

SUPPLIER CODE OF CONDUCT



Cementos Argos S.A. and its subsidiaries and affiliates (hereinafter Argos) are committed to the sustainability of our operations, investments, and negotiations. Sustainability is understood as the responsible creation of value for all our stakeholders, balancing social development and inclusion, decreased environmental impact, and economic profitability.

Building on this commitment, we aim at the creation of shared value, the building of long-term relationships, and the transparency, integrity and respect for the law in selecting, hiring, and networking with suppliers.

Therefore, we have adopted the Code of Conduct for Suppliers, which contains the responsible business practices and values that Argos expects its Suppliers to adopt in contractual negotiations and relationships.

DEFINITION

The Supplier Code of Conduct is a guide of principles and behaviors that Argos expects from its Suppliers. It reasserts our belief that ethics and integrity are fundamental and non-negotiable and complements the sensible, common-sense judgment of our suppliers to encourage the responsible creation of value.

PURPOSE

To provide our suppliers with guidelines and clarification on the expected behavior in contractual relationships in order to incorporate responsible business practices and ensure compliance with the applicable legal requirements.

The terms of this code are intended to supplement, but not substitute, the contractual provisions agreed with our suppliers. In case of disagreement between the Code of Conduct for Suppliers and a provision of a specific contract, the latter shall prevail.

SCOPE

This code applies to all Argos suppliers, including any third parties that supply goods or provide services to the company, as well as the employees and contractors of such third parties.



ACTION GUIDELINES

Argos expects our suppliers to act at all times in accordance with the following guidelines:

Respect for Human Rights.

Our suppliers shall protect and promote the values contained in the Universal Declaration of Human Rights and the International Labor Organization (ILO) Conventions, ensure the respect of the individual without distinction, and not benefit at any time from abuses or violations of Human Rights committed by other people or organizations. According to the above, they shall adopt at least the following aspects:

- **Prohibition of Child Labor:**

Argos promotes the education of children as an essential element for their development and rejects their participation in the operation, manufacture or supply of the goods or services that we acquire. For this reason, we expect our suppliers to refrain from employing anyone who has not reached the minimum age of employment in accordance with the applicable law and to comply at all times with the provisions in ILO Minimum Age (No. 138) and Worst Forms of Child Labor (No. 182) Conventions.

- **Prohibition of Forced Labor:**

Our suppliers shall refrain from taking advantage of any form of forced labor, slavery or human trafficking, assuring their employees the freedom to voluntarily withdraw from or terminate their employment contract. They shall comply at all times with the provisions in ILO Forced Labor (No. 29) and Abolition of Forced Labor (No. 105) Conventions.

- **Equality and Non-discrimination:**

Our suppliers shall reject any form of discrimination and promote equal opportunities regardless of race, religion, ethnicity, gender, age, sexual orientation, nationality, political inclination or marital status. They shall always comply with the provisions of the ILO Discrimination Convention (No. 111).

Protection of Workers

Argos is committed to the dignity, respect and integrity of workers, so we always expect our suppliers to be committed to the following behaviors:



- Humane Treatment:

Our suppliers shall treat all employees with respect and ensure that they are not subjected to abuse, threats or any inhumane treatment, including corporal punishment, physical or verbal abuse, sexual harassment or other forms of abuse or intimidation.

- Respect for the Right to Organize and to Bargain Collectively:

We respect the right of workers to organize, bargain collectively (e.g. pacts or collective bargaining agreements), and join or create unions without being discriminated, intimidated or harassed. Therefore, we demand that our suppliers respect this right in accordance with their applicable regulations.

- Compliance with Labor Obligations:

We promote the protection of labor rights and integrate all those practices aimed to ensure so into our businesses. Therefore, we expect our suppliers:

- Not to subject their workers or contractors to forced labor.
- Recognize and pay in a timely manner the social benefits and other labor obligations determined by the applicable law.
- Remunerate workers with fair wages in accordance with the minimums set forth in the applicable legal provisions.
- Respect the limits of the working day, overtime regulations, vacations and days of rest as set forth in the applicable legislation.

- Health and Safety:

- Comply with the applicable regulations regarding occupational health, safety and hazards.
- Have coaching and training processes and systems for the prevention, treatment and monitoring of labor incidents.
- Have special permits for the performance of certain activities that are required by the applicable regulations.

- Identify and assess the risks associated with health and safety and implement programs and controls for their prevention and appropriate management.
- Properly manage and report the occurrence of injuries, incidents, accidents or occupational diseases.
- Provide for the safety and health of workers, understanding health as the balance among physical, psychological and social conditions in the workplace. (Reference: SISO requirement for contractors)
- Provide workers with the personal protection equipment and elements necessary to avoid any health damage or impact.

Environmental Management

Argos promotes the improvement of environmental performance supported by a management system for the prevention, mitigation, correction and compensation of our environmental impacts, with an emphasis on climate change, water and biodiversity, emissions, sustainable construction and circular economy. We act in an environmentally responsible manner in all our businesses and daily activities; thus, we expect our suppliers to commit to:

- Complying with the environmental laws and regulations that may be applicable to carry on their business.
- Having all the required permits and licenses in the country where they operate.
- Having an Environmental Management System that allows the organization to manage its environmental aspects, comply with legal and other requirements, and address risks and opportunities.
- Monitoring and assessing the environmental performance of the organization to guarantee continuous improvement.
- Promoting the prevention, mitigation, correction and compensation of environmental impacts.
- Making efficient use of resources and promote biodiversity protection.
- Promoting the use of alternative materials in the manufacture of their products.
- Work towards pollution prevention and proper waste management in its operations.

- Reduce greenhouse gas emissions, other air emissions and energy consumption.
- Perform due diligence at the source of the materials they use in the manufacture of the goods they supply to Argos.
- Suppliers shall comply with the environmental policies and procedures established by ARGOS. Including the requirements set forth in the Environmental Plan of the facility or project where they will provide services, as well as any other guidelines or policies determined by the Company regarding the environment and sustainability.

Business Ethics and Responsible Business Practices

Argos has adopted integrity as a guiding principle that implies acting at all times with responsibility, honesty, uprightness, seriousness, transparency and in accordance with the applicable law. For this reason, we expect our suppliers to act under our standards of conduct and to commit themselves to business ethics, transparency and the fight against bribery, corruption, fraud, money laundering, terrorism financing and any other anti-competitive practice. Pursuant to the foregoing, our suppliers shall follow the standards of conduct below:

- Anti-corruption, Anti-bribery, Anti-money Laundering and Anti-terrorism Financing.

Argos rejects corruption, bribery, money laundering, terrorism financing or any other conduct associated therewith. Therefore, we have implemented a risk self-management program that requires the commitment and active participation of suppliers in the fight against these crimes, as well as compliance with internal guidelines and applicable regulations on the subject.

Our suppliers shall adopt mechanisms for the prevention of corruption, bribery, money laundering and terrorism financing and have a zero-tolerance policy. Accordingly, they shall refrain from any of the following behaviors:

- Offer, promise or grant, directly or through intermediaries, favors, advantages or payments to public officials or authorities in order to obtain undue benefits from their actions or omissions.
- Make facilitating payments, understood as those payments, gifts or other benefits that are offered to guarantee or expedite a routine official procedure performed by a public official or authority.
- Pay, promise to pay or deliver money, gifts or goods of representative value to government officials or employees, official political parties, candidates for political office, or officials of national or international public organizations in contravention of applicable regulations.

- Participate, promote, finance or establish relationships with illegally armed, terrorist or subversive groups.
- Carry out or promote activities that may involve money laundering or engage in any conduct that is considered a prime source of money laundering according to the applicable regulations.
- Use resources of illicit origin for the provision of services or the supply of goods to Argos.

Argos shall not establish or maintain relations with suppliers that have been convicted or are related to crimes against public property or the financial system or related to money laundering, terrorism financing, illicit enrichment, fraud, theft, conspiracy, corruption, bribery, influence peddling, transnational bribery, kidnapping, extortion, homicide, pornography, human trafficking, child prostitution, sexual exploitation, trafficking in arms, toxic drugs, narcotics or psychotropic substances, or any other crime considered a source of money laundering in the jurisdictions where we operate.

- Anti- Fraud

Argos reject any act that directly or indirectly constitutes fraud and we adopt the necessary measures to fight it. We understand fraud as any planned omission or action carried out by one or more persons to mislead others, to improperly appropriate or take advantage of another's asset or to obtain improper benefits or advantages.

Our suppliers shall adopt mechanisms for the prevention of fraud and have a zero-tolerance policy. Accordingly, they shall refrain from any of the following behaviors:

- Non-authorized appropriation of the company assets: including among others, cash, stock, equipment, tools, spare parts, raw materials and product.
- Improper utilization use of the company assets or facilities.
- Falsification or alteration of documents, information, indicators or financial, accounting, commercial, management, performance, payroll or any other report.
- Request, reception or granting of bribes including money, gifts, courtesies or favors aiming at improper benefits through the realization or omission of functions.
- Improper reception or granting of gifts or courtesies.
- Non-disclosure, incomplete or inaccurate statement of conflicts of interests or inappropriate

administration thereof.

- Manipulation, irregular realization or ignoring the selection procedures established by the company for the procurements, bids, tenders or other good or service procurement procedure.
- Destruction, non-authorized disclosure or improper appropriation of information, records or other information assets of the company.
- Improper use of confidential or privileged information of the company.
- Non-authorized access or improper use of the technological systems and tools of the company.
- Improper utilization of the benefits or prerogatives as an employee or to those associated to any contractual relation with Argos.

- Business Integrity:

We consider our suppliers as partners in the success of our business and we select them through competitive processes, using criteria such as quality, the service offered, technology, price, among others. Therefore, our suppliers shall not offer, agree or deliver, directly or indirectly, payments, favors or benefits to benefit from the award of a contract or to obtain preferential treatment in the negotiations with Argos.

Our suppliers shall be upright and honest and respect both the procedures established by Argos for contract negotiation and execution and the applicable law.

- Fair Competition:

Argos promotes free competition and avoids any action that limits the possibility of competing freely, independently and autonomously. For this reason, we expect our suppliers to manage their companies pursuant to fair, loyal competition and in accordance with the applicable legislation on the defense of free competition.

- Appropriate Management of Conflicts of Interests:

A conflict of interest arises when there are commercial, work, kinship or emotional situations or relationships between a supplier or any of its employees or managers and any employee or manager of Argos, which affects or could affect the freedom, independence or objectivity of decisions related to this supplier.

When any of our suppliers has a conflict of interest, it must promptly and appropriately disclose it to Argos, describing the situation in a complete, detailed manner and supplying all the information that is relevant so that recommendations are made on the proper management of the conflict. To this end, the conflict of interest statement form attached to this code shall be



filled out as soon as the situation or relationship resulting in the conflict of interest becomes known and sent to the e-mail address lintransparencia@argos.com.co. Based on the statement, an opinion shall be expressed for the management of commercial relations with Argos.

- **Appropriate Management of Gifts and Hospitality**

Our suppliers may give or offer gifts or hospitality to Argos employees, provided that no decision that may directly affect the supplier is pending to be made and the following conditions are also met:

- Gifts are not money or cash equivalent, regardless of the value.
- Gifts must be of reasonable and proportionate value.
- The gift is not intended to obtain undue advantage, exert improper influence, or disregard any procedure in favor of a supplier.
- Costs associated with hospitality are reasonable for the type of event and it is attended by the supplier's representatives.

A reasonable value for gifts and attentions will be maximum value of 100 USD.

- **Compliance with Tax Regulations.**

We do not engage in transactions whose tax efficiency is based on facts and assumptions that are inconsistent with commercial reality. Our suppliers shall comply with tax obligations in accordance with the applicable legislation.

- **Protection of Information**

The proprietary information of Argos entrusted to our suppliers is deemed reserved and confidential. Suppliers are responsible for taking sufficient security measures to protect the organization's information and to guarantee that these measures are enforced by their employees.

PENALIZATION OF WRONGFUL ACTS

In the event that any of our suppliers incurs any act contrary to the provisions in this code, Argos shall be entitled to suspend contracts or relations with such supplier, exclude it from the selection processes in which it is participating, or exclude it from future negotiations.



REPORTING OF IMPROPER ACTS

In case that any act contrary to the provisions in this code or the other internal Argos guidelines becomes known, our suppliers shall report such misconduct through our transparency hotline.