

How We Create Value

What Inspires Us

[2-25] We positively transform lives by mobilizing financial, human, intellectual, and social capital with investments that generate superior economic results, obtained with a sense of transcendence and generating well-being for our shareholders and stakeholders.

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

This process adheres to the *Stakeholder Engagement Standard (SES)*, published by *Accountability (AA1000)*.



▶ **Calima Hydroelectric Plant**
Valle del Cauca

Stakeholders

[2-29]

At Grupo Argos, we identify and prioritize stakeholders according to their level of dependence and influence on our strategy.

Stakeholder identification process:

1

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

2

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

3

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

As a result of this exercise, we have prioritized eight groups that are fundamental to our value creation process:

Stakeholders and value promises **[2-29]**

- Shareholders and investors**
 Make their investments profitable over the long term and ensure their participation as owners, in the purpose, strategy, and performance of Grupo Argos and its businesses.
- Government and authorities**
 Maintain transparent, collaborative relationships with public institutions, to contribute to the development of the countries where we operate
- Management, administration and talent**
 Strengthen employee commitment, develop their leadership, empower their inspiration, and allow their results to transcend together with the organization.
- Society**
 Actively participate in shared development, understanding the needs of society and supporting processes with our internal capacities.
- Suppliers and contractors**
 Establish fair and sustainable business relations over time for the benefit of all the parties involved.
- Investments**
 Enhance their value, both individually and as part of Grupo Empresarial Argos
- Strategic Partners:**
 Provide the capabilities required to drive and strengthen joint investments, within a framework of ethics, good corporate governance, and transparency.



Visit the ESG to learn more about stakeholder engagement by scanning the QR code

At Grupo Argos we integrate stakeholder participation into all policies and/or processes relevant to strategy development and investment management.

Awards

[2-28]

- » **Merco Empresas:** Ranked 9 amongst companies with the best reputation in Colombia, and 1 amongst business conglomerates.
- » **Forbes - The World 's Top Female-Friendly Company**
- » **Bóscares** - First place in the Forests and Climate Change category
- » **Winnders of the Xposable awards** for its Social Value Creation program
- » **Private Social Investment Index** - Ranked 13 in Colombia



Grupo Argos S.A.
Materials construction industry

Top 5%
S&P Global ESG Score 2022

88 /100

As of February 7, 2023. Position and Score are industry specific and reflect exclusion screening criteria. Learn more at spglobal.com/esg/yearbook

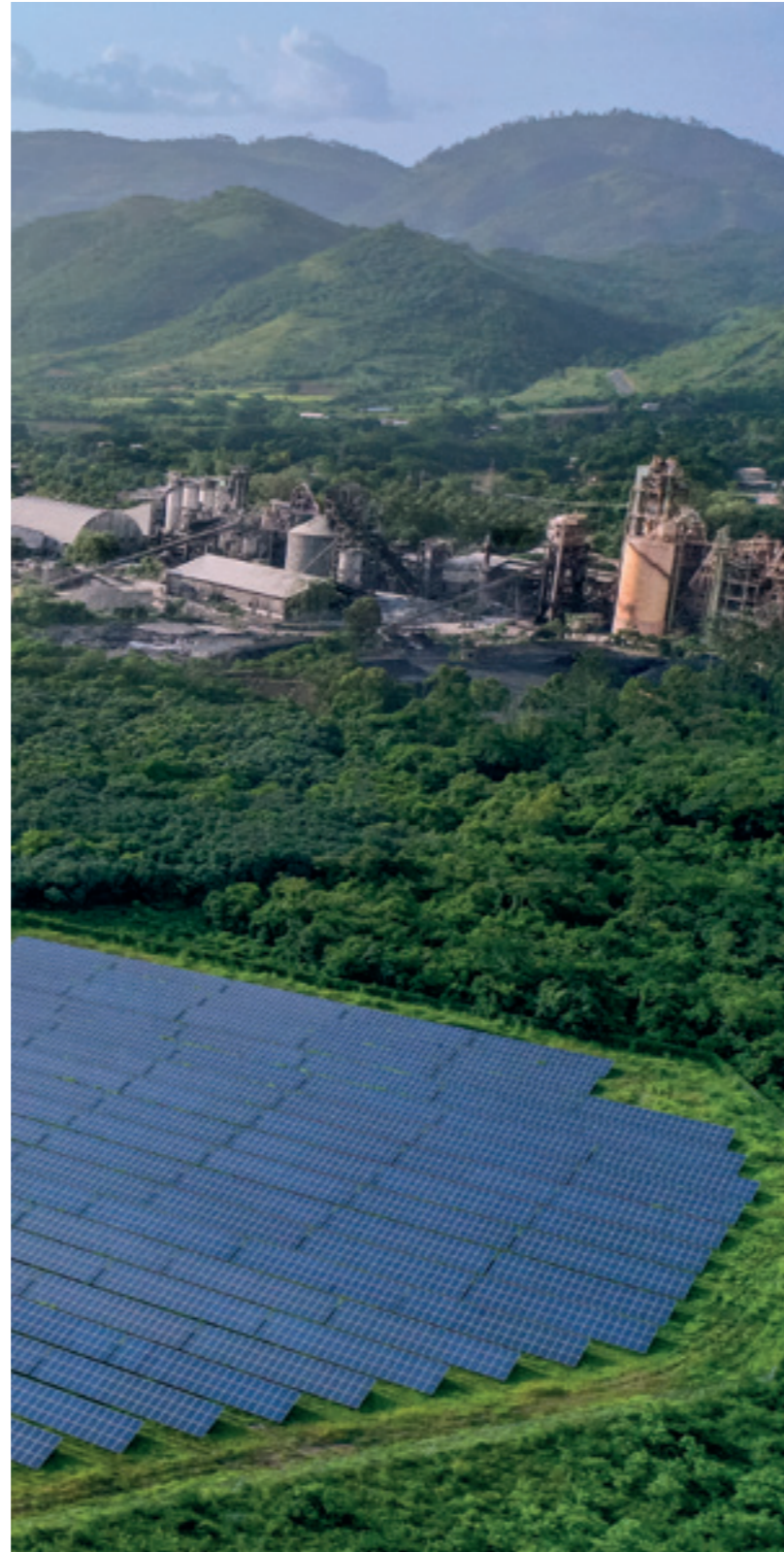
S&P Global Sustainable1

Memberships **[2-28]**

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

Stakeholders

We work with a commitment to create value for each of our seven stakeholder groups. Within the process of updating our materiality analysis we reached representatives of all of our stakeholders with which we had frequent meetings and bilateral dialogues and forums, over different communication channels. In 2022, these represented over 80 spaces and 150 hours of direct engagement, enabling improved communication of our operations' progress, gathering opinions on our business activities, receiving feedback or suggestions, and maintaining two-way communications. This is how we respond to stakeholder expectations. This ongoing, transparent, and differentiated dialogue creates a foundation to build mutual trust and ensure the organization's continued existence.



Covered Topics

During the year, we implemented different spaces for stakeholder engagement. As part of those topics of conversation, we held interviews and open workshops with representatives from prioritized stakeholders who rated the topics being considered as material issues according to their relevance, presented their thoughts, and provided key elements to guide the company's operations around these topics. These inputs allowed us to prioritize issues based on both financial and impact materiality. In addition, we maintained direct, timely, and updated communications with our shareholders and investors on the company's operations during a year filled with great challenges, especially in light of the takeover bids submitted for shares of Grupo Nutresa and Grupo Sura. Therefore, we invited our shareholders to decide and appoint the Board members that would be responsible for deliberating and deciding on these takeover bids. We engaged with Strategic Partners through our governance bodies, so our common projects could benefit from continuous economic growth in the countries where we operate. We also maintained close relations with our employees through dialogue and conversations, empowering them to manage the changes the organization needs and help them through the current situation.

We strengthened our leadership with Associations to build proposals and initiatives within industry groups, think tanks, and foundations, aiming to drive employment and culture, share best practices, and foster partnerships. With regard to the Authorities, we assisted the National Government in building cross-cutting public policy for the collective benefit and developing new programs and initiatives, like the Colombia Carbono Neutral (Colombia Carbon Neutral) Program that commits to caring for the Environment and fulfilling the 2030 Agenda's SDG Goals and the objectives of the Paris Agreement.

Engagement

Shareholders & Investors

38 meetings
with institutional investors

4 calls
for presenting quarterly results

8 conferences
and events with shareholders

5 shareholder
meetings, one ordinary and one
extraordinary

Employees

4 conversations
with employees by our CEO