

2025 CORPORATE GOVERNANCE REPORT

ARGOS



CORPORATE GOVERNANCE



Uziel Moffat, Planning Manager at the French Guiana plant, contributes with commitment and discipline to an efficient and sustainable operation. His work is key to delivering value and building trust in every ton produced."

CORPORATE GOVERNANCE

Throughout 2025, Argos continued the process of building value-based relationships with its stakeholders, grounded in transparency and mutual trust. As part of this process, the company has remained committed to the constant updating of good corporate governance practices, allowing it to continue adopting national and international excellence standards that guarantee responsible and ethical management.

The company's governance scheme is based on a solid, clear, ethical, and structured framework of action to ensure integrity and responsible management. This framework guides strategic and operational decision-making and contributes to strengthening the company's capacity to achieve corporate objectives, appropriately manage risks and opportunities, and generate sustainable value for its shareholders, employees, and other stakeholders.



↑ "Comprometidos" (Committed) Program – Compliance Department

Our corporate governance framework



The self-regulation framework for the various bodies and groups of people that make up the company's corporate governance scheme is composed of the following instruments, which are available for consultation on the corporate website:

- Corporate Bylaws.
- Code of Good Governance.
- Code of Business Conduct.
- Board of Directors Appointment, Compensation and Succession Policy
- Policy on Transactions between Affiliated Companies.
- Policy on Relationship between Companies Related to Grupo Empresarial Argos.

These documents are available in the **Investors » Good Practices** section.



↑ Training for Board of Directors Members

RELEVANT FACTS 2025

Commitment to Shareholder Value Creation

Throughout 2025, a series of initiatives were implemented that have contributed to the company's transformation process and to the creation of value for its stakeholders.

CORPORATE GOVERNANCE AWARDS AND RECOGNITION

In the 2025 edition of the S&P Global Corporate Sustainability Assessment, Argos achieved a score of 86 out of 100, placing us among the top positions within the construction materials industry included in this assessment.

Furthermore, for the thirteenth consecutive year and with a score of 84.4 out of 100, the company received the IR Recognition from the Colombian Securities Exchange (Bolsa de Valores de Colombia), which acknowledges the highest standards in information disclosure and investor relations among securities issuers in Colombia.

TRAINING AND EXTERNAL ADVISORY SERVICES PROVIDED TO BOARD MEMBERS

In June, the directors received training in Artificial Intelligence and advanced analytics, covering the different types of AI within both historical and current contexts, their present applications, and emerging trends.

Furthermore, future scenarios were analyzed to strengthen strategic decision-making, highlighting the relevance of process automation and service personalization as pillars of innovation. Special emphasis was also placed on the role of transformational leadership, which is essential for guiding the organization in this new AI-driven era.

This training session underscored the Board of Directors' strategic role in the ethical and responsible adoption of AI, encompassing risk oversight, the definition of data governance policies, the promotion of a culture of innovation, and the alignment of AI use with corporate objectives.

PARTIAL SPIN-OFF BY ABSORPTION INVOLVING CEMENTOS ARGOS S.A., GRUPO ARGOS S.A., AND GRUPO SURA S.A.

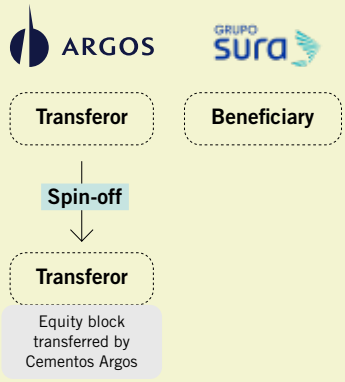
As part of the SPRINT 3.0 Program, and considering that the Grupo Sura portfolio shares were not being reflected in the company's market value, and further aiming to focus operations on the construction materials industry, on January 29, 2025, the Board of Directors requested the President to convene an extraordinary Shareholders' Meeting to submit for approval a project for a partial spin-off by absorption involving Cementos Argos S.A., Grupo Argos S.A. ("Grupo Argos"), and Grupo de Inversiones Suramericana S.A. ("Grupo Sura") and its annexes (the "Spin-off Project"). This project regulated three spin-offs by absorption which, once the corresponding authorizations were obtained, were implemented as follows:

1 **First,** the spin-off of Cementos Argos in favor of Grupo Sura:

CEMENTOS ARGOS SPIN-OFF

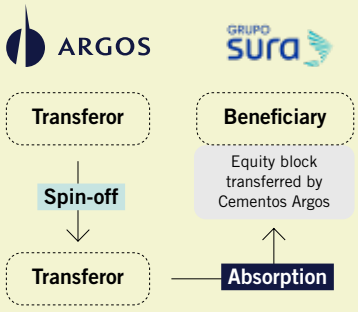
Spin-off

Cementos Argos spins off an equity block in favor of Grupo Sura (equity block transferred by Cementos Argos)



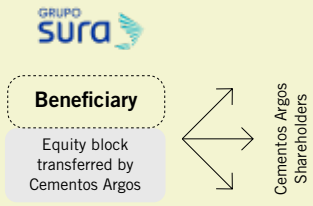
Absorption

Grupo Sura absorbs/receives the equity block transferred by Cementos Argos



Issuance

Grupo Sura issues shares to Cementos Argos' shareholders (Grupo Sura shares issued in the Cementos Argos spin-off)



Outcome:

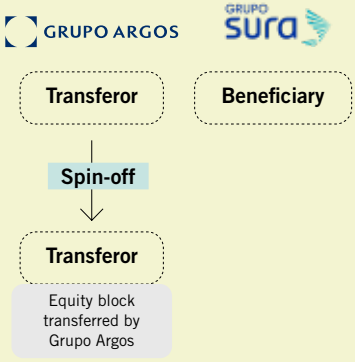
- Cementos Argos shareholders retain their existing Cementos Argos shares, plus shares of the same class received from Grupo Sura.
- Grupo Sura cancels its own shares received from Cementos.

2 **Subsequently,** and substantially simultaneously, the spin-off of Grupo Argos in favor of Grupo Sura and the spin-off of Grupo Sura in favor of Grupo Argos:

GRUPO ARGOS SPIN-OFF

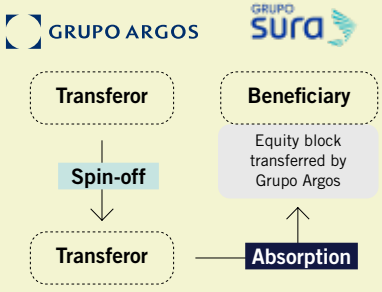
Spin-off

Grupo Argos spins off an equity block in favor of Grupo Sura (equity block transferred by Grupo Argos).



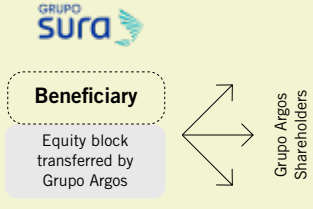
Absorption

Grupo Sura absorbs/receives the equity block transferred by Grupo Argos.



Issuance

Grupo Sura issues shares to Grupo Argos' shareholders (Grupo Sura shares issued in the Grupo Argos spin-off).

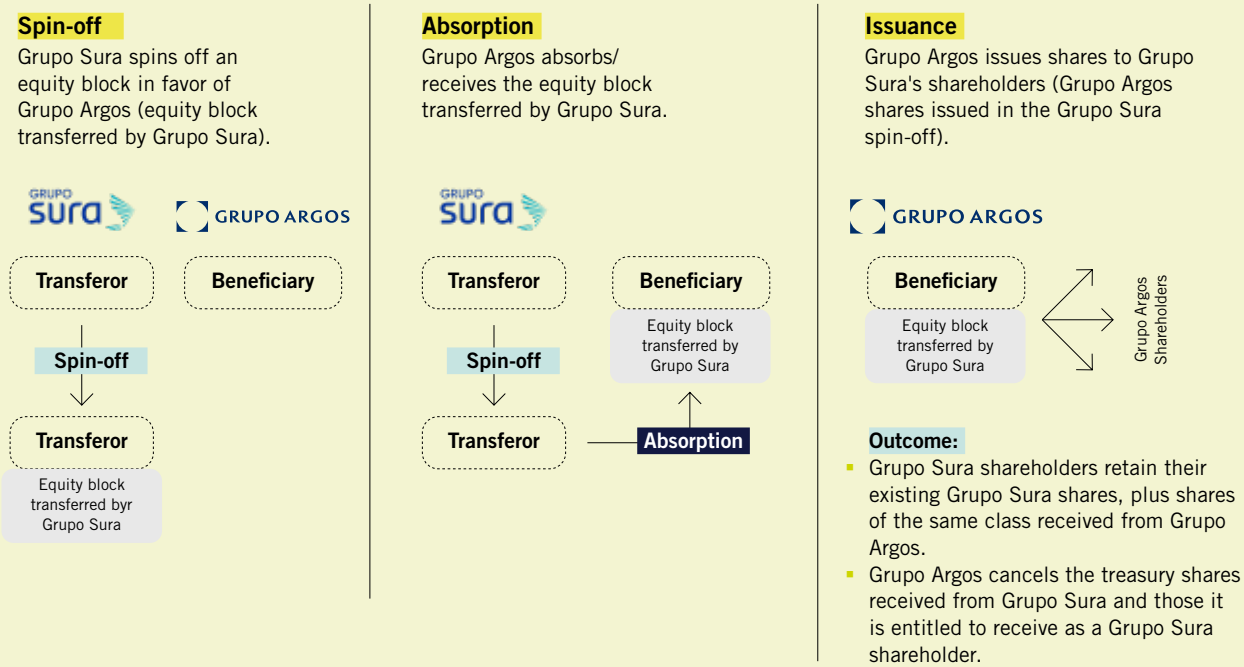


Outcome:

- Grupo Argos shareholders retain their existing Grupo Argos shares, plus shares of the same class received from Grupo Sura.
- Grupo Sura cancels the treasury shares received from Grupo Argos and those it is entitled to receive as a Grupo Argos shareholder.

[1] This meeting was convened on January 31, 2025, and was held on March 25 of the same year, as detailed further below.

GRUPO SURA SPIN-OFF



The partial spin-off by absorption of the 28,394,490 common shares held by the company in Grupo Sura (24,300,000 of which were held in an autonomous patrimony with instructions not to exercise voting rights), was an initiative part of the SPRINT 3.0 program. It was structured under criteria of equitable treatment, efficiency, and transparency, with the objectives of unlocking the value of the portfolio that Cementos Argos held in Grupo Sura—allowing it to be captured directly by its shareholders—and, in turn, enabling the company to continue strengthening its strategic focus on the construction materials industry.

To materialize the spin-off in favor of Grupo Sura, the necessary procedures were undertaken to obtain the legally required authorizations:

- **On March 21, 2025,** the Joint General Meeting of Ordinary Bondholders of the company's outstanding issuances at that time, with the favorable vote of bondholders representing 89.59% of the outstanding balance of the loan programs as of that date—which amounted to COP 1,988,566,000,000—and the totality of the Bondholders present at the meeting, approved the company's spin-off in favor of Grupo Sura. In casting their vote, bondholders considered, among other factors: the favorable opinion issued by Fitch Ratings Colombia and the reports issued by Alianza Fiduciaria S.A. and Fiduciaria Central S.A., in their capacity as legal representatives of the bondholders.
- **On March 25, 2025,** the company's Shareholders' Meeting, in its extraordinary session, unanimously approved the Spin-off Project and its annexes. Likewise, the Shareholders' Meetings of Grupo Argos and Grupo Sura granted the same approval in their meetings held on March 27 and 28, respectively.
- **On June 27, 2025,** the Superintendency of Finance of Colombia (SFC) authorized Cementos Argos, Grupo Argos, and Grupo Sura to formalize the statutory amendments for the partial spin-offs by absorption contemplated in the Spin-off Project.

[2] These issuances were made under: (i) the Program for the Issuance and Placement of Ordinary Bonds and Commercial Paper in the main market, authorized by the Superintendency of Finance of Colombia through Resolution 0422 of March 23, 2012; and (ii) the Program for the Issuance and Placement of Ordinary Bonds, Specific-Purpose Bonds, Sustainability-Linked Bonds, and Commercial Paper in the main market, authorized by the Superintendency of Finance through Official Letter 2018060697-003 of May 9, 2018.

- **On July 10, 2025,** the public deed formalizing the spin-off of Cementos Argos in favor of Grupo Sura was filed with the mercantile registry. This milestone materialized the partial spin-off by absorption, through which the company spun off its portfolio of shares in Grupo Sura to said entity; Grupo Sura, in turn, absorbed the spun-off portfolio and canceled the shares comprising it, subsequently issuing an identical number of new shares to Cementos Argos' shareholders.

In accordance with the provisions of the Spin-off Project, the distribution ratio was calculated by dividing the number of Grupo Sura shares spun off by Cementos Argos by the number of the company's outstanding shares as of the Cementos Cut-off Date (July 8, 2025). Consequently, the final distribution ratio applied was 0.022005198744807 of Grupo Sura for each share held by shareholders in Cementos Argos.

Additionally, Cementos Argos shareholders who received Grupo Sura shares also received the dividends distributed by Grupo Sura on July 15, amounting to COP 375 per share.

Finally, on July 26, 2025, the remaining two spin-offs stipulated in the Spin-off Project were implemented. This allowed Cementos Argos shareholders who received and retained Grupo Sura shares to receive Grupo Argos shares as a result of the Grupo Sura spin-off in favor of Grupo Argos.

Under the SPRINT 3.0 program, through the Cementos Argos spin-off, the company concentrated its investments exclusively in the construction materials industry. This reaffirms its commitment to creating value for its shareholders, with the conviction to continue pursuing initiatives that allow for the full closure of the gap between the company's current share price and its fundamental value.

All information regarding the Spin-off Project was public and widely disclosed by the company, and shareholders had permanent access to all relevant information concerning the transaction.

SHAREHOLDERS' MEETINGS

In 2025, three meetings of the company's highest governing body were held, during which relevant decisions regarding corporate governance were made.

First meeting: Annual General Meeting



1,139,019,214
registered common shares

Quorum: **87.58%**

On March 25, the Annual General Shareholders' Meeting was held in person at the company's registered office. In addition to the required regulatory approvals, the following decisions were made:

Approval of Dividend Distribution
The approval of a COP 1 trillion distribution, of which COP 500 billion corresponded to a base dividend and COP 500 billion to an extraordinary dividend, for the period between April 1 and December 31, 2024.

Election of the Board of Directors and Statutory Auditor
Ratification of the Board of Directors, comprised of the non-independent members: Jorge Mario Velásquez, Alejandro Piedrahita, and Rafael Olivella; and the independent members: Carlos Gustavo Arrieta, Cecilia Rodríguez, Carolina Soto, and León Teicher. Likewise, KPMG was ratified as the statutory auditor.

Second meeting: Extraordinary Meeting



1,139,212,966
registered common shares

Quorum: **87.59%**

Following the Annual General Shareholders' Meeting, an Extraordinary Shareholders' Meeting was held in person at the company's registered office on March 25. During this meeting, the attendees unanimously approved the Spin-off Project, which was previously described in detail.

Third meeting: Extraordinary Meeting



1,071,278,829
registered common shares

Quorum: **83.26%**

The company received a request from Grupo Argos S.A. and another shareholder to convene an extraordinary Shareholders' Meeting for the purpose of distributing USD 230 million, resulting from the divestment of operations in the United States, through a share buyback mechanism addressed to all the company's shareholders. From that day, the meeting request was made available to shareholders, along with its annexes: (i) the proposed agenda, and (ii) the proposal to be considered by the Meeting.

In response to the request received, the company convened an extraordinary Shareholders' Meeting, which was held on September 30 of the same year and approved the aforementioned distribution of funds.

As a consequence, on October 4, the company launched a tender offer for USD 230 million (equivalent to COP 896.5 billion) to repurchase common shares and non-voting preferred shares (ADP) at a price of COP 13,659 per share. This price corresponded to the midpoint of the estimated range for the company's operating business, according to the valuation report prepared by the independent third party Inverlink S.A.S. in January 2025, which was also used for the Spin-off Project.

On November 14, 2025, the repurchase of 65,630,995 common and preferred (ADP) shares was successfully completed.

The allocation process was carried out in rounds. In the first round, each shareholder who had submitted acceptances received up to the number of shares corresponding to their stake in the company's capital based on outstanding shares. From the second round onwards, the remaining shares were allocated on a "one-to-one" basis, delivering one share to each shareholder with pending acceptances until the maximum offer amount was exhausted.

This share buyback represents the largest amount repurchased in a single operation for both Argos shareholders and the Colombian capital market in general. It demonstrates the company's firm conviction in its share fundamentals, as well as its commitment to delivering tangible value to shareholders.

During 2025, a total of COP 161 billion was executed in share repurchases under the SPRINT program, which served as a fundamental mechanism to deliver value to shareholders and support share liquidity. In total, from September 2023—when the share buyback initiative began—until December 31, 2025, COP 500 billion has been executed in company share repurchases. Currently, there is an active share buyback program totaling COP 500 billion, of which 74% has been executed.

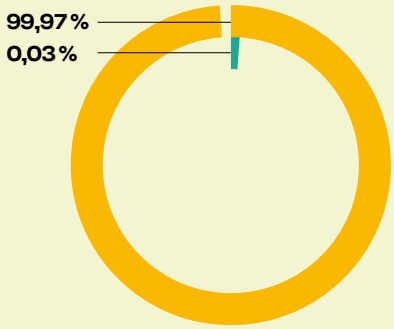
For more information on this program, please see the Economic Value Generation chapter.

OWNERSHIP STRUCTURE

Argos' authorized, subscribed and paid-in capital at the end of 2025

Authorized Capital	**$624,000,000,000** Represented by 1,500,000,000 shares, with a par value of $416 each.
Subscribed and Paid-in Capital	**$587,369,527,264** Represented by 1,411,945,979 shares, with a par value of $416 each.

Share Classes



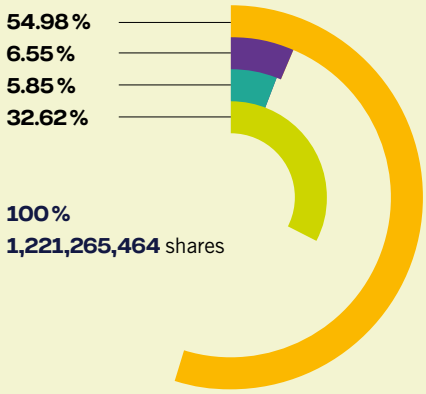
Outstanding common shares: 1,220,886,345
21,601 shareholders

Outstanding preferred shares: 379,119
5,785 shareholders

Treasury shares: 190,680,515

Major Shareholders

Holders of the company's common shares as of December 31, 2025:



- **54.98 %** | Grupo Argos S. A.
  671,439,556 shares
- **6.55 %** | 'Porvenir Moderado' Mandatory Pension Fund
  80,013,006 shares
- **5.85 %** | 'Protección Moderado' Mandatory Pension Fund
  71,443,615 shares
- **32.62 %** | Other shareholders
  398,369,287 shares

Shares owned by Directors and Officers

In 2025, no member of executive management or legal representative conducted any transactions involving the company's shares.

The following members of the Board of Directors are holders of the company's common shares:

León Teicher

38,389 shares | 0.0031 %

Carlos Gustavo Arrieta

8,651 shares | 0.0007 %

Cecilia Rodríguez

7,860 shares | 0.0006 %

The guidelines for trading Argos shares by directors, officers, and employees are regulated by the Corporate Governance Code.
Access it here.

SHAREHOLDERS' MEETING

It is the company's highest governing body and is composed of all holders of its common shares. In the three meetings of this body previously referred to in the chapter on material corporate governance events in 2025, the guarantees and rights of shareholders—which are set forth in the law, the bylaws, and the company's other corporate governance instruments—were preserved. Some of the main shareholder rights are:

- Receive fair and equitable treatment.
- Access comprehensive and timely material information.
- Participate in decisions within their purview.
- Evaluate the company's management and submit proposals for its improved performance.

Access shareholder rights here.



↑ 2025 Shareholders' Meeting

Information regarding dividends approved by the Shareholders' Meeting can be **accessed here.**

OPERATION UNDER THE LEGAL FRAMEWORK AND MEASURES ADOPTED DURING THE PERIOD TO ENCOURAGE SHAREHOLDER PARTICIPATION

Under the premise of providing our shareholders with fair and equitable treatment and in order to guarantee the exercise of their rights, in addition to complying with the applicable legal framework, in 2025 the company implemented a series of corporate governance practices adopted for the conduct of its Shareholders' Meetings:

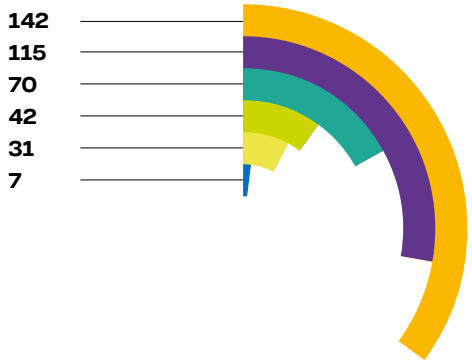
- The notice for ordinary meetings is issued at least 25 calendar days in advance.
- During the notice period, shareholders may consult the Meeting documents on the company's website and at its registered offices.
- The proposals to be submitted for shareholder consideration are published in advance.
- Items such as "miscellaneous," "other business," or similar entries that prevent prior knowledge of all topics to be discussed are not included in the notice.
- When the Meeting is intended to address a substantial change in the corporate purpose, a waiver of preemptive rights for common share subscriptions, a change of registered office, early dissolution, or the spin-off (segregation) of the company, these topics must be expressly stated in the notice, which must be issued at least 25 calendar days in advance.
- When a meeting includes the election of Board of Directors members, the information available to shareholders must contain the proposed list of candidates.

In 2025, we implemented the following measures to encourage shareholder participation in the Shareholders' Meetings:

- The notices for the ordinary and extraordinary Shareholders' Meetings were published in the newspaper of the registered office, as material information through the mechanism established by the SFC (Superintendency of Finance), and in the Shareholders' Meeting and Material Information sections of the corporate website.
- A proxy form was provided to shareholders who wished to be represented, which included the agenda items for the respective meeting.
- Information regarding the candidates for the Board of Directors was published for our shareholders' review.
- Conference calls were held for shareholders, analysts, and the general public to present the company's quarterly results..
- **In the case of the second extraordinary meeting, which was held remotely:**
  - In coordination with Deceval, the administrator of the company's shareholder ledger, a strategy was implemented to promote attendance through a pre-registration and confirmation mechanism prior to the meeting.
  - A participation guide was made available to shareholders, providing step-by-step instructions for pre-registration, access to the virtual room, and voting on the day of the respective meeting.

Additionally, we have various information mechanisms and service channels for our shareholders and stakeholders that seek to encourage their participation and the exercise of their rights:

- **Argos website** in English and Spanish, containing information of interest on the company's performance, structure, results, governance, and control (argos.co/ir).
- **4 quarterly earnings calls,** which effectively communicated the closing of the sale of Summit to Quikrete and, subsequently, the company's new strategy for returning to the U.S. market through the aggregates platform.
- **Integrated Report and periodic reports on Argos'** environmental, economic, and social management.
- **50 material information disclosures (relevant facts)** released to the market through the company websites and SFC.
- **Transparency Line,** operated by an independent third party for the anonymous reporting of actions contrary to our conduct guidelines and corporate governance.
- **Shareholders' Meetings** convened with sufficient notice to allow shareholders to exercise their rights and participate actively.
- **80 meetings with direct** assistance to analysts from brokerage firms, pension and investment funds, foreign investors, and other shareholders.
- **Direct communication with the Investor Relations** team via contact (601) 3139000-ir@argos.com.co, located at Carrera 43A # 1A Sur 143, North Tower, Medellín.
- Investor Service Center, managed by Deceval. In 2025, we handled **407 shareholder requests:**



Shareholders' Agreements

No shareholders' agreements are on file with the Company's General Secretariat.



↑ Board of Directors' Visit to the Dominican Republic

MANAGEMENT STRUCTURE

Board of Directors

Our Board of Directors is the governing body primarily responsible for decision-making regarding corporate strategic objectives and for monitoring all decisions made to achieve them, in the constant pursuit of the best interests of the company and its shareholders. Additionally, it is the body responsible for directing and supporting management in the conduct of business and the oversight of risks faced by the company.

- The Board of Directors is composed of seven (7) principal members, with no alternates, four (4) of whom meet the independence criteria set forth in Law 964 of 2005 and the Corporate Governance Code.
- The Board of Directors is elected annually by the Shareholders' Meeting.
- No Argos employee is a member of the Board of Directors.
- No member of the Board of Directors of our parent company, Grupo Argos S.A., is a member of the Argos Board of Directors or holds management positions within the company. Jorge Mario Velásquez, Rafael Olivella, and Alejandro Piedrahita, members of the Board of Directors of Cementos Argos, serve as President, Vice President of Legal Affairs, and Vice President of Corporate Strategy and Finance of Grupo Argos, respectively.
- To be elected and remain in office, directors must not be subject to any of the circumstances of incompatibility or disqualification established in the Corporate Governance Code.
- The selection criteria for the Board of Directors include personal qualities and knowledge relevant to the company's activities, framed within core skills in analytics, management, strategic business vision, risk management, diversity, and experience in sustainability, enabling the proper performance of their duties.
- The appointment of the Argos Board of Directors is regulated by the corporate bylaws, the Corporate Governance Code, and the Policy for the Appointment, Remuneration, and Succession of the Board of Directors.

These documents are available in the **Investors » Best Practices** section.

Argos' Board of Directors is composed of a diverse group of members who provide the personal, technical, and professional skills necessary to effectively guide the company's direction. Likewise, its current composition maintains a balanced alignment with the shareholding structure, ensuring proper representation and solid corporate governance.

The profiles of the Board members elected for the 2025–2026 period are presented below:

Directors' profiles can be **accessed here.**



	JORGE MARIO VELÁSQUEZ President, Grupo Argos S.A.	RAFAEL OLIVELLA Legal Affairs Vice President, Grupo Argos S.A.	ALEJANDRO PIEDRAHITA Corporate Strategy and Finance Vice President, Grupo Argos S.A.
APPOINTMENT	**Patrimonial** 2016	**Proprietary** 2020	**Proprietary** 2018
BOARD MEETING ATTENDANCE	17/17	15/17	16/17
BOARD MEMBERSHIPS IN OTHER COMPANIES *The information provided corresponds to board memberships in corporations (S.A.).*	Celsia S.A. Odinsa S.A. Grupo de Inversiones Suramericana S.A.	Celsia S.A. Odinsa S.A.	Odinsa S.A. Pactia S.A. Celsia S.A. Grupo de Inversiones Suramericana S.A.
COMMITTEE MEMBERSHIP		**Attendance:** 2/3 **Attendance:** 2/4	**Attendance:** 4/5 **Attendance:** 4/4
PROFESSIONAL BACKGROUND	▪ Strategy ▪ Corporate Finance ▪ Commercial Affairs ▪ Construction Materials Industry ▪ Infrastructure ▪ Crisis Management ▪ Sustainability ▪ Governance ▪ International Public Policy	▪ Strategy ▪ Risk Management ▪ Internal Control ▪ Construction Materials Industry ▪ Infrastructure ▪ Crisis Management ▪ Legal Affairs ▪ Sustainability ▪ Governance ▪ International Public Policy	▪ Strategy ▪ Risk Management ▪ Internal Control ▪ Corporate Finance ▪ Commercial Affairs ▪ Construction Materials Industry ▪ Infrastructure ▪ Crisis Management ▪ Governance ▪ International Public Policy

Absences were previously reported and justified by the members.

COMMITTEES

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



CECILIA RODRÍGUEZ

President of Corporación Bioparque

Independent
2012

17/17

Attendance: 4/4

Attendance: 3/3

- Construction Materials Industry
- Infrastructure
- Crisis Management
- Sustainability
- Governance
- International Public Policy



CARLOS GUSTAVO ARRIETA

Partner at Arrieta, Mantilla y Asociados

Independent
2012

16/17

AMYA Inversiones S.A.

Attendance: 5/5

Attendance: 4/4

- Risk Management
- Construction Materials Industry
- Infrastructure
- Crisis Management
- Legal Affairs
- Sustainability
- Governance
- International Public Policy



CAROLINA SOTO

Senior Associate at LLYC

Independent
2023

17/17

Enel Colombia S.A. E.S.P.
Grupo Bolívar S.A.

Attendance: 3/3

- Risk Management
- Strategy
- Corporate Finance
- Taxation
- Energy Sector
- Infrastructure
- Crisis Management
- Sustainability
- Governance
- International Public Policy



LEÓN TEICHER

Independent Consultant

Independent
2012

17/17

Seissa S.A.

Attendanc: 5/5

- Risk Management
- Internal Control
- Corporate Finance
- Commercial Affairs
- Construction Materials Industry
- Infrastructure
- Crisis Management
- Sustainability
- Governance
- International Public Policy

Functions of the Board of Directors

Our Board of Directors performs strategic definition functions, directing and supporting senior management in the execution and monitoring of the strategic plan. It oversees key matters, including the monitoring of economic, environmental, and social risks and opportunities, and exercises control over ordinary business operations and governance. Furthermore, it is supported by specialized committees to which it may formally delegate specific functions.

The Board of Directors' Operating Regulations are contained in Chapter III of the Code of Good Governance, **available here.**

In 2025, the Board, making use of technological tools and internal legal and policy provisions, complied with the previously established meeting schedule. Likewise, it held extraordinary meetings, which were convened in accordance with the provisions set forth in the bylaws.

17

BOARD SESSIONS

(10 in-person and 7 virtual)

SUPPORT COMMITTEE SESSIONS

Audit, Finance, and Risk Committee:

Sustainability and Corporate Governance Committee:

Appointments and Compensation Committee:

During the reporting period, the only policy issued was the Internal Control Policy, which establishes the principles, responsibilities, and behaviors required to protect the company, act with integrity, comply with regulations, prevent risks, and ensure continuous improvement.

> This policy constitutes an organizational statement that **reinforces Argos' commitment to transparency, ethics, and excellence** in the comprehensive management of its processes.

Similarly, during 2025, a series of reviews and updates to the compliance program were carried out, which were duly analyzed and approved by the competent corporate bodies. This process was conducted through the following activities:

1. Periodic review of the Global Governance and Compliance Program Manual.
2. Update of the Money Laundering, Terrorist Financing, and Proliferation of Weapons of Mass Destruction Financing risk matrix to ensure regulatory alignment.
3. Update of the Competition Policy and the Competition Policy Application Guide: aimed at comprehensively strengthening the company's antitrust compliance framework, aligning it with best practices, FTI and audit recommendations, and the evolution of the organizational structure.

   In particular, the objective was to prevent conduct contrary to applicable regulations by expanding the scope of prohibited behaviors, clarifying and reinforcing the responsibilities across different levels of corporate governance and management, improving policy disclosure and awareness mechanisms, and strengthening rules regarding relationships with competitors, trade groups, and associations. Additionally, these adjustments established clearer guidelines for handling commercial information and ensured the policy accurately reflects the company's current responsibilities.

4 Update of the Supplier Code of Conduct: to ensure coherence and consistency with the Business Code of Conduct updates regarding gifts and hospitality, and to reinforce integrity standards by explicitly identifying and prohibiting fraudulent conduct.



↑ Board of Directors of Cementos Argos

Furthermore, the Company's Board of Directors—following a favorable opinion from the Sustainability and Corporate Governance Committee and in consideration of the recommendations from the Grupo Argos Board of Directors—approved the proposed amendment to the Business Code of Conduct. This amendment introduced guidelines regarding: conflicts of interest, external activities, the participation of senior management members on boards of directors, and the gifts and hospitality policy.

Chairman of the Board of Directors

The Chairman of the Board of Directors, Jorge Mario Velásquez, is responsible for, among others, the following duties: (i) ensuring that the Board of Directors effectively establishes and implements the company's strategic direction; (ii) organizing and planning the Board's work by defining an annual activity plan; (iii) convening meetings, either directly or through the Secretary of the Board; (iv) presiding over sessions and leading discussions; and (v) overseeing the active participation of the Board members.

Secretary of the Board of Directors

The General Counsel and Secretary of the Company, María Isabel Echeverri, is responsible for, among others, the following duties: (i) ensuring the timely and appropriate delivery of information to the directors; (ii) accurately recording the proceedings of each session in the minute books; (iii) ensuring that the Board of Directors' actions comply with current regulations; (iv) providing legal advice to the Board of Directors; and (v) communicating the Board's decisions to the various departments and officers of Argos.

President of the Company

In December 2025, the Board of Directors of Grupo Argos announced that, in compliance with the Code of Good Governance and following a rigorous and structured succession process led by its Board and supported by the international firm Egon Zehnder, it decided to appoint Juan Esteban Calle, President of the company, as the successor to Jorge Mario Velásquez for the Presidency of Grupo Argos, effective April 1, 2026.

As a result of this decision, the Company's Board of Directors has initiated the succession process and will inform the market regarding Juan Esteban Calle's replacement for the company's presidency once the decision has been made.

Board of Directors' Relations with the Statutory Auditor, Financial Analysts, Investment Banks, and Rating Agencies

Throughout 2025, the Statutory Auditor's representative attended all sessions of the Company's Audit, Finance, and Risk Committee as a guest. Through this Committee, the Board of Directors was informed of the reports and progress regarding their work plan.

Through the report presented by the Sustainability and Corporate Governance Committee, the Board of Directors reviewed the Corporate Sustainability Assessment (CSA)—an evaluation conducted by the rating agency Standard & Poor's (S&P). In this assessment, the Company achieved a total score of 86 points, placing us in the top positions within the construction materials industry included in this measurement.

Furthermore, within the framework of the Spin-off Project, in January 2025:

- The Company, along with the other participating entities in this process, contracted Inverlink S.A.S. as a financial advisor for the valuation of each entity, in accordance with the provisions of Section 2.1.15, Chapter IV, Title I, Part III of the Basic Legal Circular (C.E. 029/14) issued by the Superintendency of Finance (SFC). The valuation report was included as an annex to the Spin-off Project.
- Fitch Ratings Colombia S.A. SCV, in its capacity as the rating agency for the Company and its outstanding bond issuances, issued an opinion indicating that, once the spin-off of Cementos Argos in favor of Grupo Sura is implemented, Cementos will maintain a favorable financial performance. In 2024, this performance led to a rating upgrade from AA to AA+, enabling the Company to continue meeting its financial obligations in a timely manner. Accordingly, Fitch Ratings Colombia S.A. SCV affirmed Cementos' ratings at 'AA+' for the long term and 'F1+' for the short term, driven by operational stability, a strengthened capital structure, and conservative leverage.

Remuneration Framework for the Board of Directors, Senior Management, and the Statutory Auditor

In compliance with the Board of Directors' Appointment, Remuneration, and Succession Policy, directors' fees are defined annually by the Shareholders' Meeting based on the structure, responsibilities, obligations, and time commitment required of the Board.

At the Meeting held on March 25, 2025, the Board of Directors' fees were established for the period between April 2025 and March 2026:

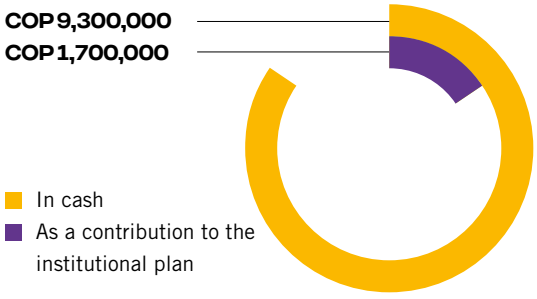
Members of the Board of Directors

COP 11,000,000 per month

Board of Directors Committees

COP 11,000,000 per month

To be paid as follows:



- In cash, COP 9,300,000 per month for the Board of Directors and COP 9,300,000 per month for Board Committees.
- Furthermore, COP 1,700,000 per month for the Board of Directors and COP 1,700,000 per month for Board of Directors Committees was paid as a contribution to an Institutional Plan managed by an independent third party, the purpose of which is to invest in Argos shares. The investment will have a minimum holding period of one year, and the contribution to the Plan will be made in a single payment for the corresponding annual amount.

Directors Alejandro Piedrahita and Rafael Olivella, being affiliated with Grupo Argos, did not receive fees for their participation in Board Committees, in accordance with the approval of the Shareholders' Meeting.



↑ French Guiana Operations

Board of Directors' Evaluation

In line with corporate governance best practices and in compliance with the Board of Directors' operating regulations set forth in the Code of Good Governance, internal and external evaluation mechanisms for the Board have been implemented in recent years.

In 2025, an external evaluation was conducted, for which management contracted Deloitte, considering their work planning scope, methodology, experience, and suitability. The objective of this evaluation was to monitor the performance and effectiveness of the Board of Directors and its supporting committees, as well as to gather information regarding each member's perception of the level of knowledge, working dynamics, and contributions of these bodies and their members.

The results of the exercise were positive, highlighting the ratings obtained in relation to the structure, composition, and operation of the Board, as well as the competencies of its members and the management, quality, and sufficiency of the information addressed in meetings, and the level of expertise of the presenters. Similarly, the Board's role regarding the company's strategy, annual objectives, and financial information was emphasized.

The results were analyzed by the Sustainability and Corporate Governance Committee, as well as by the Board of Directors, and will be incorporated into the administrative body's continuous improvement process.

Click here to view the results of the Board of Directors' 2025 external evaluation.

Board of Directors' Supporting Committees

The Board of Directors has three supporting committees to assist in its duties, composed exclusively of Board members. Their main activities during 2025 were:

Sustainability and Corporate Governance Committee

Meetings

It is responsible for recommending systems to the Board of Directors for the adoption, monitoring, and improvement of sustainability and corporate governance practices within the Company.

Key Highlights

- Board of Directors' 2025 action plan.
- Monitoring of Occupational Health and Safety (OHS) indicators and targets.
- Follow-up and update of the Climate Change Roadmap.
- Indicators and performance across environmental, social, corporate governance, and economic dimensions.
- Progress and results of the materiality update.
- Analysis of trends from the Global Cement and Concrete Association (GCCA).
- Socialization of sustainability results with rating agencies.
- Analysis of ESG trends, best practices, and international ESG regulations.
- Disclosure of sustainability achievements and strategic programs.
- Socialization of progress regarding the compliance program and updates to the Business Code of Conduct and the Supplier Code of Conduct.
- Socialization of progress regarding the Transparency Line.
- External performance evaluation process for the Board of Directors and its Committees.
- Discussion of other corporate affairs projects.

Appointments and Compensation Committee

Meetings

Its special duties include determining policies and standards for the recruitment, compensation, and development of Board members and Senior Management. Likewise, it is responsible for continuously monitoring the goals of the various compensation programs in relation to employee performance.

Additionally, it is responsible for defining and recommending the adoption of various compensation and remuneration programs for the aforementioned personnel, as well as evaluating the effectiveness of these programs.

Key Highlights

- Definition of human talent policies.
- Goal setting and performance review for the "PRO" variable compensation system.
- Review of the senior management compensation model and strategies for strengthening diversity within the organization.
- Review of work environment (climate) and psychosocial risk assessment results.
- Analysis and definition of the recruitment and compensation model for leaders in charge of the company's expansion and new business plan.

Audit, Finance, and Risk Committee

Meetings

Its purpose is to assist the Company's Board of Directors in fulfilling its oversight responsibilities regarding the financial reporting process, the internal control system, the audit process (both internal and external), and the monitoring of regulatory compliance.

Key Highlights

- Validation of the financial statements and relevant matters affecting the organization's strategy and the presentation of financial information to stakeholders.
- Validation of risk identification and assessment methodologies, as well as the monitoring of strategic risks and the actions implemented by management to mitigate them in accordance with the risk appetite.
- Oversight and follow-up of the annual internal audit plan, including the most relevant results and the implementation of action plans defined to strengthen the internal control system.
- Monitoring the results of investigations associated with reports received through the Transparency Line.
- Monitoring the development of the general Compliance program.
- Monitoring the cybersecurity strategy and the implementation of the most relevant initiatives associated with said strategy.
- Monitoring the execution of audit activities planned by the Statutory Auditor and their results, including management's adoption of the respective recommendations.
- Recommending initiatives for the continuous improvement of the company's internal control system.

OUR ESG GOVERNANCE

To foster the sustainable growth of Cementos Argos, we have established a governance structure for environmental, social, economic, and corporate governance affairs that helps us maximize value creation in the environments where we operate.



Board of Directors

The Sustainability and Corporate Governance Committee, representing the Board of Directors, is the highest body with direct responsibility for sustainability matters. It is tasked with continuously monitoring global trends to adjust strategy, and to guide and monitor the company's objectives in these areas.



President

It defines the company's competitive strategy to ensure profitable and sustained growth aligned with our higher purpose. Furthermore, it acts as the representative of the organization and its subsidiaries before public and private entities to build relationships that favor positioning, company sustainability, and reputation management.



Steering Committe

The company's management is led by the President and their direct team, who follow the guidelines set by the Shareholders' Meeting and the Board of Directors. This includes the analysis, formulation of directives, and monitoring of the company's management across economic, social, and environmental scopes.



Finance Vice-Presidency

RISK MANAGEMENT

We have an Enterprise Risk Management System managed by this department and overseen by the Audit, Finance, and Risk Committee. It is also responsible for leading the company's analysis of risks, impacts, and opportunities, including those related to sustainability.



Future Vice-Presidency

SUSTAINABILITY MANAGEMENT

Responsible, at the corporate level, for formulating, supporting, and overseeing sustainability strategies within the economic, social, and environmental dimensions. This includes leading the development of work plans and targets in accordance with best practices, as well as local and international standards and regulations.



Corporate Affairs Vice-Presidency

LEGAL MANAGEMENT AND COMPLIANCE DIRECTORATE

Responsible, at the corporate level, for formulating, supporting, and overseeing sustainability strategies within the economic, social, and environmental dimensions. This includes leading the development of work plans and targets in accordance with best practices, as well as local and international standards and regulations.



Vice-Presidencies, Regional General Directorates, and Business Units

These Vice-Presidencies and General Directorates report to the President and oversee the implementation of strategies and action plans in their respective countries. These leaders determine the necessary actions to implement the strategy with a local sustainability team to meet the company's objectives.

Access our key policies and codes here.



↑ Grupo Empresarial Argos Employees

Related Party Transactions

Relationship between Affiliated Parties linked to Grupo Empresarial Argos are regulated by the Corporate Bylaws and the Policy on Transactions betweein affiliated companies.

According to these guidelines, transactions carried out between companies belonging to different businesses within Grupo Empresarial Argos are considered material when they are outside the ordinary course of business of each company, must be conducted under non-market conditions, trigger the disclosure of relevant information, or require Board of Directors' authorization according to the Corporate Bylaws.

When transactions between different Grupo Empresarial Argos businesses are intended, the respective companies must present them to each business's Strategic Committee to analyze whether they constitute material transactions.

If they are material transactions or if there is doubt regarding their nature, the President of each company must consult their Audit, Finance, and Risk Committee. If the committee classifies the transactions as material, it will prepare a report for the respective Board of Directors, which will analyze the report and decide on the approval of the material transactions submitted for its consideration.

If the transactions are not material, each company will proceed to negotiate, enter into, and execute them in accordance with its applicable internal regulations.

Details of the transactions carried out between related companies can be found in the Special Report prepared pursuant to Article 29 of Law 222 of 1995, which is part of the information made available to shareholders prior to the ordinary Shareholders' Meeting.

Conflicts of Interest of Senior Management and the Board of Directors

Directors must disclose any potential conflicts of interest in which they may be involved during Board of Directors' sessions where they identify a situation that could lead to such a conflict regarding the topics to be discussed, or through the Annual Disclosure of Potential Sources of Conflicts of Interest. Likewise, members of senior management must disclose any potential conflicts in which they may be involved during their tenure in their respective positions through the Annual Disclosure of Potential Sources of Conflicts of Interest. Should conflicts exist that may affect their independence or objectivity, the necessary measures are established for their proper management as stipulated in the Code of Corporate Governance and the Business Code of Conduct.

The potential conflicts disclosed by directors and members of senior management for this period pertain to their participation on the Boards of Directors of other companies, the existence of personal or commercial relationships with Argos' stakeholders or with public authorities or entities, and the shareholding that some directors hold in the company, either directly or through their personal affiliates.

Senior Management Compensation Scheme

Regarding senior management compensation schemes, we have adopted the highest market standards to ensure the attraction and retention of top talent, possessing the skills, competencies, and leadership necessary to develop the strategy, achieve superior results, and build long-term sustainable value.

The compensation philosophy considers the principles of internal equity, external competitiveness, and business sustainability. These fundamentals are observed through all elements of compensation, evaluated in light of best practices; among them, the HAY valuation methodology, which carefully analyzes each position in terms of know-how, level of responsibility, and problem-solving, thereby generating internal and external comparison criteria.

Senior management's variable compensation is performance-based to motivate superior results; to this end, a correlation is ensured between rewards and company performance, thus aligning with shareholders' interests.

The Organizational Results Premium (PRO) stands out as an essential component of variable compensation, representing between 30% and 40% of senior management's total compensation. This program consists of a long-term and a short-term system, evaluating indicators that leverage the strategy, our commitment to sustainability across all dimensions, and organizational objectives. It considers both financial and non-financial aspects, such as external perception, operational metrics, climate change and environmental management, and performance in occupational health and safety management, among others.

The short-term component comprises a combination of indicators such as EBITDA, net income, net debt/EBITDA, debt stock, and occupational health and safety. The long-term component is evaluated annually but vests after three years. This benefit is obtained through a fund that invests in Argos ordinary shares and other companies and can only be received once this defined vesting period has elapsed. This system fosters decision-making with a long-term vision to reach and exceed objectives sustainably, linking senior management's variable compensation to organizational performance. It is worth noting that this program operates within a framework designed to protect the value the company delivers to shareholders, ensuring that the results premium payment does not exceed 10% of net income before minority interests.

Statutory Auditor's Compensation Scheme

In accordance with the Corporate Bylaws, the Shareholders' Meeting has the duty to assign the Statutory Auditor's compensation, which was set for the period between April 2025 and March 2026 at COP 1,372,212,000 plus IVA, payable in four quarterly installments.

INTERNAL CONTROL

Internal Control System: A fundamental element for successful integrated management

The company, through its Board of Directors, Steering Committee, and all personnel, has implemented a robust internal control system as a foundation to guarantee its operational and strategic effectiveness. This system is primarily sustained by a corporate culture guided by corporate values, ethics, proactive risk management, and the implementation of internal controls at all levels of the company. To this end, clear guidelines, defined roles, and responsibilities have been established—with an emphasis on the adequate segregation of duties—and evaluation, follow-up, and monitoring processes have been implemented to support the achievement of strategic objectives, regulatory compliance, and the protection of organizational assets.

In 2025, the Company formally adopted an internal control policy, approved by the Board of Directors, with the purpose of declaring its commitment to a solid internal control culture that reinforces corporate values by translating them into concrete ethical behaviors and visible accountability mechanisms. This consolidates an environment where acting with integrity is not only the right thing to do but is also expected and institutionally protected. In other words, behaving like owners.

The company's internal control system methodological framework is based on recognized international standards, such as COSO and COBIT, as well as quality regulations linked to best practices in internal control and risk management. This approach allows for the alignment of the control culture with corporate objectives, ensuring efficiency, effectiveness, and consistency across all company operations.

Internal Control System Structure

The system is designed with a comprehensive structure involving several key areas in the oversight and management of internal control:

Board of Directors and its supporting committees: Responsible for overseeing the system in alignment with the Code of Corporate Governance, the Corporate Bylaws, and company policies.

Internal Audit Department: Tasked with performing an independent, objective, and risk-based assessment of the internal control system.

Steering Committee and Management: Responsible for the design and implementation of internal controls.

Risk Management Department: Tasked with identifying, assessing, and advising on the mitigation of tactical and strategic risks.

Internal Control Department: Responsible for supporting, advising, and assisting areas in strengthening the internal control culture and organizational processes.

Compliance Department: Responsible for ensuring and monitoring adherence to applicable regulations and internal policies.

Statutory Audit: Responsible for providing an external and independent review of internal control for the issuance of financial reports and the fairness of the figures therein.

Internal Audit Function

Internal Audit, acting with independence and objectivity, develops an annual work plan based on global trends, corporate strategy, and the prioritization of critical risks and key business processes. This plan is submitted for approval to the Audit, Finance, and Risk Committee, which periodically monitors its execution. The most relevant results are reported at least four times a year, providing visibility into the performance of the internal control system and opportunities for improvement.

Internal Control Function

The adoption of the internal control policy was accompanied by the formation of a dedicated team to support, advise, and assist the various areas within the Company. Its purpose is to strengthen the culture of transparency and ethics, as well as to provide expert knowledge in the design and implementation of internal controls and the overall vision of the system.

2025 Assessment and Conclusions

During 2025, senior management, the Risk Management and Internal Audit departments, the Statutory Auditor, and the Board of Directors, through the Audit, Finance, and Risk Committee, oversaw and evaluated the design and effectiveness of the internal control system according to their work plans and within their respective scopes.

The assessments concluded that the system, overall, operates adequately and that the identified opportunities for improvement have been addressed by management and handled with due diligence, promoting continuous improvement and the appropriate mitigation of potential exposures.

Management's Statement

Management reports that during the reporting period, no significant or material deficiencies were identified in the design or operation of internal controls that could have compromised the organization's ability to accurately record, process, summarize, or present financial and non-financial information. Furthermore, no errors, irregularities, or changes in the financial reporting evaluation methodology were reported that could affect the quality, integrity, or accuracy of such information.

This commitment to the continuous improvement of internal control becomes a competitive advantage that reinforces the company's position as a reliable and transparent organization, aligned with global best practices.

Internal Control System

Control Environment

It is the foundation of the entire system. It reflects the organizational culture, integrity, ethical values, management philosophy, and leadership style. It includes the organizational structure, the assignment of authority and responsibility, as well as the board and management's commitment to competence and ethics.
In short: it is the "tone at the top" that establishes discipline and structure.

Risk Management

This involves identifying and analyzing the risks that could prevent the organization from achieving its objectives. It focuses on financial, operational, compliance, and strategic risks. It also includes the consideration of significant changes in the internal or external environment.
In short: it is the process of understanding what could go wrong and how it would impact the organization.

Control Activities

These are the specific policies, procedures, and actions established to mitigate identified risks and ensure compliance with guidelines. They include authorizations, verifications, reconciliations, performance reviews, physical controls, and segregation of duties.
In short: they are the practical mechanisms that help keep risks under control.

Information and Communication

It ensures that relevant information (financial, operational, and compliance-related) is identified, captured, and communicated in a timely manner and in the appropriate format. This includes internal channels (across departments and levels) and external channels (with regulators, investors, customers, and suppliers).
In short: it guarantees that information flows clearly, usefully, and reliably for decision-making and

Monitoring

These are ongoing or separate evaluations that determine whether the components of internal control are present and functioning effectively. They include daily supervision, independent reviews, and internal audits. Findings are communicated and corrected in a timely manner.
In short: it ensures that the control system continues to function and improve over time.



↑ Employees in the Dominican Republic plant.

STEERING COMMITTEE

The Argos Steering Committee follows the guidelines established by the General Shareholders' Meeting and the Board of Directors, and its primary responsibility is to implement, monitor, and control the business strategy, including sustainability matters.

Furthermore, it performs a continuous review of both global and local trends to identify latent risks and opportunities, market conditions, industry realities, and other relevant factors in the environments where we operate. Based on these analyses and in conjunction with the Risk Management department, they develop action plans that serve as potential sources of value creation and that may generate a benefit or a competitive advantage for the organization.

Its primary functions are:

- Leading the execution of the corporate strategy.
- Communicating corporate expectations and objectives clearly and effectively.
- Presenting progress reports and implementing improvements and recommendations made by the Board of Directors regarding the organization's various processes.
- Approving projects and initiatives that improve organizational performance and ensure compliance with the corporate strategy.
- Deploying guidelines, supporting, and monitoring the company's management in an integrated manner, ensuring fulfillment of commitments made to the Board of Directors and shareholders.
- Providing feedback and guidance to employees to support decision-making.
- Monitoring performance in sustainability matters and approving projects and initiatives aimed at meeting associated goals.

Steering Committee Profiles



JUAN ESTEBAN CALLE
President



TOMÁS RESTREPO
Future Vice President



MARÍA ISABEL ECHEVERRI
Corporate Affairs Vice President



FELIPE ARISTIZÁBAL
Finance Vice President



CARLOS HORACIO YUSTY
Colombia Regional Vice President



GUSTAVO URIBE
General Manager for Central America



GARY DE LA ROSA
General Manager for the Caribbean



GABRIEL BALLESTAS
General Manager of Trading



↑ Aggregates Platform in the Dominican Republic

Business Strategy Progress

- Within the framework of **Sprint 3.0**, we continued with the share buyback program. To date, **74%** of the authorized **COP 500 billion** has been executed. During 2025, we executed a total of **COP 161 billion** in company share buybacks, strengthening the stock's liquidity and value creation for our shareholders.
- The Shareholders' Assembly **approved the partial spin-off by absorption of the Grupo Sura** portfolio, a transaction that delivered **Grupo Sura shares** to Cementos Argos shareholders.
- We strengthened our **aggregates platform**, securing sources in key **Central American and Caribbean** markets, as well as port positions on the southeast coast of the **United States**, with the objective of reinforcing our logistical capacity and competing more efficiently.

2025 MILESTONES

Our Presence in the U.S.

We strengthened our re-entry strategy into the U.S. market through Argos Materials, a platform designed to compete with high standards of quality and efficiency, and a differentiated value proposition. During the year, we carried out the first export of aggregates from our Central American and Caribbean operations to this platform, marking a significant milestone in its start-up phase.

This progress, coupled with the generation of financial returns derived from the temporary investment of resources from the sale of Summit Materials, consolidates our ability to finance business expansion without compromising the company's financial strength.

These milestones reflect corporate governance decisions aimed at optimizing the capital structure, strengthening the asset portfolio, and consolidating a long-term strategy focused on sustainable value creation.

For more information, please see the Management Report, specifically the "Economic Value Generation" chapter and the key results of the Sprint 3.0 program.


PERMIS DE FEU
OBLIGATOIRE
ARGOS
ARGOS
ET MORTIERS
CPJ - CEM II/B 32.5 UT
ET MORTIERS
CPJ - CEM II/B 32.5 UT
ET MORTIERS
CPJ - CEM II/B 32.5 UT



↑ Team member at the Panama bulk terminal

ENTERPRISE RISK AND OPPORTUNITY MANAGEMENT

At Cementos Argos, we continue to strengthen our Enterprise Risk Management (ERM) system as a corporate framework that enables us to anticipate events that could impact our strategy, operations, and value creation across all regions where we operate. Managed by a specialized team, this system integrates the identification, assessment, and mitigation of strategic, tactical, and operational risks, supporting the organization in effectively navigating an increasingly dynamic and complex environment.

Throughout 2025, we continued to mature our ERM system, enhancing our foresight and deepening our analysis of environmental signals, trends, and dynamics. This evolution allowed us to better align risk management with the organization's prioritized material issues and strategic objectives, more effectively integrating risk management into our decision-making processes.

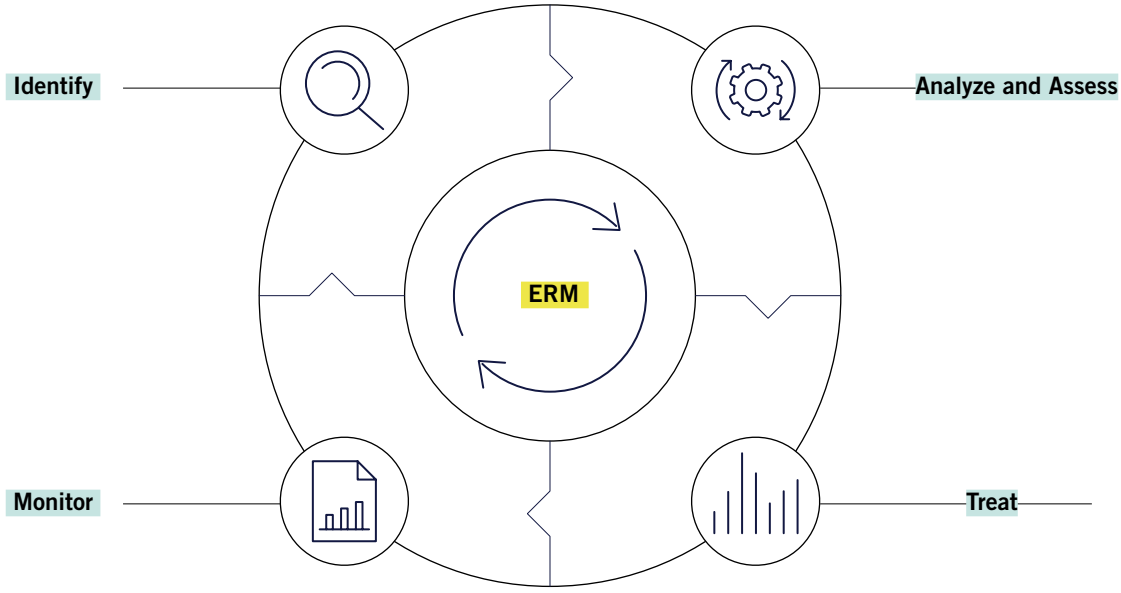
Our approach emphasizes collaborative work among business leaders, regional teams, cross-functional areas, plant management, and process owners. This coordination ensures that risk is systematically incorporated into strategic and operational decisions and that mitigation actions are defined and implemented in a timely and effective manner.

The ERM system complements our corporate governance, audit, internal control, and compliance models. It strengthens informed decision-making and enables us to transform risks into opportunities that drive innovation, growth, and long-term sustainability.

Learn more about our risk management system **here**.

HOW OUR ERM SYSTEM WORKS

The ERM system operates under a corporate methodology that ensures a disciplined and consistent process, aligned with international ISO 31000 and COSO-WBCSD Enterprise Risk Management standards. Its implementation is supported by clearly defined roles, a structure based on the Three Lines of Defense model, and periodic reviews conducted by Internal Audit.



1

Identify
We conduct materiality and trend analyses, as well as risk workshops that account for geopolitical and technological variables within both global and local contexts. This exercise is complemented by strategic assessments that enable us to anticipate shifts in markets, industry trends, and regulations, as well as technological and sustainability developments.

2

Analyze and Assess
We apply risk matrices, self-assessment tools, and quantitative analyses based on Value at Risk (VaR). These tools enable us to estimate potential EBITDA deviations under uncertain scenarios and project the resulting impacts on business profitability.

3

Treat
We manage risks through our corporate platform, insurance program, and business continuity and adaptation plans. These actions aim to reduce residual exposure and strengthen the resilience of our operations.

4

Monitor
We provide monthly reports to the Board of Directors, senior management, and business leaders, analyzing signals, trends, and the evolution of both strategic and emerging risks. This process is supported by business intelligence (BI) tools, enhancing the timeliness and depth of our monitoring.

This integrated and cross-functional system allows us to manage risks consistently across the entire organization, strengthen internal control mechanisms, and enhance our responsiveness to evolving scenarios.

ERM

2025 ERM SYSTEM MONITORING AND ENHANCEMENT

Strategic Level

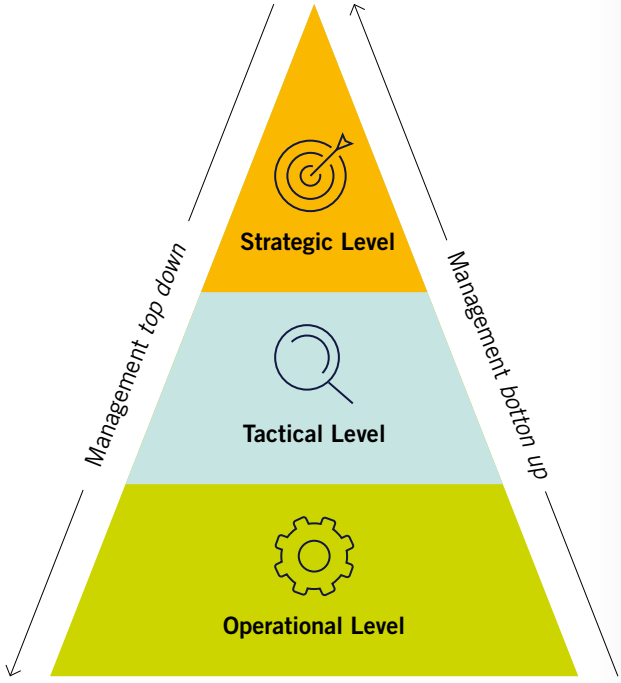
- **We strengthened the ERM governance framework by consolidating reporting and monitoring processes for strategic risks.** We advanced the use of data analytics and business intelligence, providing the Board of Directors and senior management with timely information and executive dashboards to monitor the risk profile, identify environmental trends, and evaluate alignment with the corporate risk appetite.
- **The Audit, Finance, and Risk Committee maintained continuous oversight of the ERM system,** key strategic risks, and the effectiveness of mitigation plans, establishing risk management as an enabler for strategic decision-making.
- We conducted **our annual analysis of uncertain and complex external events,** which allowed us to anticipate scenarios and guide strategic adjustments.
- **We updated our risk quantification model,** by incorporating forecasting analysis, EBITDA sensitivity, and correlations between key variables, thereby improving financial impact estimations and decision-making support.

Tactical Level

- **We consolidated our assurance strategy in alignment with the corporate risk appetite,** optimizing the insurance program to improve efficiencies, expand coverage for relevant risks, and strengthen risk transfer mechanisms. This included defining criteria for placement and underwriting with insurers and reinsurers, ensuring adequate and sustainable backing.

Operational Level

- **We supported regional offices and plant management** in proactively identifying, assessing, and managing business risks arising from socioeconomic, regulatory, political, and market developments in the regions where we operate.
- **We ensured the coverage and management of operational risks** by conducting analyses and site visits at 100% of our cement facilities and prioritized concrete plants, alongside a comprehensive update of Probable Maximum Loss (PML) studies. This strengthened operational action plans, optimized risk transfer, and bolstered the resilience and continuity of our operations.



STRATEGIC AND EMERGING RISKS

Our identification of strategic and emerging risks begins with an analysis of key contextual factors that influence our strategy and the achievement of organizational objectives, as well as how the company must respond and adapt. This exercise integrates perspectives from various business areas and is complemented by external benchmarks and validation workshops, establishing it as a vital input for strategic decision-making.

Managing these risks strengthens the organization's resilience and its ability to adapt to high-uncertainty scenarios, contributing to the long-term sustainability of the business.

Learn more about how our risks interact with global trends.

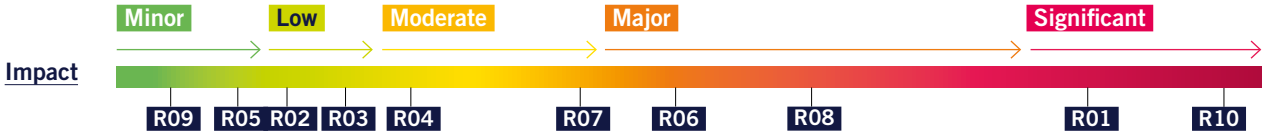
Strategic Risks

	Drivers and Mitigation Actions	Related Material Topics
R01  **Failure to generate value due to shifts in the business environment**	▪ **Drivers:** macroeconomic volatility, fluctuating raw material costs, entry of new competitors, variations in housing and infrastructure prices, and logistical disruptions. ▪ **Mitigation:** medium- and long-term strategic growth plans, business diversification, and predictive models to anticipate demand and market risks.	▪ **Economic value generation** ▪ **Supply chain** ▪ **Ethical conduct and corporate governance** ▪ **Delivering value to the customer**
R02  **Competitiveness gaps in technology adoption**	▪ **Drivers:** difficulty in incorporating new technological solutions, lack of digital adoption, and improper use of AI. ▪ **Mitigation:** AI governance, technology scouting, digital adoption integrated into the strategy, and attraction of specialized talent.	▪ **Innovation and Technology**
R03  **Failure to capitalize on new business approaches in a timely manner**	▪ **Drivers:** delays in innovation, new construction models, and increased consumer demands. ▪ **Mitigation:** sustainable solutions portfolio, recovery and use of construction waste, calcined clays, and greater geographical diversification.	▪ **Delivering value to the customer** ▪ **Economic value generation** ▪ **Innovation and technology**
R04  **New policies or regulatory changes**	▪ **Drivers:** taxes, regulatory measures, and sector-specific policy changes. ▪ **Mitigation:** regulatory monitoring, participation in industry associations, and oversight of regulatory bodies.	▪ **Climate change** ▪ **Supply chain** ▪ **Nature**
R05  **Loss or shortage of specialized talent**	▪ **Drivers:** cultural disconnect, low retention, generational gaps, and displacement by AI. ▪ **Mitigation:** aligned cultural vision, communications strategy, cross-cultural training, and strengthening the operating model.	▪ **Talent and Culture**

Strategic Risks

	Drivers and Mitigation Actions	Related Material Topics
R06  **Increase in the cost of CO_2 emissions**	▪ **Drivers:** low fuel substitution, limited use of alternative materials, and slow adoption of CO_2 capture. ▪ **Mitigation:** climate roadmap, environmental strategy, circular economy, increase in fuel substitution, and monthly CO_2 emissions monitoring.	▪ **Climate change** ▪ **Waste and circular economy**
R07  **Occurrence of natural events**	▪ **Drivers:** climate change, operational vulnerability, geographical location, and geological hazards. ▪ **Mitigation:** contingency and business continuity plans, climate adaptation, Emergency Response Action Plan (PARE, by its Spanish acronym), and analysis of logistics response options.	▪ **Climate change** ▪ **Nature**
R08  **Legal or administrative contingencies**	▪ **Drivers:** regulatory or contractual non-compliance, differences in legal interpretation, third-party claims, and regulatory audits/investigations. ▪ **Mitigation:** legal support, insurance program, compliance program, ethics hotline, and use of analytics for controls. ▪	▪ **Delivering value to the customer** ▪ **Talent and culture** ▪ **Occupational health and safety** ▪ **Trust-based relationships in the territory** ▪ **Supply chain** ▪ **Ethical conduct and corporate governance**
R09  **Cyber threats**	▪ **Drivers:** system failures, exploitation of vulnerabilities, technological obsolescence, and improper use of AI. ▪ **Mitigation:** cybersecurity policy, specialized monitoring, incident management, and continuous vulnerability assessment.	▪ **Innovation and technology**
R10  **Political, social, or legal instability**	▪ **Drivers:** geopolitical tensions, economic conditions, and interference in the functioning of the economic system. ▪ **Mitigation:** environmental scanning, crisis committees, and participation in industry associations.	▪ **Economic value generation** ▪ **Supply chain**

Corporate Impact Scale and Materiality Criteria



Quantitative estimations of risk impact are conducted through a multidimensional approach that integrates various analytical methodologies. Among these, Value at Risk (VaR) is a central tool for estimating potential EBITDA deviations in the event of adverse scenarios. This analysis is complemented by Monte Carlo simulation models, advanced analytics, RMS, and other internal methodologies that strengthen the precision, sensitivity, and depth of understanding regarding the potential impact of risks on business profitability.

To evaluate the relevance of these impacts, we use our risk appetite and tolerance framework as a reference.

Scan to see more details about our impact measurement criteria.



↑ Puerto Nare Plant Quarry, Colombia

Emerging risks

The management of emerging risks is developed through the periodic review of risks, opportunities, and trends within the sector and industry in which the company operates. This environmental analysis allows for the identification and evaluation of factors that could generate future impacts on the strategy, as well as the anticipation of opportunities to strengthen the value proposition we offer to our customers and society.

ERO1

Slow pace in adaptation, resilience, and development of disruptive technologies required for the company to align with new expectations, requirements, and/or demands from society or governments.

ERO2

Inappropriate application of generative technologies within digital and information systems, creating disinformation within the company and/or rejection from external stakeholders that impacts its image or reputation.

ERO3

Increase in social activism that may lead to significant changes in social and/or environmental requirements for the company, potentially causing disruptions to the ordinary course of business.

ERO4

Radical ideological shifts in the global environment leading to disruptions in the supply chain and international trade.



→ Arroyohondo Plant, Colombia

Risks Materialized in 2025

The year 2025 unfolded within a complex macroeconomic and operational environment for various sectors, characterized by increased volatility and challenging external conditions. Factors such as trade policy adjustments, climate variations, and a demanding economic landscape influenced market dynamics and certain operational and financial indicators. In this context, the company focused its management on timely adaptation, financial discipline, the strengthening of operational capabilities, and decision-making oriented toward sustainability and value creation.

Some of these signals were already contemplated within the risks that are periodically identified, analyzed, and managed under our Integrated Risk Management System (IRMS), which has allowed business plans to be updated and adjusted in a timely manner, based on the evolution of the environment and the continuous strengthening of operational excellence implemented across operations.

Furthermore, an effective risk transfer was achieved, enabling the recovery of losses through the corresponding indemnifications, in accordance with the conditions and coverages established in the corporate risk transfer program. Likewise, these events have represented an opportunity to review and strengthen the corporate insurance program, ensuring its proper update in terms of insured values and required coverages.

From an operational standpoint, rigorous monitoring of best practices and risk improvement recommendations has strengthened preventive management, provided continuity to action plans, and consolidated a culture of risk control and mitigation. The most relevant factors that manifested in 2025 and that could influence the materialization of risks in the future are as follows:

- Changes in tariff and trade policies that have generated pressure on costs, competitiveness, and operating margins.
- Climate variations that impacted demand behavior and sales volumes, affecting operational and financial performance.
- Within a more demanding economic context, management efforts were intensified to protect value generation, operational efficiency, and the sustainability of the business model.
- Regulatory changes stemming from labor reform that create increased pressure on cost structures and human talent management.

Learn more about our strategic and emerging risks.

Climate Change and Nature-Related Risks and Opportunities

RISKS

In the risk and opportunity analysis, we integrate the identification, evaluation, and quantification of climate and nature-related risks within our direct operations, as well as across the value chain in the geographies where we operate. This exercise is conducted within the IRMS framework and in alignment with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and the Task Force on Nature-related Financial Disclosures (TNFD), adopting an integrated and standardized approach for their management.

The material impacts of climate change are analyzed through short, medium, and long-term scenarios (2030, 2040, and 2050), based on projections of climate variables, narratives, and macroeconomic assumptions developed by international bodies such as the IEA, IPCC, and NGFS. These analyses allow for the estimation of potential deviations in relevant financial metrics, including EBITDA, and strengthen strategic, tactical, and operational decision-making regarding physical and transition risks.

Nature-related risks originate from ecosystem degradation, the loss of ecosystem services, and changes in environmental regulation, with potential impacts on the company's operational continuity, costs, reputation, and financial performance. We identify physical risks, such as water stress, floods, droughts, and landslides, as well as transition risks linked to regulatory changes and technological obsolescence, considering the particularities of the territories where we operate and their relationship with key ecosystem services.



↑ "Conecta" Volunteering: Tree planting in Colombia

This integrated approach provides us with a structured vision of how climate change and nature impact our strategy, operational performance, and financial sustainability. It guides the definition of action plans and mitigation and adaptation measures that support our long-term goal of operating in a resilient and competitive manner, aligned with the transition toward a low-carbon economy and a net-positive impact on nature.

For more information, please refer to our 2025 Climate and Nature Report.

OPPORTUNITIES

At Cementos Argos, risk management is a strategic enabler for decision-making and sustainable value creation.

Our approach is not limited to mitigating threats; it incorporates the identification and capitalization of opportunities that strengthen business growth, innovation, and competitiveness. Through a structured and integrated management process, we systematically evaluate the risks, impacts, and opportunities associated with our operating environment. This allows us to anticipate trends, prioritize actions, and align our decisions with corporate objectives within a dynamic and constantly evolving context.

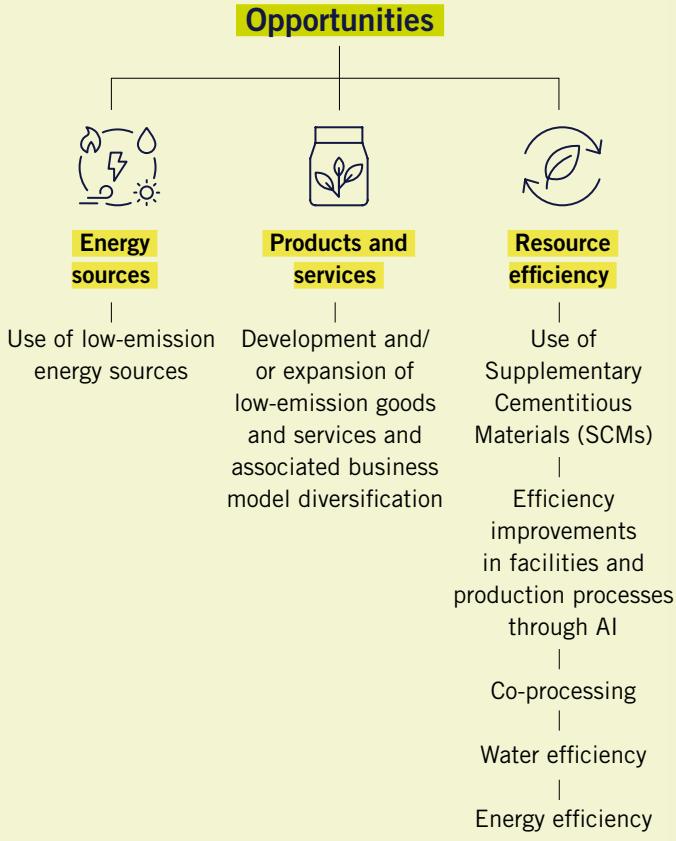
In this framework, we recognize climate change as one of the most pressing challenges for humanity and our industry. Cement production involves significant impacts in terms of greenhouse gas emissions; therefore, mitigation, climate transition, and adaptation are central to our strategy. The commitments we have undertaken and the actions we implement allow us to reduce operational vulnerabilities, strengthen the resilience of our operations, and respond proactively to climate-related physical and regulatory risks.

Furthermore, our climate strategy has enabled us to capitalize on concrete opportunities to strengthen business performance. We are advancing the use of low-emission energy sources, promoting a cleaner and more resilient energy matrix. Complementarily, we develop and expand a portfolio of low-emission products and services, contributing to the diversification of our business model and responding to new market demands. In terms of resource efficiency, we are increasing the use of Supplementary Cementitious Materials (SCMs), co-processing, and the optimization of facilities and production processes through advanced analytics and artificial intelligence, water efficiency, and energy efficiency. These efforts allow us to reduce our carbon footprint, improve operational efficiency, and consolidate long-term competitive advantages.



↑ Tire co-processing in Honduras

CLIMATE CHANGE AND NATURE-RELATED OPPORTUNITIES



RISK CULTURE

The foundation of our risk culture lies in its full integration into the daily dynamics of our operations, involving all areas and levels. We embrace the challenge of its ongoing strengthening, which we strategically drive through the active leadership of senior management, the systematic execution of training programs, and internal communication campaigns.

Risk Culture Components

Integration into the organization's governance structure

Training and Continuous Learning

Transparency and Communication

Risk Awareness

In 2025, we used the following tools to strengthen our risk culture

Risk Culture Development

ERM Training
Focused on highlighting the importance and added value for the organization's strategic development and sustainability.

Communications Plan
Internal awareness initiatives to disseminate a risk culture and ensure knowledge of relevant policies and procedures at all levels.

Analysis and Evaluation
Incorporation of risk criteria into the development and design phases of new products and services.

Operational Site Visits
Probable Maximum Loss (PML) studies for facilities to obtain a risk estimation.

We continuously strengthen our risk culture through a comprehensive induction program for new hires and refresher sessions for existing personnel. Our work plan includes periodic communications specifically focused on risk management, along with direct support in the identification and evaluation of risks for new projects. Additionally, during site visits to our facilities, we conduct awareness sessions focused on risk prevention and insurance coverage.



→ Soluble bag training in the Antilles


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