



Annual Corporate Governance Report 2024

At Grupo Argos we are committed to generating value and to adopting and implementing high corporate governance standards that promote compliance with our business strategy, to honor the trust placed in us by our shareholders and investors and to promote the sustainability of the organization.

Thus, in compliance with the provisions of our Good Governance Code, we present the Annual Corporate Governance Report for the year 2024. Its structure obeys the recommendations of the Código País and describes the way in which the corporate governance guidelines adopted by the company were complied with.

Significant events



- A meeting of the Board of Directors was held without Senior Management in which the results of the evaluation of the Board of Directors and the President of the company for fiscal year 2023 were presented.
- The Código País survey was completed and transmitted, which reflects the adoption of corporate governance practices that add value to the company, its shareholders, investors and other stakeholders.
- Grupo Argos obtained for the twelfth consecutive year the Issuer Recognition - IR from the Bolsa de Valores de Colombia, with a score of 96.6%, which highlights the company's efforts and commitment to best practices in disclosure and investor relations.
- In the last twelve years the company has been included in the Dow Jones Global Sustainability Index. By 2024 it ranked second in its industry, remaining among the leaders in the Dow Jones Global and Emerging Markets indices, which recognize the best practices in economic, social, and environmental sustainability of companies listed on the stock markets worldwide.
- The procedures provided by law were carried out so that the Shareholders Assembly: (i) could decide on the authorization of a change in the allocation of the company's reserves for the repurchase of shares upon the liquidation of Sociedad Portafolio S.A.; and (ii) could decide on the authorization required regarding potential conflicts of interest of some members of the Board of Directors to deliberate and decide on the strategic alternatives of Grupo Argos towards its

investment in Grupo de Inversiones Suramericana S.A., as well as to decide on the authorization required regarding potential conflicts of interest of Grupo Argos' legal representatives to celebrate and execute all acts, agreements and operations required for the preparation and implementation of the strategic alternative that may be defined.

- The Shareholders Assembly amended the Company's Bylaws and the Policy for Appointment, Compensation and Succession of the Board of Directors. The Board of Directors adopted adjustments to the Good Governance Code. All these amendments were made to strengthen corporate governance practices, clarify certain rules of corporate operation, and include new provisions that promote the rights of the company's shareholders.
- The Diversity Policy of the Board of Directors of Grupo Argos was adopted and incorporated into the Good Governance Code.
- The Annual Conduct Course was held, through which employees were trained to make decisions based on the corporate pillars of ethics and transparency and reinforced their knowledge of the organization's compliance system.
- 100% of Grupo Argos employees completed the evaluation of the Annual Conduct Course and filled out the Annual Declaration of Potential Sources of Conflicts of Interest.
- 100% of the target public defined according to their roles and functions completed the Declaration of Assets and Income.

Ownership structure



Grupo Argos is the parent company of Grupo Empresarial Argos, which includes companies with presence in several countries in the American continent, with participation in the cement, energy, road and airport concessions, urban development and real estate rental businesses.

Capital stock as of December 31, 2024

Authorized capital:
\$75.000.000.000
 represented by **1.200.000.000** shares
 with a nominal value of \$62,50.

Subscribed and paid-in:
\$54.697.419.688
 represented by **875.158.715**
 shares with a nominal value of \$62,50.

629.859.998 outstanding shares of common stock

209.467.547 outstanding preferred shares

33.471.537 repurchased shares of common stock

2.359.633 repurchased shares of preferred stock

324.841.285 shares held in reserve

Significant shareholders¹

Name of shareholder	Common Shares	Preferred Shares	Total shares	% Interest
Grupo de Inversiones Suramericana S.A.	254.618.053	-	254.618.053	29,1%
Fondo de Pensiones Obligatorias Protección Moderado	18.023.528	41.701.070	59.724.598	6,8%
Fondo de Pensiones Obligatorias Porvenir Moderado	24.414.488	34.282.389	58.696.877	6,7%

¹ For the purposes of this Report, significant shareholdings are those exceeding 5% of the total outstanding shares as of December 31, 2024.

Relationships between owners of significant shareholdings and the company, or between owners of significant shareholdings and each other

Grupo Argos directly and indirectly holds common shares of Grupo de Inversiones Suramericana S.A.

Grupo Argos had commercial relations with some of the subordinate companies of Grupo de Inversiones Suramericana S.A., which were developed under market conditions and within the ordinary course of business.

According to the Relevant Information disclosed to the market, Grupo Argos, Grupo de Inversiones Suramericana S.A. and Cementos Argos S.A. will submit to the consideration of their respective shareholders assemblies partial spin-offs by absorption in order to end the cross-shareholdings among them.

Trades of the members of the Board of Directors and other administrators with shares of the company

On March 1, 2024, the Board of Directors authorized the director Ana Cristina Arango, to acquire directly or indirectly during 2024, up to six hundred thousand common shares issued by Grupo Argos.

In 2024, director Ana Cristina Arango directly and indirectly acquired common shares issued by Grupo Argos without exceeding the maximum authorized by the Board of Directors.

Shareholders' Agreements

No Shareholders' Agreement has been deposited with the management of Grupo Argos.



Shareholders Assembly

Governance structure adopted by the issuer to achieve equitable treatment of shareholders and promote their participation

In accordance with the Good Governance Code, the policies, mechanisms and procedures implemented to provide equitable treatment to shareholders and to promote their participation are contained in the following rules:

a. The Board of Directors ensures that equal treatment is given to all shareholders who, within the same class of shares, are in the same conditions and, consequently, is responsible for verifying that the following guidelines are complied with:

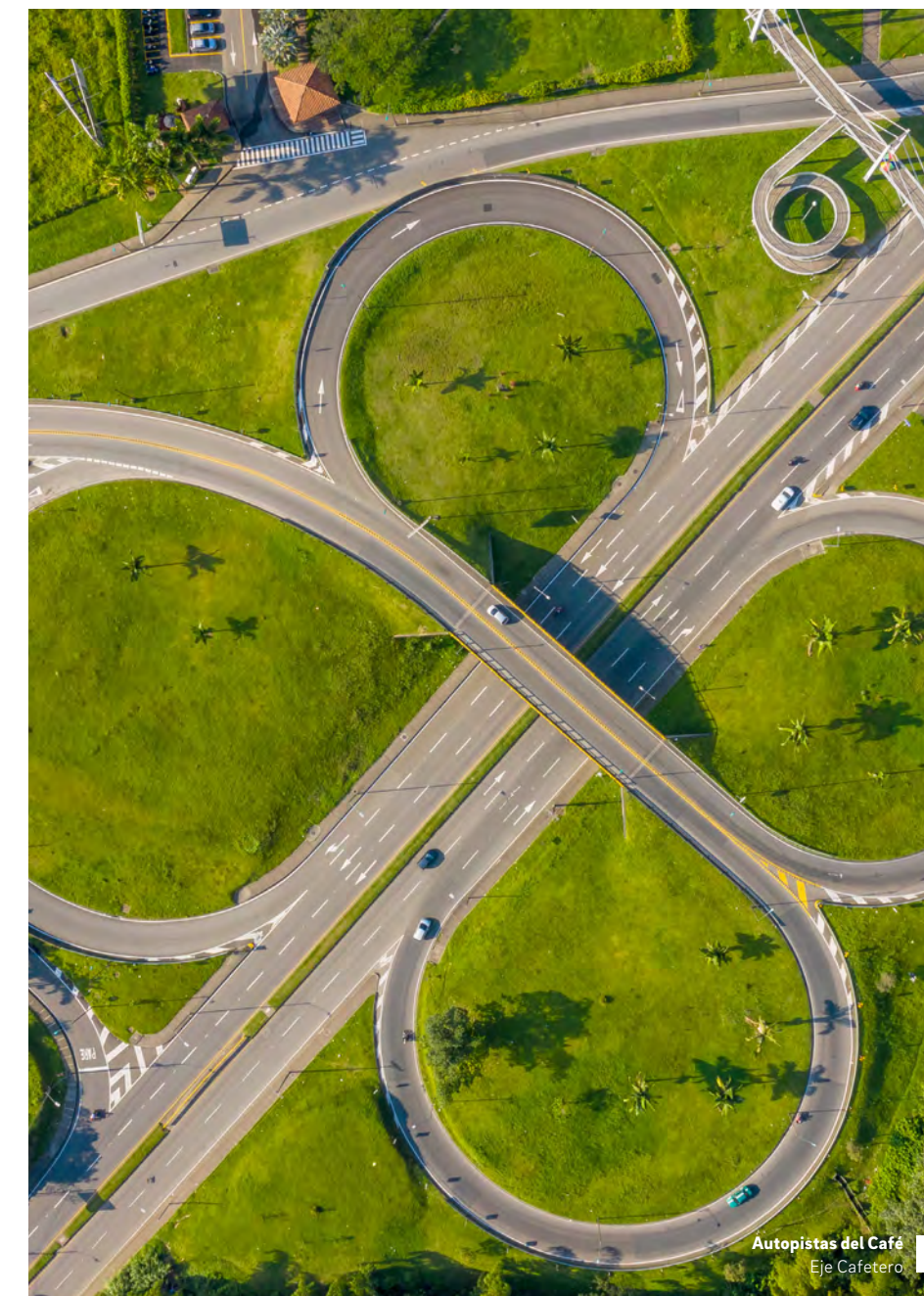
- That the decisions adopted in Grupo Argos are guided by the respect, protection and promotion of the rights of all shareholders and investors.
- That all shareholders and investors are treated fairly and equally.
- That shareholders and investors obtain a timely and complete response to any concerns they may have regarding matters whose disclosure is mandatory, or which are not prohibited by any legal or contractual confidentiality restriction.
- That the company's dividends and returns, among others, are paid in full and on time, as agreed or ordered by the relevant corporate body.

b. The employees and directors of Grupo Argos refrain from engaging directly or through an intermediary, as applicable, in the following conduct:

- Encouraging, promoting or suggesting to shareholders the granting of proxies where the name of the representative for the Shareholders Assembly meetings is not clearly defined.
- Receiving special proxies from shareholders prior to the call to Shareholders Assembly meetings.
- Accepting as valid proxies granted by the shareholders, without fulfilling the legal requirements; that is to say, that the proxies must be granted in writing, indicating the name of the proxy, the person who may substitute him/her, if applicable, and the date or time of the meeting.
- Suggesting or determining the names of those who act as proxies at Shareholders Assembly meetings.
- Recommending to the shareholders that they vote for a certain list to serve on the Board of Directors.
- Suggesting, coordinating or agreeing with any shareholder or any representative of shareholders, the presentation at the Shareholders Assembly meeting of proposals to be submitted for their consideration.
- Suggesting, coordinating or agreeing with any shareholder or any representative of shareholders, to vote for or against any proposal to be presented at the Shareholders Assembly meeting.
- Representing other's shares in Shareholders Assembly meetings. Nor may they vote, even with their own shares, in decisions to approve the balance sheets and accounts at the end of the fiscal year or the liquidation of the company.

In any case, the directors or employees of Grupo Argos may exercise the voting rights inherent to their own shares and those they represent when acting as legal representatives.

c. The company discloses on its website financial and non-financial information, including the rights and obligations inherent to being a shareholder or investor, as well as the classes of shares and securities issued, the number of shares and securities issued and in reserve.



Channels of access to information

- Website: www.grupoargos.com.
- Shareholder Service Center managed by Fiduciaria Bancolombia S.A., at the following telephone numbers: + (604) 404 2371, + (604) 404 2362, + (604) 404 2453, + (604) 404 2451, + (604) 404 2452
- Investor Relations Office, whose e-mail address is invgrupoargos@grupoargos.com.
- Website of the Finance Superintendence through which Relevant Information is disclosed to the market: www.superfinanciera.gov.co.
- Social media: Instagram, LinkedIn, X (antes Twitter), Facebook, TikTok and YouTube.

Mechanisms for resolving requests for information and communication

Grupo Argos has the following mechanisms to ensure adequate attention to requests for information and communication between investors, the issuer, its Board of Directors and other managers:

- Corporate and Presidential Affairs Management: is responsible for investor relations, and its main function is to maintain fluid and permanent communication with all investors and shareholders. This department also serves analysts from brokerage firms, pension funds and investment funds who are interested in information about the company.
- Shareholder Service Center: is managed by Fiduciaria Bancolombia, which under a contract signed more than 10 years ago, is responsible for meeting the requirements and queries made by shareholders and attend to their requests related to off-exchange operations, issuance of certificates, payment of dividends, among other matters.
- Quarterly conference call: in this space the financial results of Grupo Argos are reported in detail and investors can have a direct interaction with the company's President and members of Senior Management.

Number of requests and matters on which shareholders have requested information from the company:

Tax certificates	289	
Telephone calls	76	
Depositor changes	48	
Service office visits	31	
Dividend payment news	15	
General certificates	3	
Certificates of deposit	43	
Dematerialized transfers	8	
Historical certificates	5	
Rights to petition	3	
Data update news (dematerialized)	2	
Blocking or unblocking	6	

Total 529

Investor Relations Activities:

- During 2024, one ordinary and two extraordinary Shareholders Assembly meetings were held.
- Four earnings conference calls were held (February, May, August and November). A total of 492 analysts and investors joined the conferences held during 2024.
- In December, a joint investor call was held with Grupo de Inversiones Suramericana S.A. to explain in detail the Spin-Off Agreement signed between the companies. The call was attended by 710 analysts and investors.
- More than 50 meetings were held with investors and virtual conferences were attended by banks and brokerage firms.



Central Hidroeléctrica Alto Anchicaya
Valle del Cauca

Ordinary Shareholders Assembly Meeting

The ordinary meeting of the Shareholders Assembly was held on March 21, 2024

Attendance data

Quorum:

85,50%
of the total outstanding common shares of the company.

555.341.239
common shares represented.

Principales decisiones

- Approval of the Management Report of the Board of Directors and President
- Approval of the Financial Statements as of December 31, 2023.
- Approval of the Profit Distribution Proposal.
- Election of the Board of Directors and setting of fees.
- Election of the Statutory Auditor and setting of fees.
- Consideration and approval of an amendment to the by-laws.

Operation of the ordinary meeting of the Shareholders Assembly

Grupo Argos has adopted the following good governance practices to guarantee the greatest transparency and respect for shareholders' rights in the development of the Shareholders Assembly:

- The ordinary meeting of 2024 was called 25 calendar days in advance, in compliance with the Bylaws in effect at the time of the call. With this ordinary meeting, a Bylaw Amendment was approved whereby the term of notice for ordinary meetings of the Shareholders Assembly was adjusted to reflect the applicable regulations (Article 424 of the Code of Commerce), so that from now on the notice for these meetings must be made no less than 15 business days in advance.
- In the events in which the Shareholders Assembly is intended to address a substantial change of the corporate purpose, waiver of preemptive rights in the subscription of common shares, change of the corporate domicile, early dissolution or segregation of the company, these issues must be expressly indicated in the notice of the meeting.
- In no case shall the notice of the meeting include items such as "Miscellaneous" or "Other Matters" or similar items that prevent prior knowledge of all the items to be discussed at the respective meeting.
- During the term for the exercise of the right of inspection, the shareholders may consult the documents of the corresponding meeting on the web page and at the offices of the company's administration.
- When a meeting foresees the election of members of the Board of Directors, the information available to the shareholders must contain the proposal of candidates to be members of such Board.

Measures to encourage shareholder participation at the Shareholders Assembly in 2024

- Grupo Argos kept its website updated to continue facilitating the search for clear and sufficient information for its shareholders and investors.
- The ordinary meeting of the Shareholders Assembly was called in accordance with the Corporate Bylaws in effect at that time.
- A proxy form was provided to shareholders wishing to be represented, which included the items to be discussed in the agenda.
- Information related to the Shareholders Assembly was made available to shareholders on the website and at the company's management offices during the term for the exercise of the right of inspection.
- In addition, a results teleconference was held in February for shareholders, analysts and the general public.
- Grupo Argos guaranteed equitable treatment to all its shareholders, allowing and encouraging the exercise of their rights.



Extraordinary Meetings of the Shareholders Assembly

First extraordinary meeting

On July 31, 2024, an extraordinary meeting of the Shareholders Assembly was held to decide on: (i) the consideration and approval of a change in the allocation of the company's reserves for the repurchase of shares upon the liquidation of Sociedad Portafolio S.A.; (ii) the consideration and approval of a proposal for a Bylaw Amendment; and (iii) the consideration and approval of a proposal to amend the Appointment, Compensation and Succession Policy of the Board of Directors.

Attendance data

Quorum:

82,33%

of the total outstanding common shares of the company.

531.582.879

common shares represented.

Main decisions

- A change in the allocation of the company's reserves for the repurchase of shares in connection with the liquidation of Sociedad Portafolio S.A. was approved.
- A proposal for a Bylaw Amendment was approved.
- A proposal to modify the Appointment, Compensation and Succession Policy of the Board of Directors was approved.

Measures to encourage shareholder participation

- The Shareholders Assembly extraordinary meeting was called five calendar days in advance.
- A proxy form was provided to the shareholders including the items to be discussed in the agenda.
- The documents to evaluate the matters submitted for consideration at the Shareholders Assembly were made available to shareholders on the website and at the company's management offices during the term of the call.
- Grupo Argos guaranteed equitable treatment to all its shareholders by allowing and encouraging the exercise of their rights.



Reunión Extraordinaria Asamblea de Accionistas
Antioquia



Reunión Extraordinaria Asamblea de Accionistas
Antioquia

Second extraordinary meeting

An extraordinary meeting of the Shareholders Assembly was held on October 21, 2024 to decide on: (i) the authorization required regarding potential conflicts of interest of some members of the Board of Directors of Grupo Argos, to deliberate and decide on the strategic alternatives of Grupo Argos regarding its investment in Grupo de Inversiones Suramericana S.A. (the "Strategic Alternatives"), as well as all acts, agreements and transactions required for their implementation (the "Implementation Acts"); and (ii) the authorization required regarding potential conflicts of interest of the legal representatives of Grupo Argos to sign, celebrate and perform all confidentiality agreements, negotiations and preparatory acts with Grupo de Inversiones Suramericana S.A., affiliates of Grupo Argos and others (the "Preparatory Acts") and the Implementation Acts.

Attendance Data

Quorum:

77,69%

of the total outstanding shares of common stock of the company

490.287.204

common shares represented.

Main decisions

- Mrs. Ana Cristina Arango was authorized to deliberate and decide, in her capacity as a member of the Board of Directors of Grupo Argos, regarding the Strategic Alternatives and the Implementation Acts.
- Mrs. Claudia Betancourt was authorized to deliberate and decide, in her capacity as a member of the Board of Directors of Grupo Argos, regarding the Strategic Alternatives and the Implementation Acts.

- Mr. Jaime Alberto Palacio was authorized to deliberate and decide, in his capacity as a member of the Board of Directors of Grupo Argos, regarding the Strategic Alternatives and the Implementation Acts.
- Mrs. Juana Francisca Llano was authorized to deliberate and decide, in her capacity as a member of the Board of Directors of Grupo Argos, regarding the Strategic Alternatives and the Implementation Acts.
- Mr. Ricardo Jaramillo was authorized to deliberate and decide, in his capacity as a member of the Board of Directors of Grupo Argos, regarding the Strategic Alternatives and the Implementation Acts.
- The legal representatives of Grupo Argos were authorized to sign, celebrate and execute all the Preparatory Acts and the Implementation Acts.

Measures to encourage shareholder participation

- The Shareholders Assembly extraordinary meeting was called five calendar days in advance.
- A proxy form was provided to the shareholders, which included the items to be discussed in the agenda.
- The documents to evaluate the matters submitted for consideration at the Shareholders Assembly were made available to the shareholders on the website and at the company's management offices during the term of the call.
- Grupo Argos guaranteed equitable treatment to all its shareholders, allowing and encouraging the exercise of their rights.

Board of Directors and Board of Directors Committees

Composition, attendance and operation

Composition and attendance



The Board of Directors is composed of seven main members, at least two of whom must meet the independence criteria established in Law 964/2005 and in the Company's Good Governance Code. The following information details the independent or non-independent status of each of the members of the Board of Directors, as well as their attendance at the Board of Directors meetings and Board of Directors Committee sessions:

Rosario Córdoba



Type of member

- Independent Member and Chair of the Board of Directors

Date of initiation

- April 1, 2011

Exercise period

- 7,22

Attendance to Board of Directors

- 100%

Committees

- Sustainability and Corporate Governance Committee (Chair)
- Audit, Finance and Risk Committee
- Talent and Compensation Committee

Attendance to Committees

- 100%

Ana Cristina Arango



Type of member

- Independent Member

Date of initiation

- April 1, 2009

Exercise period

- 8,21

Attendance to Board of Directors

- 100%

Committees

- Audit, Finance and Risk Committee (Chair)
- Talent and Compensation Committee

Attendance to Committees

- 100%

Claudia Betancourt



Type of member

- Equity member

Date of initiation

- April 16, 2018

Exercise period

- 4,53

Attendance to Board of Directors

- 100%

Committees

- Sustainability and Corporate Governance Committee

Attendance to Committees

- 100%

Juana Francisca Llano



Type of member

- Equity member

Date of initiation

- April 1, 2024

Exercise period

- 0,57

Attendance to Board of Directors

- 91%

Committees

- Is a permanent guest of the Sustainability and Corporate Governance Committee

Attendance to Committees

- 100%

Jaime Alberto Palacio



Type of member

- Independent Member

Date of initiation

- April 1, 2024

Exercise period

- 0,57

Attendance to Board of Directors

- 100%

Committees

- Audit, Finance and Risk Committee

Attendance to Committees

- 66,7%¹

¹Due to an unintentional error in the summoning process for the Audit, Finance, and Risk Committee meeting held on October 22, 2024, Dr. Jaime Alberto Palacio was not invited. However, he was subsequently updated on the topics discussed during the meeting.

Jorge Alberto Uribe



Type of member

- Independent Member

Date of initiation

- April 1, 2015

Exercise period

- 5,55

Attendance to Board of Directors

- 100%

Committees

- Talent and Compensation Committee (Chair)

Attendance to Committees

- 100%

Ricardo Jaramillo



Type of member

- Equity Member

Date of initiation

- April 1, 2024

Exercise period

- 0,57

Attendance to Board of Directors

- 91%

Committees

- Sustainability and Corporate Governance Committee

Attendance to Committees

- 100%

[Click here to see the professional profiles and experience of the Board members.](#)

Main functions of the Board of Directors

The Board of Directors of Grupo Argos is mainly oriented towards making decisions regarding corporate strategic objectives, supervising the activities of Senior Management, identifying relevant risks and monitoring its management, always in the best interest of the company and its shareholders.

The Board of Directors is responsible for directing and supporting Senior Management in the management and monitoring the company's strategic plan and the competitive dynamics of the business.

Likewise, the Board of Directors ensures the implementation of best practices in human talent and corporate governance in Grupo Empresarial Argos.

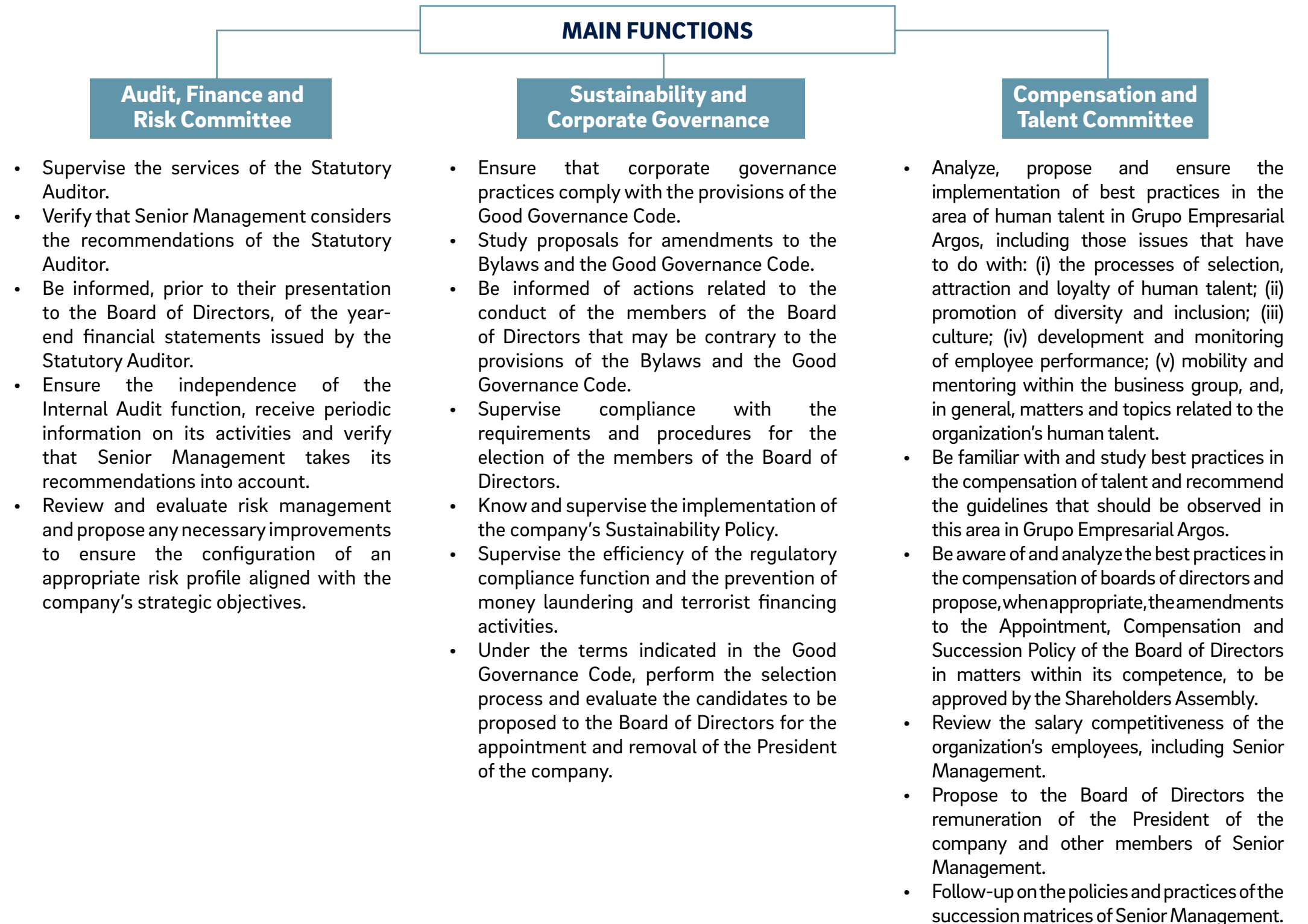
Internal Regulations of the Board of Directors

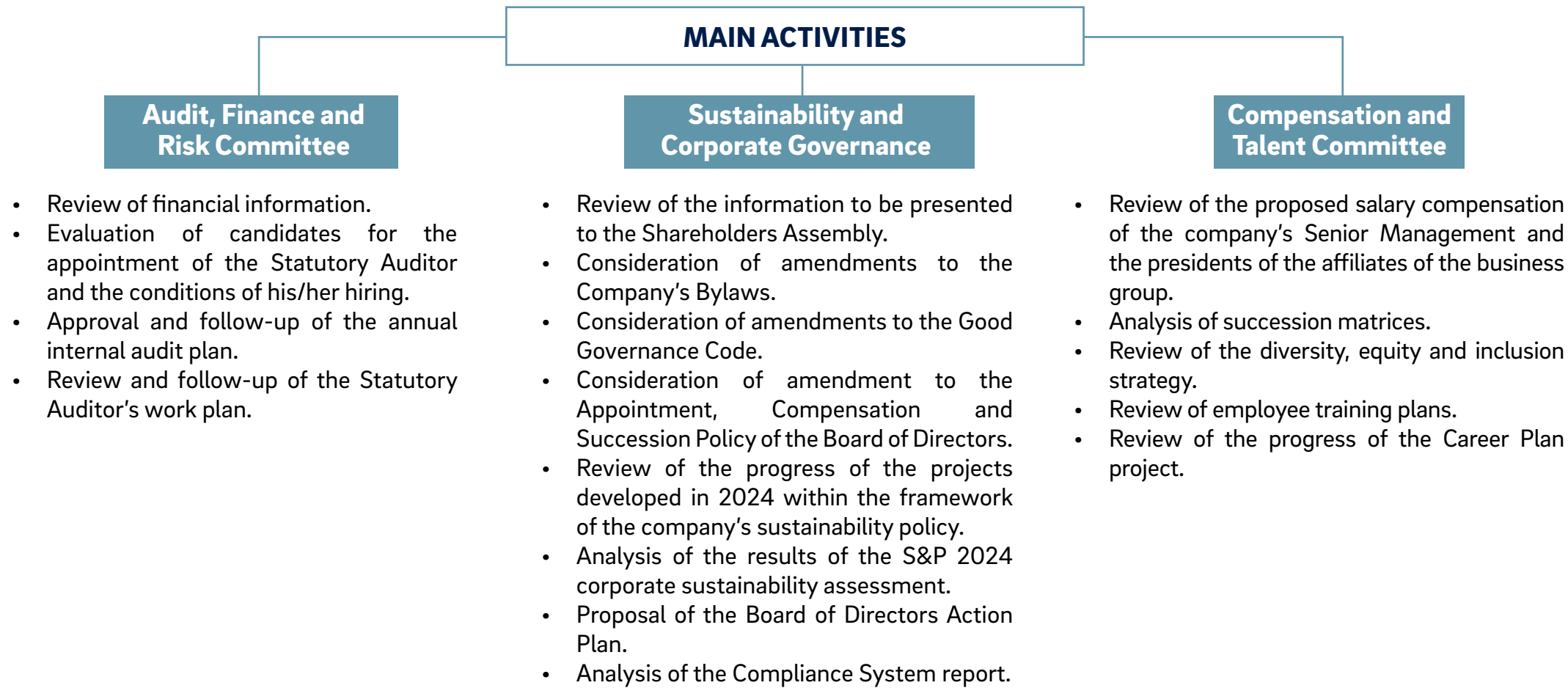
The operating regulations of the Board of Directors are found in Chapter III of the Good Governance Code, available on the website.

[Clic here to see the Good Governance Code.](#)

Committees of the Board of Directors

- Audit, Finance and Risk Committee
- Sustainability and Corporate Governance Committee
- Talent and Compensation Committee





Election of the Board of Directors during the year

The Shareholders Assembly chose the following members of the Board of Directors at the ordinary meeting held in March 2024:

Nombre	Calidad
1. Rosario Córdoba	Independent
2. Ana Cristina Arango	Independent
3. Claudia Betancourt	Equity
4. Juana Francisca Llano	Equity
5. Jaime Alberto Palacio	Independent
6. Jorge Alberto Uribe	Independent
7. Ricardo Jaramillo	Equity

Members of the Board of Directors of the parent company that make part of the Boards of Directors of the subordinates or that hold executive offices therein

No member of the Board of Directors of Grupo Argos makes part of the Board of Directors of the subordinated companies nor holds executive offices therein.

Policies approved by the Board of Directors during the period

In 2024 the Board of Directors approved the amendment to the Good Governance Code through which the Board of Directors' Diversity Policy was adopted.

[Click here to see the company's policies.](#)

Appointment of the Board of Directors

The appointment of the Board of Directors is regulated by the Company's Bylaws, the Good Governance Code and the Policy on Appointment, Compensation and Succession of the Board of Directors.

- **Election:** Shareholders Assembly.
- **Term:** Two years. Members are eligible for re-election. The period of the acting Board of Directors is until March 31, 2026.
- **Criteria to be considered in the election:**
 - Personal qualities, knowledge relevant to the activity carried out by the company, track record, diversity and experience in business management and participation in other boards of directors.
 - The candidates included in the respective lists may not be older than 70 years and may not be subject to any ineligibility grounds established in the Bylaws.
 - The proposals submitted for the corresponding election of the Board of Directors must include the number of independent members representing at least the percentage established in Law 964/2005 or the one replacing, adding or modifying it.
 - The independence criteria adopted by the company for the appointment of the members of the Board of Directors are found in letter f, numeral 4, Chapter III of the [Good Governance Code](#).
- **Procedure:** the profiles defined by the Board of Directors shall be published on the company's website on the same date on which the call to the meeting of the Shareholders Assembly at which the election of the Board of Directors is to be held is made public. The members of the Board of Directors shall be elected through the application of the electoral quotient system, based on the proposals submitted by the shareholders within the 10 calendar days following the calling for the Shareholders Assembly meeting in which the respective election will be made.

Quorum of the Board of Directors

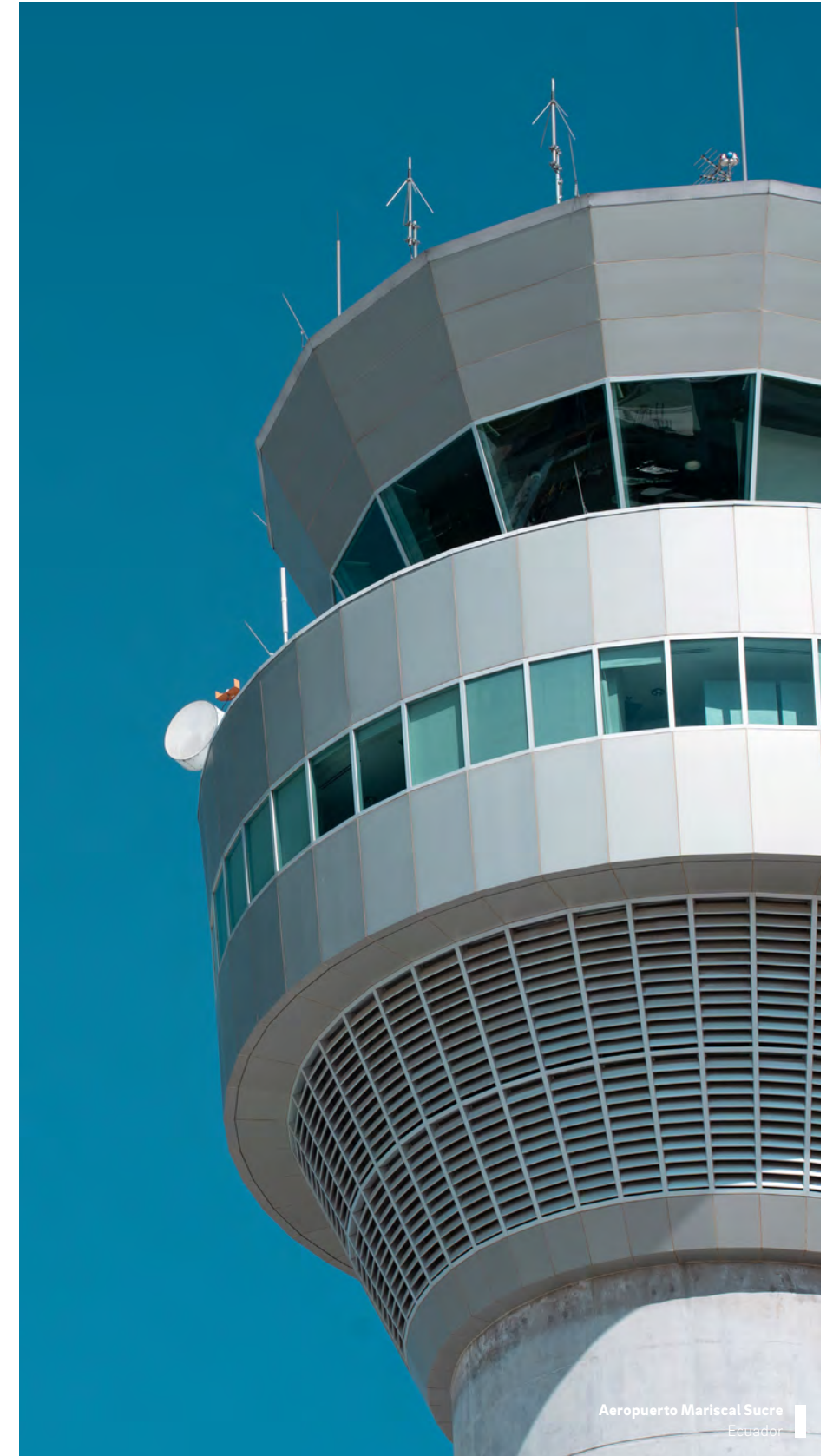
In accordance with the law, the Board of Directors shall validly deliberate with the presence of the majority of its members and this majority is the majority required to decide.

Chairman of the Board of Directors

The Chairman of the Board of Directors is Rosario Córdoba, who is in charge of, among others, the functions of: (i) facilitating the Board of Directors to efficiently set and implement the strategic direction of the company; (ii) coordinating and planning the operation of the Board of Directors by establishing an annual work plan; (iii) calling the meetings, directly or through the Secretary of the Board of Directors; (iv) chairing the meetings and managing the debates; and (v) monitoring the active participation of the members of the Board of Directors.

Secretary of the Board of Directors

The General Secretary of the company is Rafael Olivella, who is in charge of, among others, the following functions as Secretary of the Board of Directors: (i) deliver information to the members of the Board of Directors in due time and form; (ii) duly reflect in the minute books the development of the meetings; (iii) ensure that the actions of the Board of Directors are in accordance with the applicable regulations; (iv) provide legal advice to the Board of Directors; and (v) communicate the decisions of the Board of Directors to the different areas and officers of Grupo Argos.



Relations of the Board of Directors with the Statutory Auditor, financial analysts, investment banks and rating agencies during the year

In March 2024, the Shareholders Assembly elected KPMG S.A.S. as Statutory Auditor for the period from April 2024 to March 2025 with an annual allowance of \$234,104,000 plus VAT payable in four quarterly installments. During the year, the Statutory Auditor participated in the Audit, Finance and Risk Committee, where he presented the audit activities plan and its follow-up.

On the other hand, during the period we had the assistance of different investment banks and advisors specialized for the analysis, the evaluation and structuring of projects among which J.P. Morgan and Bain & Company stand out.

During 2024, the rating agencies BRC Ratings - S&P Global S.A. and Fitch Ratings published their technical document through the Relevant Information mechanism, in which the AAA rating of Grupo Argos was ratified with a stable outlook.

The opinions issued by these agencies can be consulted in the module of Relevant Information of the website of the Superintendencia Financiera de Colombia (www.superfinanciera.gov.co).

Management of the Board of Directors' Information

Throughout 2024, the company made available to the members of the Board of Directors the necessary information for the fulfillment of their functions through e-mail, as well as in the in-person meetings and continued to make use of the Board of Directors' website that allows storing and sharing all the necessary information for the proper operation of its meetings.



Central Térmica Merieléctrica
Santander


 Silodomo Planta Cementos Argos Cartagena
 Bolivar

Board of Directors and Senior Management Compensation Scheme

The compensation scheme for the Board of Directors established in the Policy for Appointment, Compensation and Succession of the Board of Directors, approved by the Shareholders Assembly, states that the members of the Board of Directors will receive for their services a compensation composed of the following elements: (i) a fixed fee per Board of Directors' meeting attended, whose value will be determined each year by the Shareholders Assembly; and (ii) a fixed fee per meeting attended of the Board of Directors' Committees, whose value will be determined each year by the Shareholders Assembly.

The compensation of the members of the Board of Directors consider the structure, duties, responsibilities and time dedicated to the Board of Directors and its Board of Directors' Committees.

For the period from April 2024 to March 2025, a fee per Board of Directors meeting attended of \$11,000,000 and a fee of \$11,000,000 per meeting attended of the Board of Directors' Committees was established.

On its part, the compensation of Senior Management is comprised of a fixed component and a short and long-term variable component, which are tied to the company's performance.

Evaluation processes of the Board of Directors, its Board of Directors' Committees and Senior Management

Board of Directors and its Board of Directors' Committees

The Board of Directors is evaluated annually, alternating the external evaluation with self-evaluation. This evaluation is carried out in accordance with the best corporate governance practices and allows the Board of Directors to monitor its operation and maintain its performance.

As of December 31, 2024, the self-evaluation process of the Board of Directors as a collegiate body, its Board of Directors' Committees, and the members individually considered was carried out.

[Click here to see the summary of the results of the Board of Directors and Board of Directors' Committees evaluations.](#)

Senior Management

The President is evaluated by the Board of Directors in accordance with the best corporate governance practices, which allows for follow-up and feedback.

The Board of Directors carried out the evaluation process of the President of the company as of December 31, 2024. The evaluation of the Vice-Presidents is carried out annually by the President.

Related Party Transactions and conflicts of interest

In accordance with the provisions of the Company's Bylaws, the Board of Directors is responsible for reviewing and authorizing transactions between related companies under the terms of the Policy on Transactions between Related Companies.

[Click here to learn more about this policy.](#)

Details of the most relevant transactions with related parties

The details of all the operations carried out between the companies of Grupo Empresarial Argos can be found in the Business Group Report prepared in development with Article 29 of Law 222/1995, which is part of the documentation made available to the shareholders in the right of inspection and is delivered during the Shareholders Assembly.

Handling of conflicts of interest of members of the Board of Directors and Senior Management

Grupo Argos' Code of Business Conduct establishes the parameters for the identification, disclosure and prevention of potential conflicts of interest. Upon identifying a conflict of interest or a situation that may eventually generate a conflict of interest, the company's administrators

and collaborators must make a timely and adequate disclosure, describe the situation in a complete and detailed manner, document the event and provide all relevant information for making the corresponding decision in accordance with the established procedures.

To disclose conflicts of interest, all company employees and members of the Board of Directors must annually fill out the Declaration of Potential Sources of Conflicts of Interest, through which they must report situations that might be relevant on this matter.

Conflicts of interest shall be resolved by strictly applying the following principles: when the interests of Grupo Argos and those of its shareholders, administrators or a third party related to the company are in conflict, the interests of Grupo Argos shall always be preferred; when the interests of the shareholders and those of its administrators or a third party related to the company are in conflict, the interests of the shareholders shall always be preferred.

Potential conflicts of interest and actions of the members of the Board of Directors

The situations that could represent a potential conflict of interest among the members of the Board of Directors and other administrators during 2024 were managed in accordance with the procedures established by law, as indicated on pages 8 and 9 of this Report.



Planta y Parque Solar Comayagua
Honduras

Internal Control and Risks



Internal Control System

Grupo Argos has an internal control system to ensure the adequate preparation, presentation and disclosure of financial information to its shareholders, the market and the general public. The internal control system is structured considering international methodological frameworks such as COSO and COBIT, local regulatory provisions and quality standards related to internal control and risk management practices. The fundamental purpose of this system is to unify the control culture in the business group and ensure the efficiency and effectiveness of all operations of the company.

For this purpose, there is a structure comprised of management, the Risk area, the Compliance area, the Internal Audit, the Statutory Auditor and the Audit, Finance and Risk Committee, who participate in the management of the internal control system in accordance with their roles and responsibilities, pursuant to the Company's Bylaws, the Code of Good Corporate Governance, policies and other company procedures.

Internal Audit prepares its work plan considering the risks and business processes and submits it to the Audit, Finance and Risk Committee for approval and follow-up during the year.

During 2024, management, the Risk area, Internal Audit, and the Statutory Auditor evaluated the design and effectiveness of the internal control system. These analyses were presented to the Audit, Finance and Risk Committee, and it was concluded that it is functioning adequately.

For further information about corporate governance of Grupo Argos visit the website www.grupoargos.com. In addition, you may contact Adriana Bravo, Corporate Legal Affairs Manager at the email abravo@grupoargos.com.

Risk Policy

Grupo Argos has a Comprehensive Risk Management System (SGIR) that incorporates the analysis of the performance of the company and its businesses, to manage strategic and operational risks.

The company has a model focused on the quantification and analysis of risks, which allows prioritizing and managing them. For this purpose, different simulation methodologies, scenarios and sensitivity analysis are used to monitor risk management, which is discussed in the corresponding corporate governance bodies.

The Risk Policy applies transversally to the entire business group and is complemented by a series of manuals and guidelines that frame the strategy, projects and processes, within the best standards of corporate governance and sustainability.



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