

COMPENSATION GUIDELINES



GRUPO ARGOS

Investments that transform

At Grupo Empresarial Argos, we understand compensation as a tool to achieve the business strategy and a differentiating element that consolidates us as an organization that values its Human Talent.

OUR PHILOSOPHY

Our compensation philosophy is made up of the following nine principles, which establish the framework of compensation programs:

Alignment with business strategy and shareholder interest

- Alignment with the financial results expected by the shareholders focused on: efficiency, profitability, and sustainability.
- This link is reflected in the short and long-term variable compensation, guaranteeing the attraction and retention of talent.

Talent mobility

- Fairness and competitiveness in compensation that facilitate mobility processes between companies and geographies of the Business Group.
- Unique structure and methodology of job degrees, which guarantees cross-sectional consistency.
- Competitive mobility and transfer policy, which facilitates and stimulates national and international mobility.

High performance culture

- Sustainable organizational and individual performance, in line with strategy and culture.
- Compensation aligned with talent management programs: career, performance, development opportunities, and recognition.

Diversity

- Compensation with elements to leverage the diversity and inclusion policy promoting the principle of equal opportunities at work.
- We strive for fair and transparent treatment of all our compensation programs.

Employer Brand

- Compensation as a differentiating element that consolidates us as an organization that values its human talent.
- Innovative and competitive compensation schemes that retain and attract the talent required in business.
- Permanent referencing with the market and monitoring of employee satisfaction to ensure the efficiency of the programs..

Credibility and trust

- Simple, understandable, and easy to manage compensation schemes.
- Discipline in the administration of policies to ensure alignment with philosophy.

Government

- Global compensation policy aligned with the corporate governance model of the Business Group.
- Governance system and alignment, communication, and control mechanisms to ensure consistency and compliance.

Global consistency

- Global philosophy for all businesses and countries.
- A common core of total compensation programs in all geographies and businesses is exhibility to meet specic business competitiveness needs.

Innovation

- Innovative, novel, and competitive programs.

OUR OBJECTIVES

These guidelines apply to all employees and those responsible for the compensation processes in all companies of Grupo Empresarial Argos and have the following objectives:

- Establish a clear framework of action for the management of compensation.
- Ensure the alignment of compensation with the business objectives, the expected culture, and the attributes of the Grupo Argos employer brand.
- Ensure levels of excellence and quality in compensation management.
- Guide and facilitate decision-making related to compensation.