or material misstatements that could prevent the true financial position of or transactions performed by Grupo Argos S.A. during the corresponding period from being known.



Jorge Mario Velásquez Jaramillo
CEO | Legal Representative
(See attached certification)

Certification by the Company's Legal Representative and Accountant

Medellin, February 23, 2024

To the Shareholders of Grupo Argos S.A.

The undersigned Legal Representative and Accountant of Grupo Argos S.A. (hereinafter the Company) do hereby certify that the Company's Consolidated Financial Statements as of December 31, 2023 and 2022, before making them available to you and third parties, we have certified the following statements contained therein:

- a) All assets and liabilities included in the Company's financial statements as at December 31, 2023 and 2022, exist, and all transactions included therein were made during the years ending on those dates.
- b) The economic actions undertaken by the Company during the years ending on December 31, 2023 and 2022 have been acknowledged in the financial statements.
- c) The assets represent probable future economic benefits (rights) and the liabilities represent future economic sacrifices (obligations) obtained by the Company or for which it is responsible as of December 31, 2023 and 2022.
- d) All elements have been recognized at their appropriate values according to the Generally Accepted Accounting and Financial Reporting Standards in Colombia.
- e) All the economic actions that affect the Company have been properly classified, described, and disclosed in the financial statements.



Jorge Mario Velásquez Jaramillo
CEO | Legal Representative
(See attached certification)



Claudia Patricia Alvarez Agudelo
Accountant | Professional License No. 69447-T
(See attached certification)





KPMG S.A.S.
Calle 2 No. 20 – 50, Piso 7, Edificio Q Office
Medellín - Colombia

Teléfono 57 (4) 3556060
home.kpmg/co

(FREE TRANSLATION OF THE REPORT ISSUED IN SPANISH)
STATUTORY AUDITOR'S REPORT

To the Shareholders
Grupo Argos S.A.:

Opinion

I have audited the accompanying consolidated financial statements of Grupo Argos S.A. and Subordinates (the Group), which comprise the consolidated statement of financial position as at December 31, 2023 and the consolidated statements of income and other comprehensive income, changes in equity, and cash flows for the year then ended, and notes comprising significant accounting policies and other explanatory information.

In my opinion, the aforementioned consolidated financial statements attached to this Report, present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2023, the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with Accounting and Financial Reporting Standards accepted in Colombia, applied on a basis consistent with that of the preceding year.

Basis for Opinion

I conducted my audit in accordance with International Standards on Auditing (ISAs) accepted in Colombia. My responsibilities under those standards are further described in the “*Statutory Auditor’s Responsibilities for the Audit of Consolidated Financial Statements*” section of my Report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA Code) included in the Information Assurance Standards accepted in Colombia, together with the ethical requirements that are relevant to my audit of the consolidated financial statements established in Colombia, and I have fulfilled my other ethical responsibilities in accordance with these requirements, and the abovementioned IESBA code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key Audit Matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated financial statements of the current period. These matters were addressed in the context of my audit of the consolidated financial statements as a whole and in forming my opinion thereon, and I do not provide a separate opinion on these matters.



Goodwill impairment evaluation (See Note 14 to the consolidated financial statements)	
Key Audit Matters	How it was addressed in the Audit
<p>The Group's consolidated statement of financial position includes goodwill for \$1.873.506 million COP, derived from acquisitions made in previous years, for which an annual impairment assessment is required in accordance with IAS 36 – Impairment of Assets.</p> <p>The foregoing represents a Key Audit Matter due to the materiality of the goodwill balance, and because it involves the determination of complex and subjective judgments made by the Group in relation to long-term sales growth, operating costs and margins projected in the different countries where the Group operates, as well as in determining the rates used to discount future cash flows.</p>	<p>My audit procedures for the goodwill impairment assessment included, among others, the following:</p> <ul style="list-style-type: none"> – Involvement of professionals with relevant knowledge and experience in the industry who assisted me in: 1) evaluating the key assumptions used in the impairment tests carried out by the Group, including the input data; 2) carry out independent recalculations supported by information obtained from external sources on the discount rates and the macroeconomic variables used; 3) compare the result of the calculations obtained with those made by the Group; and 4) perform a sensitivity analysis including a possible reasonable reduction in key variables. – Comparison of the previous year's budget with the actual data, to verify the degree of compliance and, consequently, the accuracy of the projections made by the Group's Management. – Evaluation of whether the disclosures included in the notes to the financial statements are appropriate in accordance with IAS 36.



Assessment of the valuation of service concession agreements (See Notes 8 and 44 to the consolidated financial statements)	
Key Audit Matters	How it was addressed in the Audit
<p>The Group has entered into concession agreements for the construction, operation, and transfer of infrastructures, which are within the scope of <i>IFRIC 12 - Service Concession Agreements</i>. The remuneration of these agreements depends on the terms and conditions of each contract; some incorporate certain mechanisms that grant the Group the unconditional right to receive a guaranteed minimum income (financial asset), while other agreements originate exposure of the investment in the underlying assets to the traffic risk of the operation (intangible asset). As of December 31, 2023, the Group's consolidated statement of financial position includes financial assets for \$247.769 million COP, mainly from its subsidiary Odinsa S.A, and does not include intangible assets derived from the signed concession contracts.</p> <p>The foregoing represents a Key Audit Matter due to the materiality of the balances related to those agreements, and because their valuation requires significant judgments by the Group in the determination of the discount rates and the selection of the key input data such as the projections of capital investments and operating expenses, incorporated in the financial models used as a basis for the valuation of the amounts derived from each concession contract.</p>	<p>My audit procedures for the assessment of the valuation of service concession agreements included the involvement of professionals with knowledge and relevant experience in the industry who assisted me in: 1) the analysis of the methodology used in the valuation of derivative assets of the concession contracts, and if it is consistent with IFRIC 12 and with the valuation practices usually used in the market; 2) the identification of the key assumptions included in the financial models and the evaluation of the economic merits of each relevant assumption; 3) comparison of key assumptions with market data, if available; and 4) the recalculation of the financial asset, as well as the discount rates used and comparison of the results with those obtained by the Group.</p>



Assessment of the valuation of investment properties in accordance with the provisions of IAS 40 – Investment Properties (see Note 17 to the consolidated financial statements)	
Key Audit Matters	How it was addressed in the Audit
<p>The consolidated statement of financial position of the Group as at December 31, 2023 includes a significant amount of investment properties for \$2.203.969 million COP, mainly represented in land measured at fair value through profit or loss.</p> <p>The Group engages qualified external experts for the periodic determination of the fair value of its investment properties, who use significant judgments in the determination of key valuation assumptions such as: the use of comparables in the market, the estimation of future cash flows, the discount rates applied, and the expected growth of the market.</p> <p>The main reasons for considering this a Key Audit Matter are: (1) there was significant judgment by the Group in determining the key assumptions for the valuation of investment properties; and (2) there was significant judgment and audit effort to assess the evidence obtained related to the appraisals performed, as well as the audit effort that involves the use of professionals with specialized skills and knowledge in real estate appraisal.</p>	<p>My audit procedures for the assessment of the valuation of investment properties in accordance with the provisions of IAS 40 included, among others, the following:</p> <ul style="list-style-type: none"> – Evaluation of the design, implementation and operational effectiveness of the key control established by the Group to determine and recognize for accounting purposes the fair value of investment properties, specifically in the review and approval by the Real Estate Strategy Department of the appraisals made by external professionals with expertise in real estate valuation engaged by the Group. – Evaluation of the competence and capacity of the external professionals engaged by the Company, who determined the fair value of the investment properties. – Involvement of a professional with relevant knowledge and experience in real estate valuation, who assisted me in the evaluation of the key assumptions used by the external professionals engaged by the Company to determine the fair value of investment properties, and whether the procedures and techniques applied are in accordance with IFRS 13 - Fair Value Measurement, and with the International Valuation Standards.

Other Matters

The consolidated financial statements as at and for the year ended December 31, 2022 are presented solely for comparative purposes. These were audited by myself and in my Report dated February 28, 2023, I expressed an unqualified opinion thereon.



Other information

The Management is responsible for the *other information*. The *other information* comprises information included in the integrated report but does not include the consolidated financial statements and my corresponding Audit Report. The information contained in the integrated report is expected to be available to me after the date of this Audit Report.

My opinion on the consolidated financial statements does not cover the *other information* and I do not express any form of assurance conclusion on it.

In connection with my audit of the consolidated financial statements, my responsibility is to read the *other information* and, in doing so, consider whether there is a material inconsistency between that information and the consolidated financial statements, or my knowledge obtained in the audit, or whether in any way, there appears to be a material misstatement.

When I read the contents of the integrated report, if I were to conclude that there is a material misstatement in that *other information*, I am required to report this fact to Those Charged With Governance and describe the applicable actions.

Responsibilities of Management and Those Charged with the Group's Governance for the Consolidated Financial Statements

The Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Accounting and Financial Reporting Standards accepted in Colombia. This responsibility includes designing, implementing, and maintaining such internal control as Management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

In preparing the consolidated financial statements, the Management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those Charged with Governance are responsible for overseeing the Group's financial reporting process.

Statutory Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always



detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my Auditor's Report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my Auditor's Report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events so as to achieve a fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Entities or business activities within the Group to express an opinion on the Group's consolidated financial statements. I am responsible for the direction, supervision, and performance of the Group's audit. I remain solely responsible for my audit opinion.

I communicate with Those Charged with the Group's Governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during my audit.



7

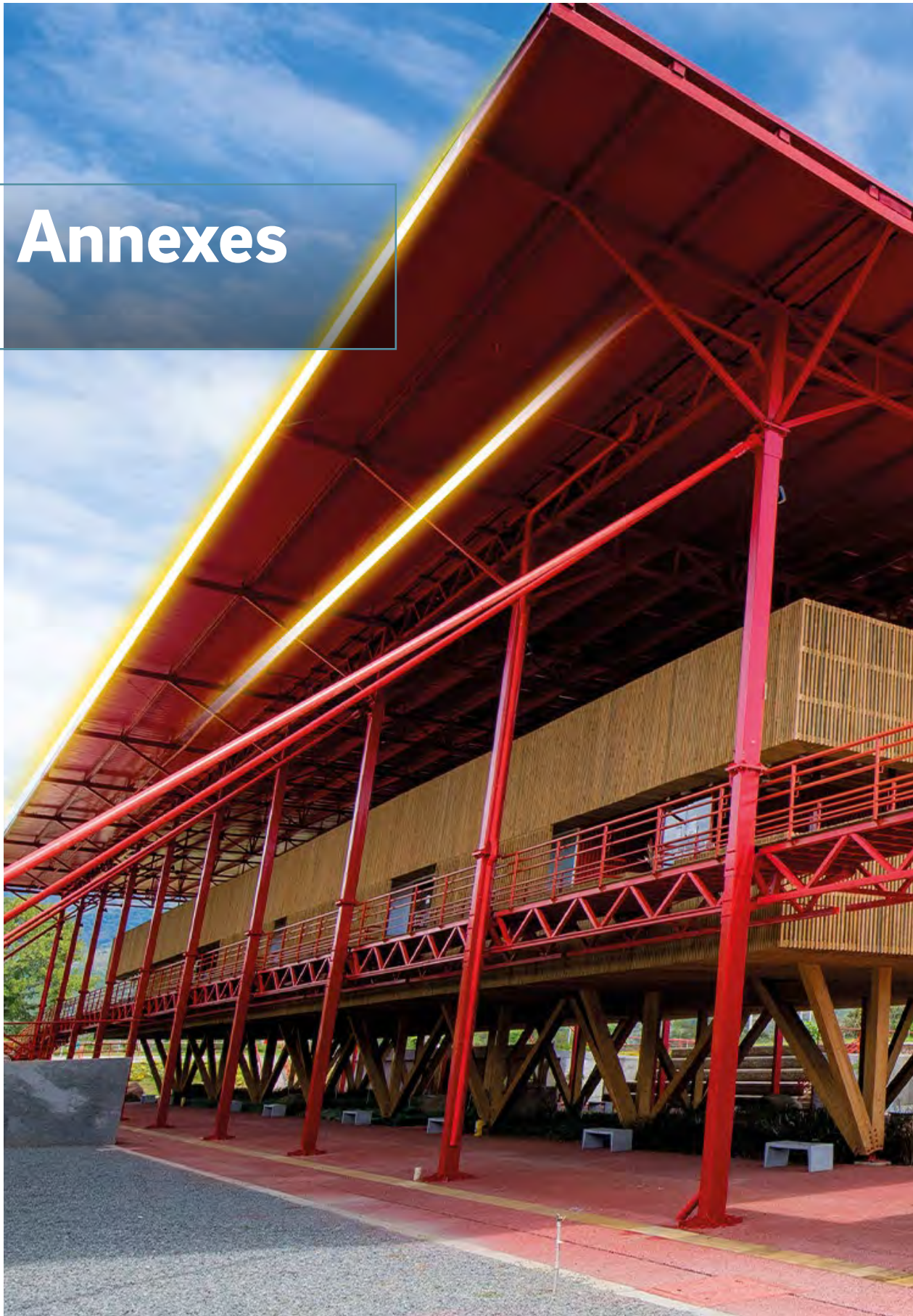
I also provide Those Charged with Governance with confirmation that I have complied with relevant ethical requirements for independence and that I have disclosed to them all relationships and other matters that might reasonably be considered to bear on my independence and, where applicable, related safeguards.

From the matters communicated with Those Charged with Governance, I determine the matters that were of most significance in the audit of the current period's consolidated financial statements and, therefore, are the Key Audit Matters. I describe these matters in my Auditor's Report unless law or regulation prevents public disclosure about the matter or when, in extremely exceptional circumstances, I determine that a matter should not be communicated in my Report because the adverse consequences of doing so would reasonably outweigh the benefits to the public interest of such communication.

(Original version Spanish and signed by)
Gonzalo Alonso Ochoa Ruiz
Statutory Auditor of Grupo Argos S.A.
Registration 43668 - T
Member of KPMG S.A.S.

February 23, 2024

07 Annexes





Pacifico 2 Operations Control Center Antioquia

GRUPO ARGOS

GRI content index

Grupo Argos S.A has prepared this report according to GRI Standards for the period between January 1 and December 31, 2023, using GRI standards as a reference:

GRI Standard/ other source	Contents	Location	Omission		
			Omission require- ments	Motive	Explanation
GENERAL CONTENT					
GRI 2: GENERAL CONTENT					
2-1	Organization details	<ul style="list-style-type: none"> • Grupo Argos S.A. • Carrera 43A, # 1A Sur 143. Medellin, Colombia. • Presence in 20 countries and territories • About us / Important figures p. 8 and 9 			
2-2	Entities included in the presentation of sustainability reports	<ul style="list-style-type: none"> • About this report p. 4 and 5 			
2-3	Reporting period, frequency and point of contact	<ul style="list-style-type: none"> • About this report p. 4 and 5 			
2-4	Updated information	<ul style="list-style-type: none"> • About this report p. 4 and 5 			
2-5	External verification	<ul style="list-style-type: none"> • About this report p. 4 and 5 			
2-6	Activities, value chain, and other commercial relations	<ul style="list-style-type: none"> • About us / Important figures p. 8 and 9 • Our Business / Value Creation Model, p. 36 and 37 			
2-7	Employees	<ul style="list-style-type: none"> • About us / Important figures p. 8 and 9 • ESG Databook: Talent section 	Non-guaranteed hourly employees	Not applicable	The employee categories proposed in the GRI standard do not entirely match those of the organization.
2-8	Non-employee workers	<ul style="list-style-type: none"> • ESG Databook: Talent section 			
2-9	Governance structure and composition	<ul style="list-style-type: none"> • About Us / Board of Directors. p. 10 and 11 • ESG Databook: Governance section • Value Drivers / Ethics and Corporate Governance, p. 52 and 53 			
2-10	Designation and selection process for the highest governance body	<ul style="list-style-type: none"> • ESG Databook: Governance section 			
2-11	Chair of the highest governance body	<ul style="list-style-type: none"> • About Us / Board of Directors. p. 10 and 11 			
2-12	Role of the highest governance body in overseeing impact management	<ul style="list-style-type: none"> • About Us / Board of Directors. p. 10 and 11 • ESG Databook: Governance section 			

GRI Standard/ other source	Contents	Location	Omission		
			Omission requirements	Motive	Explanation
2-13	Delegation of responsibility for impact management	<ul style="list-style-type: none"> • About Us / Board of Directors. p. 10 and 11 • About Us / Steering and CEO Committees, p. 12 and 13 • ESG Databook: Governance section 			
2-14	Role of the highest governance body in the submission of sustainability reports	<ul style="list-style-type: none"> • About this report p. 4 and 5 • ESG Databook Governance section 			
2-15	Conflicts of interest	<ul style="list-style-type: none"> • ESG Databook: Governance section 			
2-16	Communicating critical concerns	<ul style="list-style-type: none"> • ESG Databook: Governance section 			
2-17	Collective knowledge of the highest governance body	<ul style="list-style-type: none"> • ESG Databook: Governance section 			
2-18	Performance review for the highest governing body	<ul style="list-style-type: none"> • ESG Databook: Governance section 			
2-19	Remuneration policies	<ul style="list-style-type: none"> • ESG Databook: Governance section 			
2-20	Process for determining remuneration	<ul style="list-style-type: none"> • ESG Databook: Governance section 			
2-21	Total annual offset ratio	<ul style="list-style-type: none"> • ESG Databook: Labor practices section 			
2-22	Statement on the sustainable development strategy	<ul style="list-style-type: none"> • Management Report p. 14 to 31 			
2-23	Commitments and policies	<ul style="list-style-type: none"> • Value Drivers / Materiality Analysis p. 44 • Value Drivers / Ethics and Corporate Governance, p. 52 and 53 • ESG Databook: Human Rights section 			
2-24	Incorporation of commitments and policies	<ul style="list-style-type: none"> • Value Drivers / Materiality Analysis p. 44 			
2-25	Processes to remedy negative impacts	<ul style="list-style-type: none"> • Value Drivers / Economic, Political and Social Environment p. 56 • Value Drivers / Ethics and Corporate Governance, p. 52 and 53 • Value Drivers / Materiality Analysis p. 44 to 47 • Our Business / How We Create Value p. 34 to 37 • ESG Databook 			
2-26	Mechanisms to seek advice and raise concerns	<ul style="list-style-type: none"> • Value Drivers / Ethics and Corporate Governance, p. 52 and 53 • Transparency line: https://bit.ly/3HsruKy • Telephone: 01800126166 • grupoargos@lineatransparencia.com 			
2-27	Compliance with legislation and regulations	<ul style="list-style-type: none"> • Value Drivers / Ethics and Corporate Governance, p. 52 and 53 • Material Issues Grupo Empresarial Argos p. 62 • ESG Databook: Compliance system section 			
2-28	Affiliation with associations	<ul style="list-style-type: none"> • Our Business / How We Create Value p. 35 to 37 			
2-29	Approach to stakeholder engagement	<ul style="list-style-type: none"> • Our Business / How We Create Value p. 35 to 37 			

GRI	Description	Location in the report or answer	Omission		
			Omission requirements	Motive	Explanation
2-30	Collective bargaining agreements	<ul style="list-style-type: none"> Grupo Argos S.A does not have collective bargaining agreements Our businesses do have collective bargaining agreements and participation details can be found at: ESG Databook: Talent section 			
MATERIAL ISSUES					
GRI 3: MATERIAL ISSUES					
3-1	Process for determining material issues	<ul style="list-style-type: none"> About this report p. 4 and 5 Value Drivers / Materiality Analysis p. 44 to 47 			
3-2	List of material issues	<ul style="list-style-type: none"> About this report p. 4 and 5 Value Drivers / Materiality Analysis p. 44 to 47 			
DRIVER 1: VALUE CREATION					
GRI 3: MATERIAL ISSUES					
3-3	Management of material issues	<ul style="list-style-type: none"> Value Drivers / Materiality Analysis p. 44 to 47 Our Business / How We Create Value p. 34 to 37 Website: https://bit.ly/3WDXYGf 			
DRIVER: VALUE CREATION					
GA-E08	Strategic risks	<ul style="list-style-type: none"> Our Business / Strategic risks, p. 38 and 39 ESG Databook: Strategic risks section 			
GA-E22	Emerging risks	<ul style="list-style-type: none"> ESG Databook: Emerging risks section 			
GA-E21	Sustainable financing	<ul style="list-style-type: none"> About us / Important figures p. 8 Value Drivers / Value Creation, p. 48 Material Issues Grupo Empresarial Argos p. 64 			
GA-E06	Ebitda	<ul style="list-style-type: none"> Management Report p. 14 to 31 About us / Important figures p. 8 and 9 Material issues Grupo Empresarial Argos p.64 			
GA-E23	Net debt/ebitda	<ul style="list-style-type: none"> Material issues Grupo Empresarial Argos p.64 			
DRIVER 2: CLIMATE CHANGE					
GRI 3: MATERIAL ISSUES					
3-3	Management of material issues	<ul style="list-style-type: none"> Value Drivers / Materiality Analysis p. 44 to 47 Value Drivers / Climate Change, p. 50 and 51 Website: https://bit.ly/3WDXYGf 			
GRI 201: ECONOMIC PERFORMANCE					
201-2	Financial implications and other climate change risks and opportunities	<ul style="list-style-type: none"> Value Drivers / Climate Change, p. 50 and 51 2023 TCFD Report 			
GRI 302: ENERGY					
302-1	Energy consumption within the organization	<ul style="list-style-type: none"> ESG Databook: Energy management section Value Drivers / Responsible operations, p. 58 			
302-3	Energy intensity	<ul style="list-style-type: none"> ESG Databook: Energy management section 			

GRI	Description	Location in the report or answer	Omission		
			Omission requirements	Motive	Explanation
GRI 305: EMISSIONS					
305-1	Direct GHG emissions (Scope 1)	<ul style="list-style-type: none"> Value Drivers / Climate Change, p. 50 and 51 Material Issues Grupo Empresarial Argos p. 67 ESG Databook: Climate change section 			
305-2	Indirect GHG emissions associated with energy (scope 2)	<ul style="list-style-type: none"> Value Drivers / Climate Change, p. 50 and 51 Material Issues Grupo Empresarial Argos p. 67 ESG Databook: Climate change section 			
2-4	We recalculated direct scope 1 GHG emissions and corrected the value for the 2022 period, from 228 to 240 tons.				
305-3	Other indirect GHG emissions (Scope 3)	<ul style="list-style-type: none"> Value Drivers / Climate Change, p. 50 and 51 Material Issues Grupo Empresarial Argos p. 67 2023 TCFD Report 			
305-4	Emissions intensity	<ul style="list-style-type: none"> Material Issues Grupo Empresarial Argos p. 67 ESG Databook: Climate change section 			
305-5	Emissions reductions	<ul style="list-style-type: none"> About us / Important figures p. 8 and 9 Material Issues Grupo Empresarial Argos p. 67 ESG Databook: Climate change section 			
DRIVER 3: ETHICS AND CORPORATE GOVERNANCE					
GRI 3: MATERIAL ISSUES					
3-3	Management of material issues	<ul style="list-style-type: none"> Value Drivers / Materiality Analysis p. 44 to 47 Value Drivers / Ethics and Corporate Governance, p. 52 and 53 Website: https://bit.ly/3WDXYGf 			
GRI 205: ANTI-CORRUPTION:					
205-1	Operations assessed for corruption-related risks	<ul style="list-style-type: none"> Material Issues Grupo Empresarial Argos p.65 ESG Databook: Compliance system section 			
205-2	Communication and training on anticorruption policies and procedures.	<ul style="list-style-type: none"> Material Issues Grupo Empresarial Argos p.65 ESG Databook: Compliance system section 			
205-3	Confirmed incidents of corruption and actions taken	<ul style="list-style-type: none"> Value Drivers / Ethics and Corporate Governance, p. 52 and 53 Material Issues Grupo Empresarial Argos p. 65 ESG Databook: Compliance system section 			
GRI 206: UNFAIR COMPETITION					
206-1	Legal actions related to unfair competition and monopolistic and anti-trust practices	<ul style="list-style-type: none"> Value Drivers / Ethics and Corporate Governance, p. 52 and 53 ESG Databook: Compliance system section 			

GRI	Description	Location in the report or answer	Omission		
			Omission requirements	Motive	Explanation
GRI 405: DIVERSITY AND EQUAL OPPORTUNITIES					
405-1	Diversity in governance bodies	<ul style="list-style-type: none"> • About Us / Board of Directors. p. 10 and 11 • Material Issues Grupo Empresarial Argos p. 65 • ESG Databook: Corporate governance section 			
DRIVER: ETHICS AND CORPORATE GOVERNANCE					
GA-G07	Attendance by Board members to sessions	<ul style="list-style-type: none"> • About Us / Board of Directors. p. 10 and 11 • ESG Databook: Corporate governance section 			
DRIVER 4: HUMAN TALENT					
GRI 3: MATERIAL ISSUES					
3-3	Management of material issues	<ul style="list-style-type: none"> • Value Drivers / Materiality Analysis p. 44 to 47 • Value Drivers / Human talent, p. 54 and 55 • Website: https://bit.ly/3WDXYGf 			
GRI 401: EMPLOYMENT					
401-1	New employee hires and staff turnover	<ul style="list-style-type: none"> • ESG Databook: Talent section 			
GRI 403: OCCUPATIONAL HEALTH AND SAFETY					
403-5	Worker workplace health and safety training	<ul style="list-style-type: none"> • Value Drivers / Human talent, p. 54 and 55 • ESG Databook: OHS section 			
403-6	Worker health promotion	<ul style="list-style-type: none"> • ESG Databook: OHS section 			
403-8	Workplace health and safety management system coverage	<ul style="list-style-type: none"> • ESG Databook: OHS section 			
403-9	Work-related injuries	<ul style="list-style-type: none"> • Value Drivers / Human talent, p. 54 and 55 • Material Issues Grupo Empresarial Argos p. 71 • ESG Databook: OHS section 			
GRI 404: TRAINING AND EDUCATION					
404-1	Average hours of training per year per employee	<ul style="list-style-type: none"> • Value Drivers / Human talent, p. 54 and 55 • Material Issues Grupo Empresarial Argos p. 71 • ESG Databook: Talent section 			
404-3	Percentage of employees receiving periodic performance and career development evaluations	<ul style="list-style-type: none"> • Value Drivers / Human talent, p. 54 and 55 • ESG Databook: Talent section 			
GRI 405: DIVERSITY AND EQUAL OPPORTUNITIES					
405-1	Diversity of employees (including women in leadership positions)	<ul style="list-style-type: none"> • About Us / Board of Directors. p. 10 and 11 • Material Issues Grupo Empresarial Argos p. 71 • ESG Databook: Talent section 			
405-2	Ratio between the basic salary and remuneration of women and men	<ul style="list-style-type: none"> • ESG Databook: Talent section 			
DRIVER: TALENT					
412-2	Human Rights training	<ul style="list-style-type: none"> • ESG Databook: Human Rights section 			

GRI	Description	Location in the report or answer	Omission		
			Omission requirements	Motive	Explanation
GA-S03	Employee commitment	<ul style="list-style-type: none"> Value Drivers / Human talent, p. 54 and 55 ESG Databook: Talent section 			
GA-S06	Employee injury severity index	<ul style="list-style-type: none"> ESG Databook: OHS section 			
GA-S08	Contractor injury severity index	<ul style="list-style-type: none"> ESG Databook: OHS section 			
DRIVER 5: ECONOMIC, POLITICAL AND SOCIAL ENVIRONMENT					
GRI 3: MATERIAL ISSUES					
3-3	Management of material issues	<ul style="list-style-type: none"> Value Drivers / Materiality Analysis p. 44 to 47 Value Drivers / Economic, Political and Social Environment p. 56 and 57 Website: https://bit.ly/3WDXYGf 			
GRI 204: SOURCING PRACTICES					
204-1	Share of spending on local suppliers	<ul style="list-style-type: none"> Material Issues Grupo Empresarial Argos p. 70 			
GRI 415: PUBLIC POLICY 2016					
415-1	Contributions to political parties and/or representatives	<ul style="list-style-type: none"> Value Drivers / Economic, Political and Social Environment p. 56 and 57 Material Issues Grupo Empresarial Argos p. 70 ESG Databook: Institutional consolidation section 			
DRIVER: ECONOMIC, POLITICAL AND SOCIAL ENVIRONMENT					
GA-S31	Taxes paid	<ul style="list-style-type: none"> ESG Databook: Tax management section 			
GA-S32	Value Added Statement – VAS	<ul style="list-style-type: none"> Our Business / Value Added Statement p. 40 and 41 			
GA-S10	Social investment	<ul style="list-style-type: none"> About us / Important figures p. 8 and 9 Value Drivers / Economic, Political and Social Environment p. 56 and 57 Material Issues Grupo Empresarial Argos p. 70 ESG Databook: Institutional consolidation section 			

GRI	Description	Location in the report or answer	Omission		
			Omission requirements	Motive	Explanation
GA-S29	Percentage of local suppliers	• Material Issues Grupo Empresarial Argos p. 70			
DRIVER 6: RESPONSIBLE OPERATION					
GRI 3: MATERIAL ISSUES					
3-3	Management of material issues	• Value Drivers / Materiality Analysis p. 44 and 47 • Value Drivers / Responsible Operation, p. 58 and 59 • Website: https://bit.ly/3WDXYGf			
GRI 303: WATER AND EFFLUENTS					
303-3	Water withdrawal	• ESG Databook: Water management section			
303-5	Water consumption	• Value Drivers / Responsible Operation, p. 58 and 59 • Material Issues Grupo Empresarial Argos p. 68 • ESG Databook: Water management section			
DRIVER: RESPONSIBLE OPERATION					
GA-A03	Energy consumed from renewable or alternative sources	• Value Drivers / Responsible Operation, p. 58 and 59			
GA-A01	Percentage of energy consumed from renewable and/or alternative sources	• Material Issues Grupo Empresarial Argos p. 68 • ESG Databook			
GE-E06	Water consumption intensity	• Material Issues Grupo Empresarial Argos p. 68 • ESG Databook: Water management section			
GE-A04	Percentage of water sources cared for	• ESG Databook: Ecosystems section			
GE-A01	Tree planting	• Material Issues Grupo Empresarial Argos p. 68 • About us / Important figures p. 8 and 9 • ESG Databook: Ecosystems section			
DRIVER 7: CONSCIOUS INVESTMENTS					
GRI 3: MATERIAL ISSUES					
3-3	Management of material issues	• Value Drivers / Materiality Analysis p. 44 to 47 • Value Drivers / Conscious Investments, p. 60 and 61 • Website: https://bit.ly/3WDXYGf			

SASB Reference Table.

The IFRS Foundation is a global not-for-profit organization that offers a comprehensive set of resources designed to help businesses and investors develop a shared understanding of business value. Along these lines, it uses the SASB standard, which is intended to be used for communications to investors regarding sustainability issues that could potentially affect the organization's capacity to create long-term value.

At Grupo Argos, as part of our consolidation process as an asset manager, we adopted the standard for this industry. In addition, our stock exchange listed businesses, Cementos Argos and Celsia, also publish their ESG management under the SASB standards for their industries.

Topic	Accounting Metric	Unit	Code	2022	2023	Comments
ENVIRONMENTAL						
GHG emissions	Total GHG Scope 1 emissions	tCO _{2e} / year		228	135	Coincides with indicator 305-1 of the GRI standard
	Percentage covered by regulations to limit emissions and regulations for reporting emissions	%	EM-CM-110a.1	NA	NA	Grupo Argos' scope 1 emissions are not covered by a regulation or program to limit emissions or intended to directly limit or reduce emissions.
	Discussion of the short- and long-term strategy or plan for managing scope 1 emissions, emission reduction targets, and a performance analysis against those targets.	Descriptive	EM-CM-110a.2	Integrated Report 2022/ Climate Change p. 67: https://bit.ly/3wqxugB	Integrated Report 2023/ Climate Change P. 50-51 and 67	Coincides with indicators 305-4 and 305-5 of the GRI standard
Water management	Total drinking water extracted-withdrawal	m ³ / year		20,495	13,301	
	Total drinking water extracted-withdrawal	1000 m ³ / year		20.5	13.3	
	Water extraction in areas of water stress-withdrawal	m ³ / year	EM-CM-140a.1	0	0	Coincides with indicator 303-3 of the GRI standard
	Percentage of water extraction in areas of water stress-withdrawal	%		0%	0%	
	Total water consumption across all areas	m ³ / year		8,838	5,145	Coincides with indicator 303-5 of the GRI standard

Topic	Accounting Metric	Unit	Code	2022	2023	Comments
Energy management	Total energy consumption within the organization	GJ		4,436	2,868	Coincides with indicator 302-1 of the GRI standard
	Percentage of electricity from the grid	%		26.68%	41.35%	
	Percentage of alternative electricity	%	EM-CM-130a.1	2.07%	3.63%	Coincides with indicator GAA02 found in Annex 1. GRI content index
	Percentage of renewable electricity	%		22.79%	31.84%	The GA-A01 indicator provided in Annex 1 was used as an input for calculation GRI content index
Waste management	Amount of waste generated	t/year		8.43	7.94	
	Percentage of hazardous	%	EM-CM-150a.1	0.17%	0.50%	Coincides with indicator 306-2 of the GRI standard
	Percentage of recycled	%		2.10%	30.86%	
Effects on biodiversity	Description of environmental management policies and practices for active sites.	Descriptive	EM-CM-160a.1	Integrated Report 2022/Corporate Group Materiality P.62 https://rb.gy/hf82h9	Integrated Report 2023/Material Issues Grupo Empresarial Argos p. 68	Coincides with indicator 3-3 of the GRI standard
	Restored area	HA		234.3	177.3	
	Affected area	HA	EM-CM-160a.2	17.64	28.40	
	Percentage of impacted area restored	%		1,328%	624%	
SOCIAL						
Diversity and inclusion amongst employees	Percentage of women represented at the executive level	%		20%	20%	
	Percentage of men represented at the executive level	%		80%	80%	
	Percentage of women represented at the management level	%		46%	47%	
	Percentage of men represented at the management level	%		54%	53%	
	Percentage of women represented at the directors' level	%	FN-CN-330a.1	63.6%	68%	Coincides with indicator 405-1 of the GRI standard
	Percentage of men represented at the directors' level	%		36.4%	32%	
	Percentage of women represented at the specialists' level	%		55%	55%	
	Percentage of men represented at the specialists' level	%		45%	45%	
	Percentage of women represented at other levels	%		0%	0%	
	Percentage of men represented at other levels	%		100%	100%	

Topic	Accounting Metric	Unit	Code	2022	2023	Comments
Work-force health and safety	Lost time injury frequency rate (LTIFR)-Employees	Ratio	IF-EN.320a.1 EM-CM-320a.1 IF-EN.320a.1 IF-EU-320a.1	0	0	Coincides with the GA-PT07 indicator in Annex 1. GRI content index This frequency rate is multiplied by one million.
	Lost time injury frequency rate (LTIFR)-Contractors	Ratio		6.85	4.60	Coincides with the GA-PT08 indicator in Annex 1. GRI content index This frequency rate is multiplied by one million.
	Number of work-related fatalities-Employees	#		0	0	Coincides with indicator 403-9 of the GRI standard
	Number of work-related fatalities-Contractors	#		0	0	
GOVERNANCE						
Corporate ethics	Total amount of monetary losses as a result of legal proceedings associated with bribery and corruption charges	COP	IF-EN-510a.2.	0	0	Complements indicators 2-7, 205-1 and 205-3 of the GRI standard
	Total amount of monetary losses as a result of legal proceedings associated with anti-trust charges	COP		0	0	Complements indicators 2-7 and 206-1 of the GRI standard
	Description of policies and practices for preventing bribery and corruption	De-scriptive	IF-EN-510a.3	<ul style="list-style-type: none"> • Corporate Code of Conduct • Fraud, bribery and corruption risk management policy • Money laundering and terrorist financing risk self-control and management policy. • Gift and entertainment policy. • Transparency Line Policy • Policy for operations between related companies. • Corporate tax policy To view these policies and guidelines, follow the link: https://bit.ly/3iZkUSn		Complements indicators 2-3, 205-1 and 205-3 of the GRI standard
				%	Compliance System: 100% of employees filled out the 3 transparency mechanisms: i) Code of Conduct certification, ii) Declaration of conflicts of interest, and iii) Declaration of assets and income.	Compliance System: 100% of employees filled out the 3 transparency mechanisms: i) Code of Conduct certification, ii) Declaration of conflicts of interest, and iii) Declaration of assets and income.
	Description of policies and practices for preventing unfair competition during project tendering processes	De-scriptive		<ul style="list-style-type: none"> • Corporate Code of Conduct • Policy for operations between related companies. To see these these policies and guidelines, follow the link: https://bit.ly/3iZkUSn		Complements indicators 2-23 and 206-1 of the GRI standard

Topic	Accounting Metric	Unit	Code	2022	2023	Comments
Price transparency and integrity	Total monetary losses from legal proceedings associated with cartel, price fixing, and antitrust activities	COP	EM-CM-520a.1	0	0	Complements indicator 206-1 and coincides with indicator 2-27 of the GRI standard
Incorporation of environmental, social and corporate governance factors in investment advice and management	Total assets under management	trillions of COP	FN-AC-000.B	57	49.4	
	Number of assets under management, by asset class, and including the integration of ESG criteria	%	FN-AC-410a.1	100%	100%	
	Description of the approach to incorporate ESG factors into the management of investment processes and/or strategies	De-scriptive	FN-AC-410a.2	We have an ESG due diligence process for M&A and divestment projects called Conscious Investing.		

Self-Assessment of the application of Integrated Reporting principles and disclosures

The 2023 Integrated Report has been prepared following the principles and elements of the International Integrated Reporting Council, IFRS Foundation International Reporting Framework, to communicate more transparently to our stakeholders the management of material topics that influence our capacity to generate value and how these articulate with our strategy and business model, considering the different risks and opportunities arising at the Corporate Group.

Integrated Reporting Guidelines Applied

Strategic Approach and Future Direction

At the start of the report we presented our business model and the way in which we create value. We provided information on our strategy and how it relates to that capacity for value creation over the short, medium and long term. In the Our Business section, we present the objectives and components of the value creation process, framed by sustainable actions, and their use and effect upon the capital presented throughout the report and the contribution made by the management of these goals and strategies risks. The chapters describe the actions we perform in the short, medium and long term to meet objectives and disclose long term goals in a timely manner. The management report also contains a national and international business and investment outlook analysis.

Information Connectivity

We have structured the report to provide a holistic overview of the combinations, relationships and dependencies between the factors that affect our value creation capacity over time, as well as connections between these and the objectives and performance of Grupo Argos and its strategic businesses in all material aspects.

Stakeholder Engagement

In the Value Creation section, we provide information on the nature, mechanisms, and quality of our stakeholder engagement, including how and to what extent we understand, take into account, and respond to their legitimate expectations and interests to generate value proposals and maintain an ongoing conversation. Throughout the report, we also highlight how management of material topics responds to these expectations and interests.

Materiality

We perform a dual materiality analysis (impact materiality and financial materiality) where we enter into consultations with representatives of different stakeholder groups, as

well as sources of information for different applicable local and international strategies and practices, allowing us to identify seven important topics for our holding that we have called Value Drivers. This report incorporates these results, presenting qualitative and quantitative information closely adjusted to each Value Driver, their positive and negative impacts, and the way in which these are taken into account in the value creation process and in investment or divestment decisions.

Conciseness

We have made progress with adhering to the Integrated Reporting Framework, presenting a report where we clearly and precisely communicate the most significant matters and the relationships existing between them, the business model, the strategy, and the manner in which the holding company creates value of the short, medium and long term, as well as the stakeholders impacted by management of material topics.

Reliability and Completeness

To ensure reliability of the reported information, accounting data were audited by an independent third party, KPMG S.A.S., in its capacity as statutory auditor for the company. Senior management reviewed and approved the Integrated Report and charged BDO Audit S.A.S., with limited assurance of social, environmental and economic indicators.

Compatibility and Consistency

We prepared our report under *Global Reporting Initiative* (GRI) standards, and have reported information on a constant basis over time to enable historical comparisons. We also follow the principles and guidelines of the Integrated Reporting Framework (IRF). The following are the elements of this framework we applied when preparing this report.

Content Element	Included Aspects	Section
Overview of the organization and external environment	Business model and its relationship to value creation	Our Business
	Grupo Argos' share portfolio	Management Report
	Geographical presence of the holding company's businesses	About us
Corporate Governance	Structure of the Board of Directors and the Steering Committee	
	Committees and responsibilities of the Board of Directors	About Us / Board of Directors, Steering Committee, CEO Committee
	Good practices for the Board of Directors: appointment, election, compensation, training and evaluation of the Board of Directors	
	Codes and guides for ethical behavior in the Holding Company	Chapter: Ethics and Corporate Governance
Business Model	Business model and its relationship to value creation	Our Business
Risks and Opportunities	Strategic risks and holding company mitigation activities	Our Business / Value Creation
	ESG risks and opportunities of the holding company	Our Business / Strategic Risks
Strategy and Resource Allocation	Results-focused business model	Our Business
	Sustainability strategy	Value Drivers / Materiality Analysis
Performance	Subsidiary financial performance	Management report Chapter: Value Creation Financial Statements
	Performance and results for the holding company and its subsidiaries under the triple bottom line accounting framework	Value Drivers Chapters: Value Creation, Climate Change, Ethics and Corporate Governance, Human Talent, Economic, Political and Social Environment, Responsible Operation and Conscious Investment Chapter: Material Issues Grupo Empresarial Argos
	In stakeholder engagement	Our Business / How We Create Value Chapter: Economic, Political and Social Environment
	In the management of ethics, transparency and anti-corruption mechanisms	Chapter: Ethics and Corporate Governance
	In financial capital management	Management report Chapters: Value Creation and Conscious Investing
Outlook	In intellectual capital management	Chapters: Value Creation and Human Talent
	In industrial capital management	About Us 2023 Cementos Argos Integrated Report 2023 Celsia Integrated Report 2023 Odinsa Annual Report
	In natural capital management	Chapters: Climate change and Responsible Operation
	In human capital management	Chapter: Human Talent
	In social capital management	Our Business / How We Create Value Chapters: Economic, Political and Social Environment and Human talent Fundación Grupo Argos 2023 Report
Basis for preparation and presentation	Contextualization and progress of the Integrated Report	About this report
	Identification of material aspects as regards sustainability and value creation	Our Business / How We Create Value Value Drivers / Materiality Analysis

In conclusion, positive progress has been made with Integrated Reporting Framework adherence compared to 2022, and the required considerations have been implemented to ensure its integrity. Even so, we are aware of the challenges and opportunities for improvement to move every closer to full adherence to that framework.


Ana María Uribe Ramírez
Sustainability Manager
Grupo Argos



Sirs.
Shareholders and other interested parties of
Grupo Argos S.A. (hereinafter "The Company")
Medellin, Antioquia

INDEPENDENT LIMITED ASSURANCE REPORT

Scope of our Work

We have been engaged by **Grupo Argos S.A. ("The Company")** to perform a limited assurance engagement on the information detailed in Annex A (hereinafter, the information subject to assurance), included in the Integrated Report for the year ended december 31, 2023.

Our limited assurance engagement was performed solely in relation to the selected sustainability information included in Annex A. Our assurance report does not extend to prior periods' information nor other information included in the Integrated Report 2023, nor other information related to that report that may incorporate images, audios or videos.

Criteria applied by Grupo Argos S.A.

The criteria used by The Company's management to prepare the assurance information detailed in annex A, and included in the Integrated Report 2023 were established considering the concepts, requirements and principles contained in the *Global Reporting Initiative (GRI)* standards, as well as the criteria defined by the company for both its own indicators and the methodology of its dual materiality analysis process, which are detailed in annex A enclosed.

Responsibilities of Grupo Argos S.A 's management on the information subject to assurance included in the Integrated Report 2023

The Company's management is responsible for the preparation and presentation of the information subject to assurance included in the Integrated Report 2023, in accordance with the criteria of the *Global Reporting Initiative (GRI)* standards, as well as the criteria defined by the company for both its own indicators as well as for the methodology of its dual materiality analysis process, which are detailed in Annex A enclosed. This responsibility includes designing, implementing and preserving internal control necessary to allow for the preparation of information subject to assurance that is free from material errors, whether due to fraud or error.

Responsibilities of BDO

Our responsibility is to express a limited assurance conclusion on the information subject to assurance based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with ISAE 3000 (revised) International Standard on Assurance Engagements other than the audit or review of historical financial information issued by the *"International Auditing and Assurance Standards Board"* (IAASB). This standard requires us to conclude if any facts have come to our attention that cause us to believe that management's representations are not fairly stated in all material respects. In a limited assurance engagement, the practitioner performs procedures (primarily by making inquiries of management and others within the entity, as appropriate, and applying analytical procedures), and evaluates the evidence obtained.

The procedures we performed were supported by our professional judgment and included inquiries, observation of processes performed, inspection of documents, analytical procedures, evaluation of the adequacy of quantification methods and reporting policies, and concordance or reconciliation with the underlying records.

Given the circumstances of commitment, we have performed the following procedures:

- a) Through inquiries, it obtained an understanding of the control environment and significant company information systems, but did not evaluate the design of the particular control activities or collect evidence on their implementation, nor test their operating effectiveness.
- b) Understanding of the instruments used to generate, compile and report the information subject to assurance by inquiries with the personnel responsible for the related processes.
- c) Inquiry with management to understand the process carried out by Grupo Argos, regarding the material issues as well as the participation of stakeholders in this process.
- d) Review and understanding of the process to determine the dual materiality of Grupo Argos.
- e) Interviews with Company personnel to have a better understanding of the business and the Report preparation process.
- f) Interviews with the corporate staff of Grupo Argos responsible for the information to be reported in order to understand the process of collection, consolidation and presentation of the information subject to assurance.
- g) Interviews with the personnel in charge of reporting for Grupo Argos separately, Sator and Summa.
- h) Assessment session of Grupo Empresarial Argos, where is performed the data summation of each of the companies that are part of the group.
- i) Verification of the calculation criteria and their proper application according to the methodologies described in the criteria of the indicators under assurance.
- j) Performing analytical review procedures to support the fairness of the data.
- k) Comparison of the information reported in the Integrated Report with the information corresponding to the relevant underlying sources to ensure that the information has been included in the Integrated Report.
- l) Analysis of the collection and internal control processes of the quantitative data reflected in the Report, regarding the reliability of the information, using analytical procedures and review tests based on sampling.
- m) Review of the data in the MERO platform up to date 26-02-2024.



- n) Reading of the information included in the Integrated Report to compare it with the criteria self-declared by the company in accordance with the compliance requirements of GRI 1 - Fundamentals.
- o) Reading of the information included in the Integrated Report to compare it with the criteria defined by the GRI 2 - General Disclosures and GRI 3 - Material topics.
- p) Applied substantive tests on a random selective basis of the information subject to assurance, prepared by management, to determine the standards, indicators and verify that the data were properly measured, recorded, compiled and reported through:
 - i. Inspection of company policies and procedures set by the company.
 - ii. Inspection of supporting documents of internal and external sources.
 - iii. Recalculations.
 - iv. Information reported by Management compared to that set forth in the criteria section of this report.

Annex A details the information subject to assurance included in the scope of our work.

Our limited assurance engagement was conducted only with respect to the information subject to assurance included in Annex A, for the year ended december 31, 2023; and we have not performed any procedures with respect to prior years, future projections and goals, or any other elements of other information included in the Integrated Report for the year ended december 31, 2023 and, therefore, we do not express a conclusion in this regard.

The procedures applied in a limited assurance engagement vary in nature and timing of application, and are of reduced scope than in the case of a reasonable assurance engagement and, consequently, the level of reliability obtained in a limited assurance engagement is substantially lower than that which would have been achieved in the case of a reasonable assurance engagement.

We consider that the evidence collected is adequate and appropriate to provide a basis for our limited assurance conclusion.

Independence and Quality Control

We have complied with the ethical and independence requirements of the professional code of ethics for public accountants issued by the *International Ethics Standard Board for Accountants* (IESBA), which is based on the principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm BDO Audit S.A.S BIC applies the *International Standard on Quality Management* ("ISQM") 1 and, therefore, preserves a comprehensive quality control system that includes documented policies and procedures related to compliance with ethical requirements, professional standards and requirements of applicable laws and regulations.

Inherent limitations of the assurance engagement

The selected sustainability disclosures are subject to inherent uncertainty due to the use of non-financial information which is subject to greater inherent limitations than financial information due to the nature of the methods used to determine, calculate, sample or estimate such information. In the preparation of the information, the entity performs qualitative interpretations about the relevance, materiality and accuracy of the information that are subject to assumptions and judgments.

Conclusion of limited assurance

Based on the procedures we have performed and on the evidence we have gathered, no situation has been brought to call our attention that leads us to believe that the information subject to assurance included in Annex A of the Integrated Report for the year ended December 31, 2023 of Grupo Argos S.A, has not complied with the provisions of the criteria section of this report.

Restriction on use of the Report

Our report is exclusively issued for the purpose set forth in the first paragraph and should not be used for any other purpose nor be distributed to other parties separately. This report covers only the issues mentioned in the preceding sections and the information subject to assurance included in Annex A and does not extend to any other financial and non-financial information included in the Integrated Report of Grupo Argos S.A for the year ended december 31, 2023, nor to its financial statements, taken as a whole.

Action plan

BDO Audit S.A.S. BIC delivers to **Grupo Argos S.A.**, through an additional report, recommendations of action for future preparation of the Integrated Report, which do not modify the conclusion expressed in this report, seeking to strengthen the process of construction, management, measurement, review, reporting and communication of the Company's sustainability indicators.

Luis Fernando Gómez González
 Audit and Assurance Partner
 Certified Public Accountant PL 144.355
 Member of BDO Audit S.A.S BIC
 Medellín, March 12, 2024.



ANNEX A

Scope of limited assurance

Following is a detail of the GRI Standards and the indicators defined by Management as its own and information from the dual materiality analysis process of Grupo Argos S.A. covered by this assurance.

These criteria are an integral part of our independent limited assurance report on the Integrated Report of Grupo Argos S.A for the period from January 1 to December 31, 2023.

GRUPO ARGOS S.A	
GRI Standard	Description
2-7	Employees
2-27	Compliance with laws and regulations
205-1	Operations assessed for risks related to corruption
205-2	Communication and training about anti-corruption policies and procedures
205-3	Confirmed incidents of corruption and actions taken
302-1	Energy consumption within the organization, including the percentage of energy consumed from renewable and alternative sources
303-5	Water consumption (m ³)
305-1	Direct (Scope 1) GHG emissions
305-2	Energy indirect (Scope 2) GHG emissions (Location method)
305-3	Other indirect (Scope 3) GHG emissions (by category and total)
305-4	GHG emissions intensity (Scope 3)
401-1	Total number, new employee hires, employee turnover, by age group, gender and region
403-5	Worker training on occupational health and safety
403-8	Workers covered by an occupational health and safety management system
403-9	Work-related injuries (includes fatalities and LTIFRs for Collaborators and Contractors)
404-1	Average hours of training per year per employee
404-3	Percentage of employees receiving regular performance and career development reviews
405-1	Diversity of governance bodies and employees
405-2	Ratio of basic salary and remuneration of women to men
406-1	Incidents of discrimination and corrective actions taken
412-2	Employee training on Human Rights policies or procedures
415-1	Total political contributions and other expenses on public policy incidence
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data
GRUPO ARGOS S.A	
Company Indicators	Description
Own GA-S10	Total social investment Grupo Argos segregated
Own GA-G03	Proportion of collaborator that filled out the declaration of conflict of interest
Own GA-G04	Proportion of collaborator who filled out the income and asset declaration
Own GA-E21	Proportion of separate debt linked to compliance with ESG indicators

GRUPO EMPRESARIAL ARGOS



GRI Standard	Description
2-6	Negative environmental impacts in the supply chain and actions taken
2-7	Employees
205-2	Communication and training about anti-corruption policies and procedures
205-3	Confirmed incidents of corruption and actions taken
302-1	Energy consumption within the organization
302-3	Energy intensity
302-4	Comparative change in energy consumption intensity from baseline
303-5	Water consumption in all areas, including water-stressed areas (m ³)
305-1	Direct (Scope 1) GHG emissions
305-2	Energy indirect (Scope 2) GHG emissions (Location method)
305-3	Other indirect (Scope 3) GHG emissions (by category and total)
305-4	Direct (Scope 1) GHG emissions, Energy indirect (Scope 2) of CO ₂ (<i>verified in accordance with the conditions set forth in the Amendment of the loan that Grupo Argos has with Bancolombia linked to the fulfillment of ESG indicators.</i>)
305-5	Reduction on intensity and absolute value of GHG issues scope 1 and 2
305-7	Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions
308-2	Negative environmental impacts in the supply chain and actions taken
403-5	Worker training on occupational health and safety
403-9	Work-related injuries (includes fatalities and LTIFRs for Collaborators and Contractors)
405-1	Diversity of governance bodies and employees (<i>verified in accordance with the conditions set forth in the Amendment of the loan that Grupo Argos has with Bancolombia linked to the fulfillment of ESG indicators.</i>)
405-2	Ratio of basic salary and remuneration of women to men
406-1	Incidents of discrimination and corrective actions taken
414-2	Negative social impacts in the supply chain and actions taken

GRUPO EMPRESARIAL ARGOS

Company Indicators	Description
OWN GE-A06	Water consumption intensity
OWN GE-A05	Variation in water consumption intensity compared to baseline
OWN GE-S36	Total number of tier-1 suppliers Grupo Empresarial
OWN GE-S37	Total number of tier-1 suppliers that are relevant for Grupo Empresarial
OWN GE-S38	Total Spend with tier-1 suppliers in Grupo Empresarial
OWN GE-S39	Total spend with tier-1 suppliers that are significant in Grupo Empresarial
OWN GE-S40	Proportion of spend with tier- suppliers that are significant in Grupo Empresarial
OWN GE-S41	Total number of non-tier-1 suppliers that are significant in Grupo Empresarial
OWN GE-S42	Total number of suppliers assessed by desk/on-site assessment at Grupo Empresarial
OWN GE-S43	Total number of significant suppliers that were assessed by desk/on-site assessment at Grupo Empresarial
OWN GE-S44	Proportion of significant suppliers that were evaluated by desk/on-site assessment of Grupo Empresarial



Company Indicators	Description
OWN GE-S45	Total number of suppliers supported in the implementation of the corrective action plan in Grupo Empresarial
OWN GE-S46	Total number of assessed suppliers that represent a significant negative impact for Grupo Empresarial
OWN GE-S47	Total number of assessed suppliers that represent significant negative impacts for the company with an existing corrective action plan in Grupo Empresarial
OWN GE-S48	Proportion of assessed suppliers that represent significant negative impacts for the company with an existing corrective action plan in Grupo Empresarial
OWN GE-S49	Total number of assessed suppliers that represent significant negative impacts for Grupo Empresarial with contract expiration.
OWN GE-S50	Total number of assessed suppliers that represent significant negative impacts for the company being supported in the execution and progress of the action plan in Grupo Empresarial
OWN GE-S51	Proportion of assessed suppliers that represent significant negative impacts for the company being supported in the execution and progress of the action plan in Grupo Empresarial
OWN GE-S52	Sator total social investment
OWN GE-S01	Grupo Empresarial total social investment
OWN GE-E25	Proportion of consolidated debt linked to compliance of ESG indicators
OWN GE-G10	Proportion of collaborators who filled out the declaration of interest conflict in Grupo Empresarial
OWN GE-E33	Revenues from products with sustainability features
Analysis of materiality	
	Description
Dual materiality analysis year 2022	Methodological process designed and implemented by Grupo Argos S.A for the analysis of double materiality year 2022, valid for three (3) years and whose description is included in the Integrated Report 2023.



GRUPO ARGOS
www.grupoargos.com

GRAPHIC EDITING AND DESIGN

Taller de Edición

www.tallerdeedicion.co

Teams from Grupo Argos participated in the preparation of the Integrated Report under the coordination of Sustainability and Communications.