

**ETHICS**

	ARGOS	GCCA	GRI	SASB	DJSI	2019	2020	2021	2022
<b>Environmental, social and human rights complaints received</b>									
<b>Communities</b>									
Impacts on water (#)						0	5	1	1
Impacts on air (#)						31	24	10	5
Noise impacts (#)						10	6	1	3
Impacts on fauna, flora, landscape and soil (#)						2	2	3	1
Vibration impacts (#)						2	0	2	1
Odor impacts (#)						9	13	2	0
Passage limitation impacts (#)						1	0	1	4
Impacts on public and private property (#)						29	17	33	25
Economic impacts (#)	A-ETH1					0	0	0	2
Non-compliance with road regulations (#)						15	9	8	9
Unfulfilled commitments with the community (#)						9	6	3	1
Open cases from previous year up to January 1st of next year (#)						52	2	3	0
Total cases received (#)						59	43	64	52
Total cases managed (#)						160	84	67	52
Cases closed with legal or administrative actions (#)						6	0	0	0
Cases closed with corrective actions (#)						101	68	46	39
Total cases closed (#)						158	81	65	50
<b>Labor relations</b>									
Discrimination or harassment (Disrespect) (#)						20	6	14	13
Bad working climate (#)						6	4	8	6
Breach of labor obligations (#)						12	4	6	6
Breach of duties (#)						5	2	3	0
Retaliation (#)						0	2	0	0
Human rights breaches (#)						1	1	5	1
Undue sexual treatment (#)						2	1	0	1
Labor management disagreement (#)	A-ETH1					9	12	6	6
Other labor cases (#)						4	11	8	6
Open cases from previous year up to January 1st of next year (#)						9	20	8	10
Total cases received (#)						108	82	50	39
Total cases managed (#)						68	63	58	49
Cases closed with legal or administrative actions (#)						5	3	12	7
Cases closed with corrective actions (#)						8	19	10	3
Total cases closed (#)						51	55	38	11
<b>Conduct</b>									
Undue management of conflicts of interest (#)						7	6	4	7
Contract and purchase failures (#)						16	19	7	6
Embezzlement of asset (#)						16	18	21	8
Bribes (in company processes) (#)						16	13	12	17
Money laundering or insider trading (#)						-	-	-	2
Reports, records of fraudulent documents (#)						9	4	3	2
Identity fraud (#)						8	5	15	4
Improper use of benefits (#)						5	3	4	0
Competition (#)						1	2	1	0
Public corruption (#)	A-ETH1					0	0	1	0
Customer privacy data (#)						-	-	-	0
Other frauds (#)						0	3	31	8
Open cases from previous year up to January 1st of next year (#)						23	31	30	11
Total cases received (#)						78	73	99	52
Total cases managed (#)						101	104	129	63
Cases closed with legal or administrative actions (#)						9	8	8	0
Cases closed with corrective actions (#)						20	31	32	11
Total cases closed (#)						69	75	69	24

	ARGOS	GCCA	GRI	SASB	DJSI	2019	2020	2021	2022
<b>Number of corruption prosecutions or investigations - FCPA violations</b>									
Number of corruption prosecutions or investigations - FCPA violations (#)	A-ETH3					-	-	-	-
<b>Monetary losses as a result of legal proceedings</b>									
Total amount of monetary losses as a result of legal proceedings associated with cartel activities, price fixing, and anti-trust activities associated with cartel				EM-CM-520a.1		0	0	75.034.789.968*	0

**2021 case: United States v. Argos USA LLC**

\* This criminal case filed in January 2021 charges the company with participating in a conspiracy to fix prices, rig bids and allocate markets for sales of ready-mix concrete in Savannah, Georgia. In January 2021, the company entered into a Deferred Prosecution Agreement with the United States Department of Justice, Antitrust Division resolving the charge against the company, under which the company agreed to pay a \$20 million criminal penalty, admitted to participating in the charged conspiracy and agreed to fully cooperate with the Antitrust Division's ongoing criminal investigation and prosecution of others involved in the Savannah, Georgia ready mix concrete market. The Deferred Prosecution Agreement contains certain compliance obligations for a period of three years and, if the company complies with those obligations, the charges against the company will be dismissed at the end of the three-year period. The company fully intends to comply with all of its compliance obligations.

<b>Level - Total coverage of potential sources of conflict of interest statements</b>									
Directive committee (%)						100	100	100	100
High management (%)						100	100	96	99
Middle management (%)			2-15			100	99	96	99
Specialists (%)						95	98	92	92
Technical / Operatives (%)						41	25	62	58
Total Argos (%)						56	47	71	69
<b>Number and percentage of operations assessed in terms of corruption and fraud related risks</b>									
Total number of operations (#)						14	14	14	14
Number of operations assessed in terms of corruption risks (#)			205-1			12	12	12	12
Percentage of operations assessed (%)						86	86	86	85,714286**

**SIGNIFICANT CORRUPTION AND FRAUD RISKS IDENTIFIED IN THE REPORTING PERIOD:**

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- Request or receipt of gifts to obtain undue benefits.
- Embezzlement or misappropriation of company assets.
- Improper management of conflicts of interest.
- Irregularities in supplier purchasing or contracting processes.
- Identity fraud - falsification

<b>Training and communication on the organization's policies and procedures to fight against fraud, corruption</b>									
Presidents and Vice Presidents (#)						7	7	7	9
Employees (#)						5.134	4.400	5.375	5.206
Suppliers (#)			205-2			3.058	2.435	3.535	2.668
Communities (#)						-	-	-	-
Total Argos (#)						8.199	6.842	8.917	7.883

<b>Level - Total annual conduct training coverage</b>									
Directive committee (%)						100	100	100	100
High management (%)						100	100	99	99
Middle management (%)						100	99	98	99
Specialist (%)						96	99	94	94
Technical / Operatives (%)						50	40	63	60
Total Argos (%)						64	58	72	70

<b>Members of the highest governance body that have been informed and trained on issues related to corruption, fraud, asset laundering and financing terrorism</b>									
Total number of Board Members						7	7	7	7
Number of members of the highest governance body that have been informed and trained			205-2			7	7	7	7
Percentage of members of the highest governance body that have been informed and trained						100	100	100	100

	ARGOS	GCCA	GRI	SASB	DJSI	2019	2020	2021	2022
<b>Confirmed incidents of corruption</b>									
Number of confirmed incidents of corruption (#)			205-3		1.4.6	10	11	8	5
<b>Incidents</b>					<b>Actions taken</b>				
Case associated with money laundering and terrorist financing for the alleged load of drugs in the cabin of a contractor's vehicle. financing for the alleged load of drugs in the cabin of a contractor's vehicle.					The driver was suspended and reported on risk lists. Likewise, the respective protocols were required to the contractor. contractual relations with the reported supplier				
A supplier is denounced for allegedly having family members					The report is made to the UIAF and gradually, the provider is				
An alleged embezzlement was reported in a plant warehouse logistic and transport process					A disciplinary process was initiated for those involved that led to their withdrawal and suspension.				
Case related to the embezzlement and misappropriation of assets through a payroll fraud scheme by a contractor and some employees.					The reported contractor was removed from the company's services and the employment relationship was terminated by mutual agreement with the employees listed in the report.				
An employee is reported for the registration of fraudulent documents by allegedly requesting the signing of unrealized transport tax receipts.					The contractual relationship with the employee involved was terminated.				
<b>Number of legal actions pending or completed during the reporting period in which the organizations has been identified as a participant</b>									
Legal actions for anti competitive behavior, anti-trust & monopoly practices			206-1			3	3	4	4

**Legal action 1:** Pro Slab Inc. et al. v. Argos USA LLC et al: This class action lawsuit filed in November 2017 on behalf of ready mix concrete customers alleges that the company and other defendants engaged in price fixing, bid rigging and market allocation in Savannah, Georgia and Charleston, South Carolina. Discovery in the case is currently stayed pending the disposition of a criminal case against others involved in the Savannah, Georgia ready mix concrete market.

**Legal action 2:** Southeast Ready Mix, LLC et al. v. Argos North America Corp., et al: This lawsuit filed in July 2017 by a competitor alleges that the company and other defendants engaged in a conspiracy to exclude the plaintiffs from competing in the ready mix concrete market and to fix the prices of cement in Savannah, Georgia. This case has been administratively closed pending the disposition of a criminal case against others involved in the Savannah, Georgia ready mix concrete market.

**Legal action 3:** United States v. Argos USA LLC: This criminal case filed in January 2021 charges the company with participating in a conspiracy to fix prices, rig bids and allocate markets for sales of ready mix concrete in Savannah, Georgia. In January 2021, the company entered into a Deferred Prosecution Agreement with the United States Department of Justice, Antitrust Division resolving the charge against the company, under which the company agreed to pay a \$20 million criminal penalty, admitted to participating in the charged conspiracy and agreed to fully cooperate with the Antitrust Division's ongoing criminal investigation and prosecution of others involved in the Savannah, Georgia ready mix concrete market. The Deferred Prosecution Agreement contains certain compliance obligations for a period of three years and, if the company complies with those obligations, the charges against the company will be dismissed at the end of the three year period. The company fully intends to comply with all of its compliance obligations.

**Legal action 4:** United States ex rel. Christopher Young v. Lafarge Corp. et al: This lawsuit filed in August 2020 under the False Claims Act and unsealed by the court in March 2022 alleges that the company and other defendants engaged in price fixing, market allocation and bid rigging in connection with the sale of ready mix concrete for publicly-funded projects in the states of Georgia and South Carolina. The company has filed a motion to dismiss, which is currently pending.

<b>Non-compliance with environmental and social regulations</b>									
Cases brought through dispute resolution mechanisms (#)						0	0	0	0
Total monetary value of significant fines (COP)			307-1			0	0	0	0
Total number of non-monetary sanctions (#)						0	0	0	0
<b>Political contributions and other expenditures</b>									
Lobbying, interest representation or similar (COP)						7.349.862	0	0	0
Local, regional or national political campaigns / organizations / candidates (COP)						98.496.300	27.016.405	37.472.400	61.378.645
Trade associations or tax-exempt groups (e.g. think tanks) (COP)						8.356.847.026	9.826.548.582	15.767.170.373	15.185.172.436
Other (e.g. spending related to ballot measures or referendums) (COP)			415-1			0	0	0	0
Data coverage (as % income) (COP)						100	100	100	100
Total contributions and other spending (COP)						8.462.693.188	9.853.564.987	15.804.642.773	15.246.551.081

Largest expenditures in the reporting period		A-ETH2	
Issues and topics			
Issue or topic	Corporate position	Description of positions / Engagement	Total spend in FY 2022 (COP)

Associations and unions that promote the sector	Support	All the associations share the mission for growing the market share and markets for cement-based products through effective promotion and advocacy programs. They also seek to promote sustainable construction practices that supports global economic, social and environmental development priorities to deliver a sustainable future for the built environment.	15.246.551.081
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Support to regional political organizations	Support	Support the program of regional political organizations. For the company is critical to take into account its alignment with the company's strategy that seeks to create value making possible the construction of housing and infrastructure dreams that enable a more sustainable, thriving and inclusive society.	61.378.645
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Other large expenditures A-ETH2			
Name of organization, candidate or topic	Type of organization		Total amount paid in FY (COP)

National ready- mixed concrete association			\$ 1.531.927.357
Southeast cement promotion association	Trade association		\$ 3.342.524.894
Portland cement association			\$ 4.502.986.092