

# INFORME DE GOBIERNO CORPORATIVO 2022

Inspiramos  
un futuro  
sostenible



With concrete

We inspire a  
sustainable future

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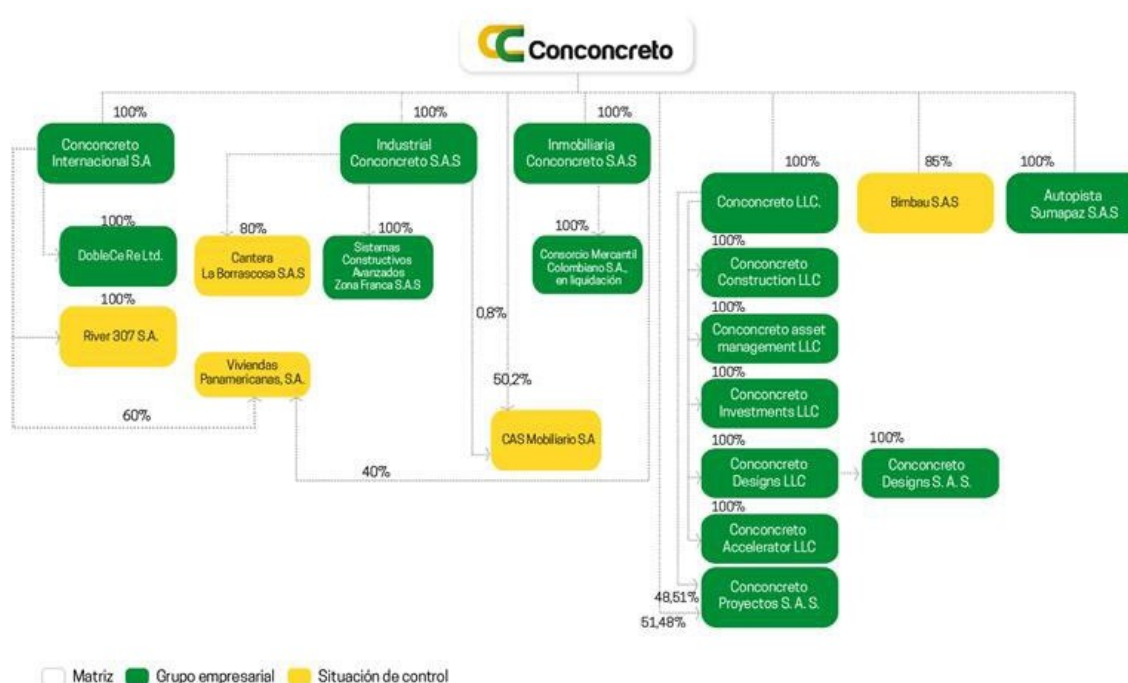
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Structure of the  
**Ownership**

# I. PROPERTY STRUCTURE OF THE COMPANY.

## a. Capital and ownership structure of the Company.

Constructora Conconcreto S.A. is the parent company of the Constructora Conconcreto S.A. Business Group. In addition, although not part of the Business Group, there are a number of companies over which the Company exercises control, this situation being duly registered in the Commercial Registry. These relationships are represented graphically as shown in the following chart:



The companies that make up the Group operate in Colombia, and some of them have a presence in other countries, participating in the construction business, infrastructure, production and marketing of construction supplies, design, management, and sale of real estate projects, among others.

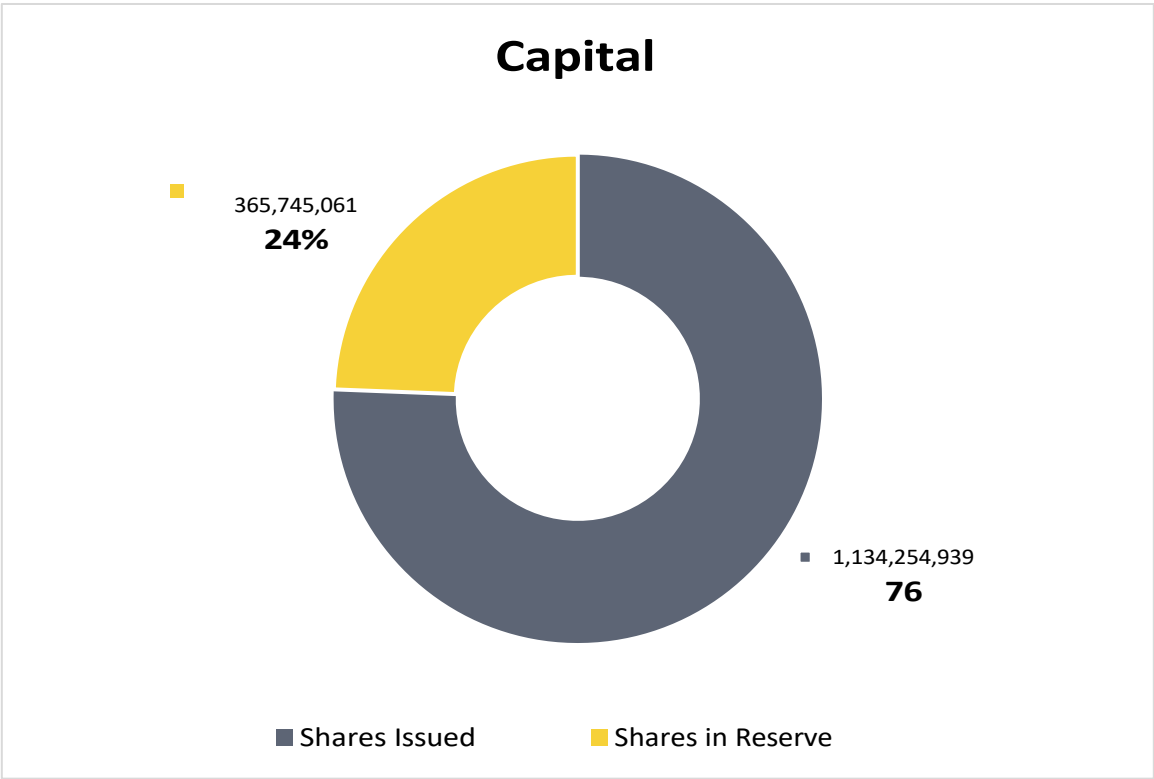
During 2022, the Constructora Conconcreto S.A. Business Group was modified by:

i) The incorporation into the CONCONCRETO ACCELERATOR LLC Business Group, a company domiciled in Wilmington, Delaware, United States of America, dedicated to the development of any lawful civil or commercial activity, especially those related to the planning, analysis, design, programming, testing, and modification of computer systems, and the creation and development of startups and new businesses. In this company, Constructora Conconcreto S.A. has an investment through its subsidiary Conconcreto LLC, which owns 100% of the share capital; and by

ii) the cancellation of the controlling interest that Constructora Conconcreto S.A. had over the company DOBLE CALZADA ORIENTE S.A.S.

As of December 31, 2022, the capital subscribed by the shareholders of Constructora Conconcreto S.A. was one hundred sixteen billion, eight hundred twenty-eight million, two hundred fifty-eight thousand, seven hundred seventeen pesos (COP \$116,828,258,717), equivalent to one hundred thirteen million, two hundred fifty-four thousand, nine hundred thirty-nine (1,134,254,939) shares with a par value of one hundred three pesos (COP 103) each.

Considering that the Company's authorized capital is one billion five hundred million shares (1,500,000,000), there are currently three hundred sixty-five million seven hundred forty-five thousand sixty-one shares (365,745,061) in reserve, as detailed below:



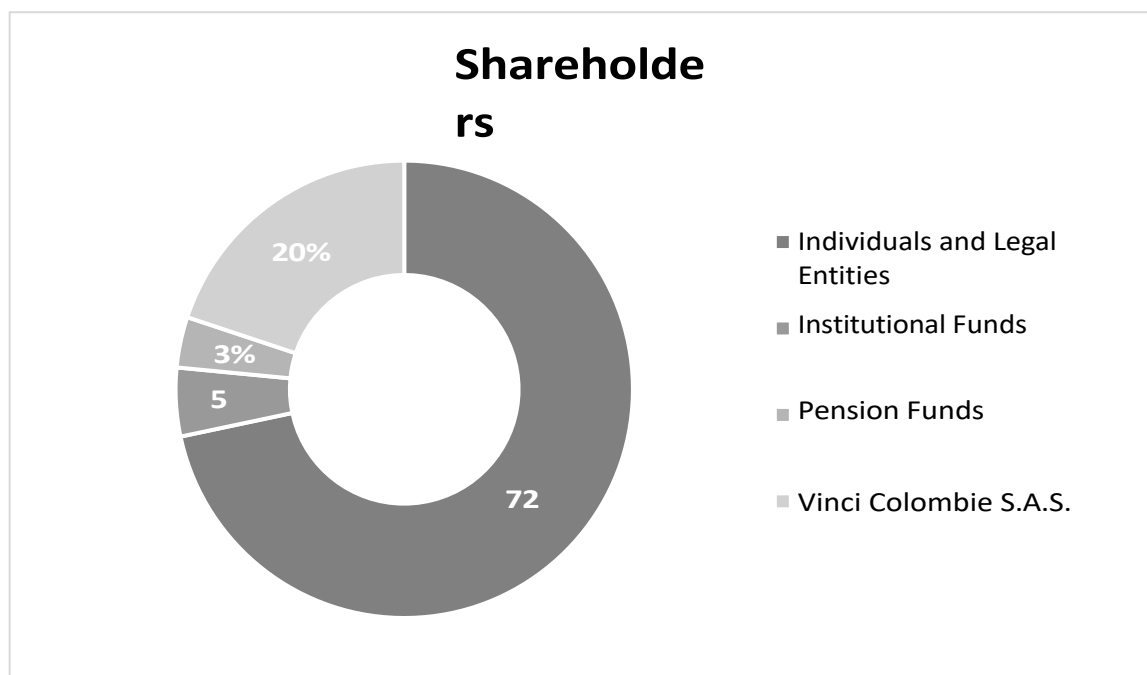
**b. Identity of shareholders with significant holdings.**

In accordance with the guidelines of the Country Code, a significant shareholder is one who, alone or by virtue of an agreement with other shareholders, holds voting rights that exceed a certain limit (currently set at 10% of the total voting rights) and whose participation is of a stable nature. Below, we list the shareholders who, at the end of 2022, have a percentage stake in the Company greater than the limit set for the concept of significant shareholder:

SHAREHOLDER NAME	No. OF SHARES	% OF SHARE
Vinci Colombie S.A.S.	226,850,988	20.00

Furthermore, it should be noted that the Company updates the information on the 25 shareholders with the largest shareholdings in the Company on a monthly basis on its corporate website. This information can be consulted via the following link: <https://conconcreto.com/detalle-de-la-accion/#id-composicion-accionaria>

The ownership structure of Constructora Conconcreto S.A. as of December 31, 2022:



**c. Information on the shares owned directly (in a personal capacity) or indirectly (through companies or other vehicles) by the members of the Board of Directors and the voting rights they represent.**

NAME	NO. OF SHARES DIRECTLY	NUMBER OF SHARES THROUGH VEHICLES	VOTING RIGHTS
Nora Cecilia Aristizábal López	0	0	0
Carlos Eduardo Restrepo Mora	610.201	38,773,143	3.47
Luis Fernando Restrepo Echavarría	0	0	0
José Alejandro Gómez Mesa	33	0	0.00
Álvaro Enrique Jaramillo Buítrago	0	0	0
Carolina Angarita Barrientos	0	0	0



Ana Karina Quessep Alcové	0	0	0
Orlando Enrique Cabrales Segovia	0	0	0
Christophe Pélissié Du Rausas	0	0	0
Patrick Sulliot	0	0	0
Jaime Alberto Angel Mejia <sup>1</sup>	0	0	0

**d. Family, commercial, contractual, or corporate relationships that exist between the holders of significant shareholdings and the company, or between the holders of significant shareholdings themselves.**

During 2022, there were no transactions of this type between the Company and the holders of significant shareholdings.

**e. Transactions carried out by members of the Board of Directors, senior management, and other administrators involving shares and other securities issued by the company.**

During 2022, the Company's Board of Directors granted the following authorizations to administrators to acquire shares of the Company:

**1.** At a meeting held on January 24, 2022, the Board of Directors of Constructora Concreto S.A. authorized Dr. Carlos Eduardo Restrepo Mora, a member and executive of the Board of Directors, to acquire shares in the Company for up to COP \$100,000,000.

**2.** At a meeting held on February 22, 2022, the Board of Directors of Constructora Concreto S.A. authorized Dr. Juan Luis Aristizábal Vélez, the Company's president, to acquire up to 1% of the Company's outstanding shares.

These decisions adopted by the Board of Directors were disclosed to the market through the Relevant Information mechanism of the Financial Superintendency of Colombia in press releases dated January 25 and February 22, 2022, respectively.

By virtue of these authorizations, the aforementioned administrators carried out the following transactions with the Company's shares:

TYPE OF TRANSACTION	MONTH	ADMINISTRATOR	SHARES SUBJECT TO NEGOTIATION	TOTAL SHARES HELD DIRECTLY BY THE ADMINISTRATOR AFTER THE TRANSACTION
Acquisition	January	Carlos Eduardo Restrepo Mora	257,200	610,201

<sup>1</sup> Mr. Jaime Alberto Ángel Mejía submitted his letter of resignation as a member of the Board of Directors on March 29, 2022.

<b>Acquisition</b>	February	JuanLuis Aristizábal Vélez	110,000	123,687
<b>Acquisition</b>	March	JuanLuis Aristizábal Vélez	2,005,000	2,128,687

**f. Agreements between shareholders of which we are aware.**

No shareholder agreements were filed with the Company's administrative offices for the period from January to December 2022.

**g. Treasury shares held by the company.**

During 2022, the Company did not repurchase any treasury shares.





# 2

Structure of the

**Administration**

## II. STRUCTURE OF THE ADMINISTRATION OF THE COMPANY.

**a. Composition of the Board of Directors and its committees.** In 2022, the Board of Directors of Constructora Conconcreto S.A. was made up of 10 members, who were elected at the ordinary meeting of the General Shareholders' Meeting on March 31, 2022. By statutory provision, there are no alternates on the Board of Directors.

NAME	POSITION	FIRST APPOINTMENT
Nora Cecilia Aristizábal López	Patrimonial	March 26, 2010
Carlos Eduardo Restrepo Mora	Patrimonial and Executive	March 30, 2011
Luis Fernando Restrepo Echavarría	Independent	March 31, 2004
José Alejandro Gómez Mesa Álvaro	Patrimonial	March 22, 2013
Enrique Jaramillo Buitrago Carolina	Independent	March 22, 2013
Angarita Barrientos Orlando Enrique	Independent	May 26, 2020
Cabrales Segovia Ana Karina Quessep	Independent	May 26, 2020
Alcové Christophe Pélissié du Rausas	Independent	March 31, 2022
Patrick Sulliot	Equity	December 9, 2019
Jaime Alberto Angel Mejía <sup>2</sup>	Equity	March 31, 2022
	Independent	March 27, 2009

The Company has three standing committees within the Board of Directors, which deal with specific issues:

**1. Audit Committee:** composed of Álvaro Enrique Jaramillo Buitrago, Luis Fernando Restrepo Echavarría, and Orlando Enrique Cabrales Segovia. The Statutory Auditor and the Company's Secretary General, who acts as Secretary of the Committee, attend the meetings of the Audit Committee with voice but without vote.

<sup>2</sup> Mr. Jaime Alberto Ángel Mejía submitted his letter of resignation as a senior member of the Board of Directors on March 29, 2022.

**2. Human Resources Committee:** composed of Carolina Angarita Barrientos, Luis Fernando Restrepo Echavarría, and Ana Karina Quessep Alcové. The Company's Secretary General attends the meetings of the Human Resources Committee with voice but no vote, acting as secretary of the Committee.

**3. Corporate Governance Committee:** composed of Carlos Eduardo Restrepo Mora, José Alejandro Gómez Mesa, and Nora Cecilia Aristizábal López. The Company's Director of Corporate Affairs attends the meetings of the Corporate Governance Committee with voice but no vote, acting as secretary of the Committee.

The functions of the Board of Directors, as well as the functions of its standing committees, are set forth in the internal regulations of the Board and each committee, which can be consulted on the Company's website via the following link: <https://conconcreto.com/gobierno-corporativo/#id-comites-de-la-junta-directiva>

**b. Resumes of the members of the Board of Directors**

**NORA CECILIA ARISTIZÁBAL LÓPEZ.**

**Equity member.**

A graduate in architecture from the Pontifical Bolivarian University, she holds a master's degree in Urban Design from the Massachusetts Institute of Technology (MIT). She has also completed several specialized studies in design management, land management in large urban projects, and skills and leadership development. Her work experience in various positions is noteworthy, including assistant to Professor Horacio Caminos (MIT), head of the design workshop at Condiseño Ltda., director of the projects department at Conconcreto S.A., founding partner and manager of the company Contexto Urbano S.A., director of the District Planning Department and technical formulation of the POT (Land Use Plan), Territorial Planning Plan of Bogotá, and general manager of Renta Urbana S.A.S.

**CARLOS EDUARDO RESTREPO MORA.**

**Heritage member and executive.**

Born on November 25, 1963, he graduated as a civil engineer from the Antioquia School of Engineering (EIA) and holds a master's degree in Construction Engineering and Management from the Georgia Institute of Technology (GA-Tech). He has held various positions within Constructora Conconcreto since joining the company more than 28 years ago. He is currently an advisor to the president and director of the Bogotá branch. He has served on the board of directors of Conconcreto during several intermittent periods and is currently a member of the boards of directors of Concesiones CCFC S.A.S. as an alternate member and of Administración de Recursos y Oportunidades S.A.

**LUIS FERNANDO RESTREPO ECHAVARRÍA.**

**Independent member.**

Born on April 21, 1958, he graduated in Industrial Management from the Georgia Institute of Technology (GA – Tech) and holds an MBA from the University of Chicago. His professional experience includes eight years working for The Marmon Group.

(Chicago), then within Crystal S.A.S. He has held various positions such as international vice president, executive vice president, and, from 2004 to the present, corporate president. He also serves on the boards of directors of Bancolombia S.A., Etiflex S.A., MAS S.A.S., ANDI Antioquia section, and ANDI General Management.

**JOSÉ ALEJANDRO GÓMEZ MESA.**

**Equity member.**

He was born on February 1, 1964, and holds a degree in Corporate Finance from Eafit University and an undergraduate degree in Civil Engineering from the University of Texas at Austin. He has been a founding partner and director of SBI Banca de Inversión S.A. for more than twenty years. Since 2009, he has been a member of the board of directors of Inversiones Concreto and later joined the board of Constructora Concreto S.A. when the two companies merged. He is also a member of other boards of directors, such as West Química S.A. and Inmel S.A.S.

**ÁLVARO ENRIQUE JARAMILLO BUITRAGO.**

**Independent member.**

Born on January 30, 1952, he holds a degree in business administration from Universidad del Norte (Barranquilla). He began his professional career at Philadelphia National Bank, where he rose to the position of vice president, then served as president of Invercrédito and later at Banco de Colombia. In 1997, he founded IQ Outsourcing. He then served as president of Avianca Holdings, where he is currently a member of the board of directors. He also serves on other boards, including PetroWorks, Tribeca Asset Management, and Grupo Daabon.

**ANA KARINA QUESSEP ALCOVÉ.**

**Independent member.**

She graduated in business administration from the Externado University of Colombia and has a specialization in marketing management from the same university. Her professional experience includes various positions such as: executive president of the Colombian BPO Association, corporate client manager, sales and distribution, and customer service at Comcel – Claro. She is currently a member of several organizations, including: ALES (Latin American Association of Service Exporters), founding member of Women in ICT, WIC – Women in Connection Colombia, Global Impact Sourcing Coalition – GISC, and has been an international speaker on innovation and customer experience.

**CAROLINA ANGARITA BARRIENTOS.**

**Independent member.**

Carolina Angarita graduated in Social Communication-Journalism from Javeriana University, has a master's degree in International Journalism from the University of Westminster, and studied Leading Innovative Change at Berkeley University. She is a member of the board of directors of AIESEC Colombia, the advisory committee of the Latino Impact Summit, and the advisory board of the MET Community. She is an international speaker, one of the country's 100 leaders in the Merco ranking, and passionate about innovation and digital transformation with human transformation.

**ORLANDO ENRIQUE CABRALES SEGOVIA.****Independent member.**

Born in 1969, he holds a law degree from Pontificia Universidad Javeriana and a master's degree in philosophy from Boston College. He currently serves as CEO of Frontera Energy. He is currently a member of the board of directors of Isagen.

**CHRISTOPHE PÉLISSIÉ DU RAUSAS.****Equity member.**

He was born in 1958. He holds degrees from École Polytechnique and École Nationale des Ponts et Chaussées (France), and a postgraduate degree in Finance from Université Paris-Dauphine. He began his career at the Ministère de l'Équipement (now the French Ministry of Ecology) and then moved to the Spie Batignolles group, where he held various management positions at Spie Enertrans. He joined the VINCI Group in 1997 as Director of Concessions at Campenon Bernard (1997-1998), Executive Vice President of Campenon Bernard, which later became VINCI Construction Grands Projets (1999-2001), and Managing Director of VINCI Energies Nord (2002-2003). He moved to VINCI Concessions in 2004, where he served as Deputy Director for Southeast Europe (2004-2009), then as Director of Client-Side Project Management and President of VINCI Railways. In that role, he was appointed President of AGIFI (French Association of Independent Railway Infrastructure Managers) from its inception in 2014 until 2017. He has been Director of Business Development at VINCI since March 2017.

**PATRICK SULLIOT.****Heritage Member.**

He is a chartered engineer from École Nationale des Arts et Métiers in France, with more than 30 years of experience in project management and business unit management for the EUROVIA Group. He is currently President and CEO for the Americas & Oceania for EUROVIA Canada. He is currently a member of the Boards of companies located in Canada, the United States of America, Chile, Australia, and New Zealand.

**JAIME ALBERTO ANGEL MEJÍA<sup>3</sup>.****Independent member.**

Born on July 15, 1961, he is a production engineer from Eafit University. He has a specialization in information systems from Eafit and the Advanced Management Program (AMP) from Harvard Business School. His professional career has been with the Corona organization; he currently serves as president of Corona Industrial, with more than eleven years in the position. He also serves on the boards of directors of Corporación Tecnova, Ecocementos S.A.S., and the ANDI Antioquia Sectional Board.

**c. Changes to the Board of Directors during the fiscal year.**

During 2022, Dr. Jaime Alberto Ángel Mejía submitted his letter of resignation from his position as a member of the Board of Directors, which took effect on March 29, 2022. Taking into account this resignation and the existing vacancy caused by the resignation submitted by Dr. Richard Francioli on June 28, 2021, which took effect on

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<sup>3</sup>Mr. Jaime Alberto Ángel Mejía submitted his letter of resignation as a senior member of the Board of Directors on March 29, 2022.

On July 1, 2021, the General Shareholders' Meeting, at its ordinary meeting held on March 31, 2022, appointed the members of the Board of Directors to complete the two-year statutory term. After applying the electoral quotient mechanism, the Board of Directors was composed as follows:

- **Equity members:** Nora Cecilia Aristizábal López, José Alejandro Gómez Mesa, Christophe Pelissié du Rausas, and Patrick Sulliot.
- **Patrimonial and executive members:** Carlos Eduardo Restrepo Mora.
- **Independent members:** Luis Fernando Restrepo Echavarría, Álvaro Enrique Jaramillo Buitrago, Ana Karina Quessep Alcové, Carolina Angarita Barrientos, and Orlando Enrique Cabrales Segovia.

Taking into account the changes made to the composition of the Board of Directors, at its meeting on April 29, 2022, the Board appointed the members of the Internal Committees, which are now composed as follows:

- Audit Committee: composed of Álvaro Enrique Jaramillo Buitrago, Luis Fernando Restrepo Echavarría, and Orlando Enrique Cabrales Segovia.
- Human Resources Committee: composed of Carolina Angarita Barrientos, Luis Fernando Restrepo Echavarría, and Ana Karina Quessep Alcové.
- Corporate Governance Committee: composed of Carlos Eduardo Restrepo Mora, José Alejandro Gómez Mesa, and Nora Cecilia Aristizábal López.

This information was disclosed to the market on April 29, 2022, through a statement published by the Company via the Relevant Information mechanism of the Financial Superintendency of Colombia.

**d. Members of the parent company's Board of Directors who sit on the Boards of Directors of subsidiaries or hold executive positions in them.** The subsidiaries of Constructora Concreto S.A. do not have Boards of Directors; consequently, no member of the parent company's Board of Directors sits on the boards of the subsidiaries. With regard to the performance of executive positions, no member of the parent company's Board of Directors holds executive positions in the subsidiaries. Dr. Carlos Eduardo Restrepo Mora currently serves as General Manager of the Bogotá branch of Constructora Concreto S.A.

**e. Policies approved during the period.**

During 2022, the Board of Directors approved the Information Protection and Management Policy, which defined the procedures for managing and protecting internal and external information received and generated by the Company; Modifications were made to the Internal Audit Statute due to administrative changes in the Organization since the Statute was approved by the Board of Directors at its meeting on December 11, 2020.

It is reiterated that the Company's management will continue to work on the formulation of guidelines and policies that will be progressively presented to the entire Board of Directors for consideration and approval in subsequent years, with the

intention to comply with the commitment to adapt the Company's corporate governance instruments to the guidelines established by the Country Code. The Company's management recognizes that the adoption of all the recommendations set forth in the Country Code must be gradual and involves a constant effort to increasingly adjust the corporate governance guidelines within the conglomerate to those recommendations.

**f. Process for appointing members of the Board of Directors.**

The Articles of Association and the internal regulations of the Board of Directors govern the process for appointing members to this collegiate body, a function that falls to the Shareholders' Meeting.

The Board of Directors of Constructora Concreto S.A. is made up of ten directors, who will be elected for two-year terms using the electoral quotient system. Those elected may be replaced in by-elections, in which case their term will be the remainder of the previous member's two-year term. There are no alternates on the Board of Directors. Appointment as a member of the Company's Board of Directors is made on a personal basis. The electoral quotient system will apply when all members of the Board are to be elected, without prejudice to the reelection of any of them.

The professional profiles of the members of the Board of Directors are disclosed to shareholders on the website so that the various stakeholders, mainly controlling and significant shareholders, families, shareholder groups, institutional shareholders, and the Board of Directors itself, are in a position to identify the most suitable candidates.

Currently, the functional and personal profiles required for the formation of the Board of Directors were approved at a meeting of the Human Resources Committee on December 13, 2019, and ratified by the Board of Directors at a meeting on February 21, 2020. The aforementioned profiles are as follows:

- Commercial: Understanding of market needs and players, product penetration strategies, and network of contacts and leads.
- Construction sector: Technical and market knowledge, as well as trends, behavior, and players in the sector.
- Project-based business specialist: Project portfolio management, with the ability to understand the specific dynamics of projects and their impact on the portfolio as a whole.
- Digital transformation: Understanding of the content and future of digital transformation, as well as the monetization of innovation models.
- Relationships with government entities and public officials: ability to establish opportunities for dialogue and interaction with entities and officials.
- Financial: Technical and market knowledge, as well as knowledge of trends, behavior, and players in the sector, and a network of contacts and leads.
- Vinci
- Families



The members of the Board of Directors shall be elected based on criteria of professional competence, suitability, and recognized moral integrity, and in any case, at least thirty percent (30%) of them shall be Independent Members, who, together with the Equity Members, shall constitute a majority with respect to the Executive Members. In the event that the Board of Directors is composed of Executive Members, the latter shall be the minimum number necessary to meet the information and coordination needs between the Board of Directors and the Senior Management of the company.

The assessment of the suitability of candidates will be carried out prior to the General Shareholders' Meeting, so that shareholders have sufficient information (personal qualities, suitability, track record, experience, and integrity) about the candidates proposed for membership, with sufficient time to allow for their proper evaluation.

Candidates for Independent Member are required to make a double declaration of independence: (i) by the candidate before the company, its shareholders, and members of Senior Management, implemented through their Letter of Acceptance, and (ii) by the Board of Directors, regarding the candidate's independence. Independent members are required to notify the Company of any circumstances that may affect their independent status.

It should be noted that the Human Resources Committee's responsibilities with regard to the procedure for appointing members of the Board of Directors include the following:

- Establishing the procedures required for the Board of Directors to achieve the following objectives:
  - Identify the tentative composition of functional profiles (associated with aspects such as knowledge and professional experience) that are needed on the Board of Directors in each circumstance.
  - Identify the most suitable personal profiles (linked to career history, recognition, prestige, availability, leadership, and group dynamics) for the Board of Directors.
  - Assess the time and dedication required for Board members to adequately perform their duties.
- Propose and review the criteria to be followed for the composition of the Board of Directors and the evaluation of the suitability of candidates for Board membership proposed by shareholders.
- Report, when applicable, on the independent status of candidates for membership of the Board of Directors, for their nomination to the General Shareholders' Meeting by the Board of Directors or directly by the shareholders.
- In cases of reelection or ratification of members of the Board of Directors, formulate a proposal that will contain an evaluation of the work that has been

performance of the proposed member, and effective dedication to the position during the last term.

- Establish an internal procedure and/or questionnaire to be submitted to candidates for consideration, allowing for the assessment of legal incompatibilities and disqualifications and the suitability of candidates for the Board of Directors, through the evaluation of a set of criteria that must be met by the functional and personal profiles of the candidates, and the verification of compliance with objective requirements to be a member of the Board of Directors and other additional requirements to be an Independent Member.
- Support the Chairman of the Board of Directors by centralizing and coordinating, prior to the General Assembly, the process of forming the administrative body, so that shareholders who, based on their shareholding, aspire to be part of the Board of Directors, can learn about the needs of the Board of Directors and express their aspirations, negotiate share balances and distribution among the different categories of members, present their candidates, and accept that the suitability of their candidates be evaluated by the Human Talent Committee before the vote at the General Shareholders' Meeting.

**g. Board of Directors remuneration policies.**

The remuneration of the members of the Company's Board of Directors is set by the General Shareholders' Meeting, based on objective business criteria. This remuneration is transparent, and to this end, its amount is disclosed in the annual information made available to the Company's shareholders. The Company has a Board of Directors remuneration policy approved by the General Shareholders' Meeting, which can be consulted on the corporate website.

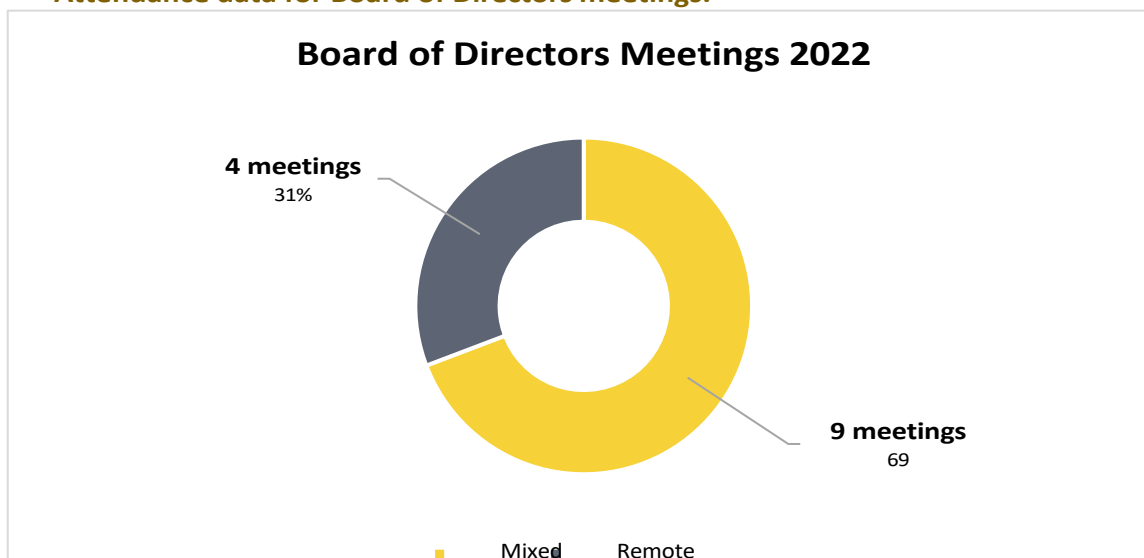
**h. Remuneration of the Board of Directors and Senior Management.**

In accordance with the resolution approved by the General Shareholders' Meeting at its ordinary meeting held on March 31, 2022, the sum of COP \$7,000,000 per meeting attended was accepted as remuneration for the members of the Board of Directors. The details of the remuneration paid to members of Senior Management are disclosed in accordance with the guidelines of Article 446 of the Commercial Code in the annual information made available to the Company's shareholders at the regular meeting.

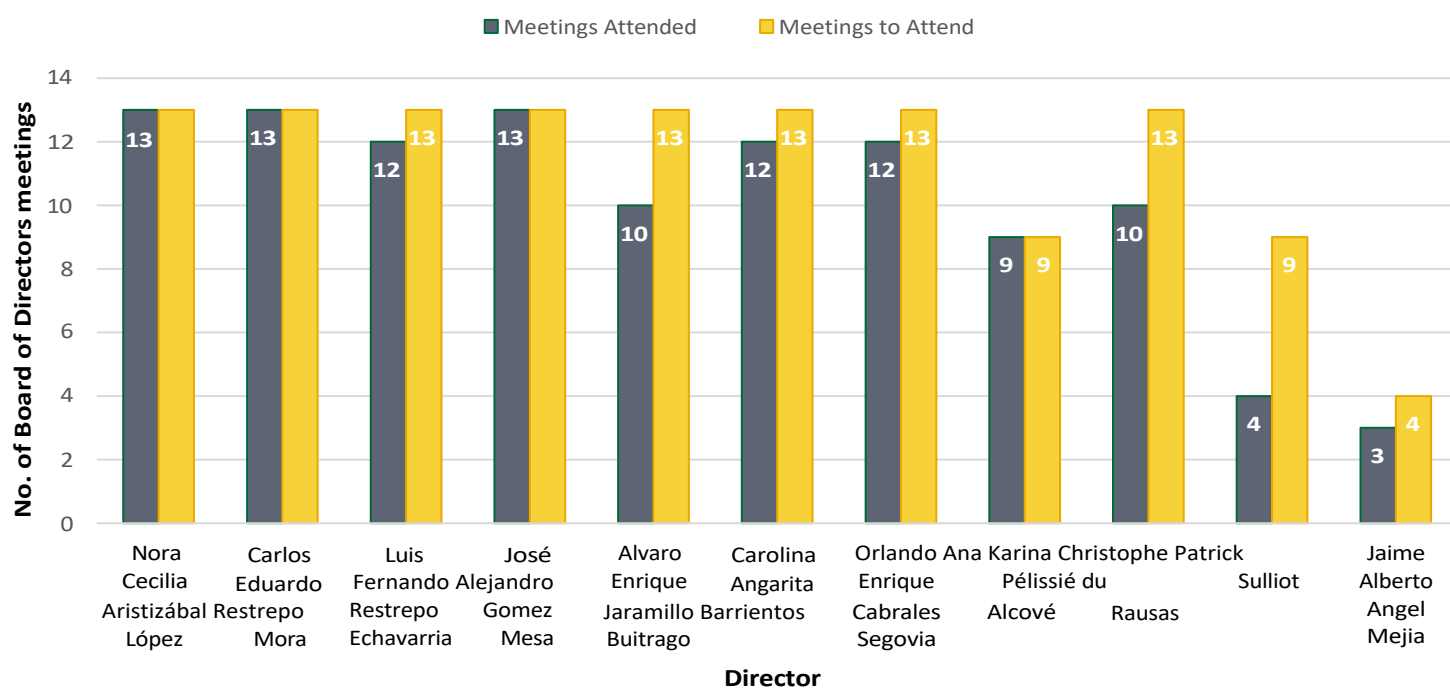
**i. Quorum of the Board of Directors.**

The Board of Directors shall deliberate and make valid decisions with the presence and votes of the majority of its members. Likewise, executives and officers of the Company or other persons whose presence is deemed appropriate for the proper handling of the matters submitted for consideration by the Board of Directors may be invited to the meetings, if so decided by the Chairman of the Board of Directors or the President of the Company.

j. **Attendance data for Board of Directors meetings.**



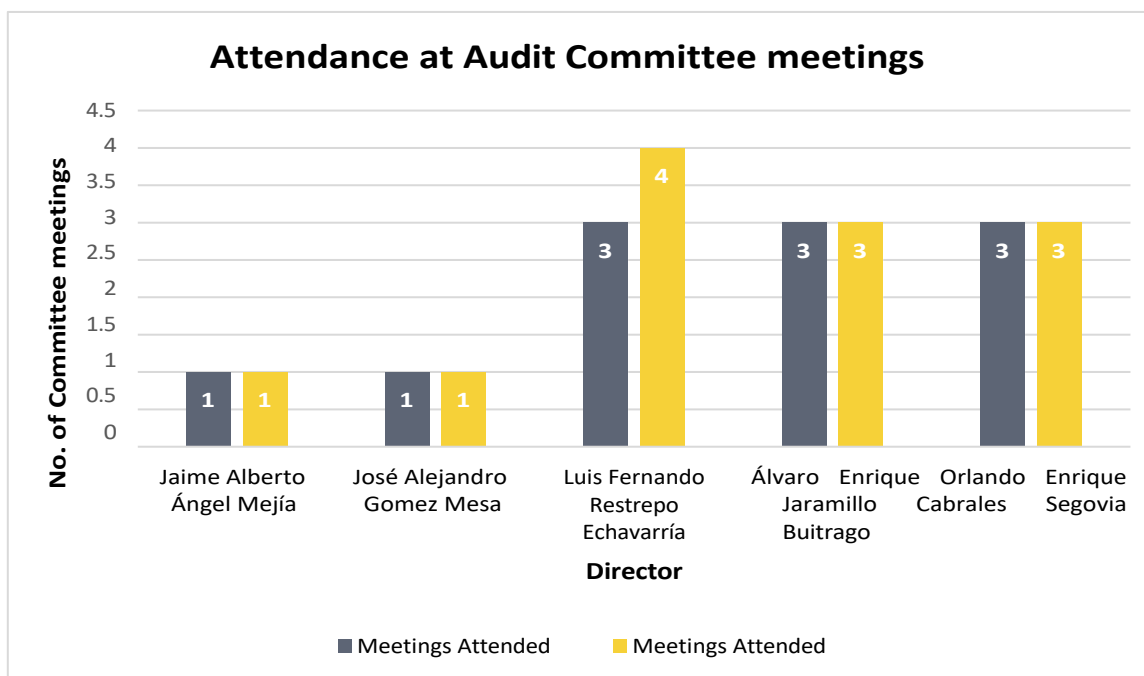
**Board of Directors Attendance 2022**



k. **Attendance data for Board of Directors Committee meetings.**

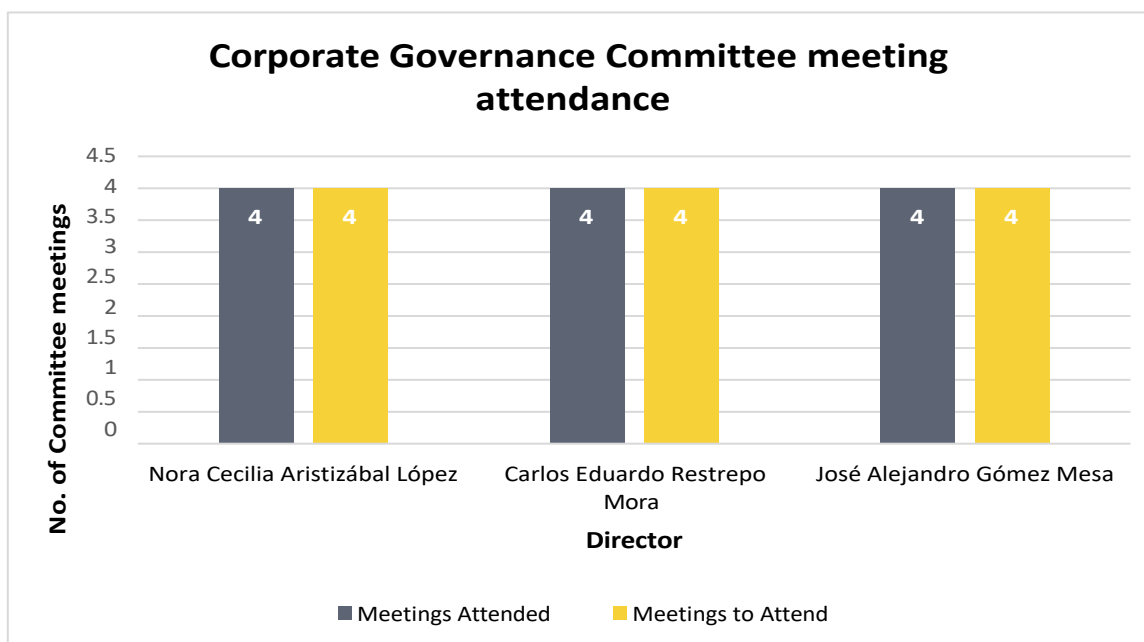
- Audit Committee.

During 2022, all meetings of the Audit Committee of the Board of Directors of Constructora Concreto S.A. were held remotely, and member attendance was as follows:



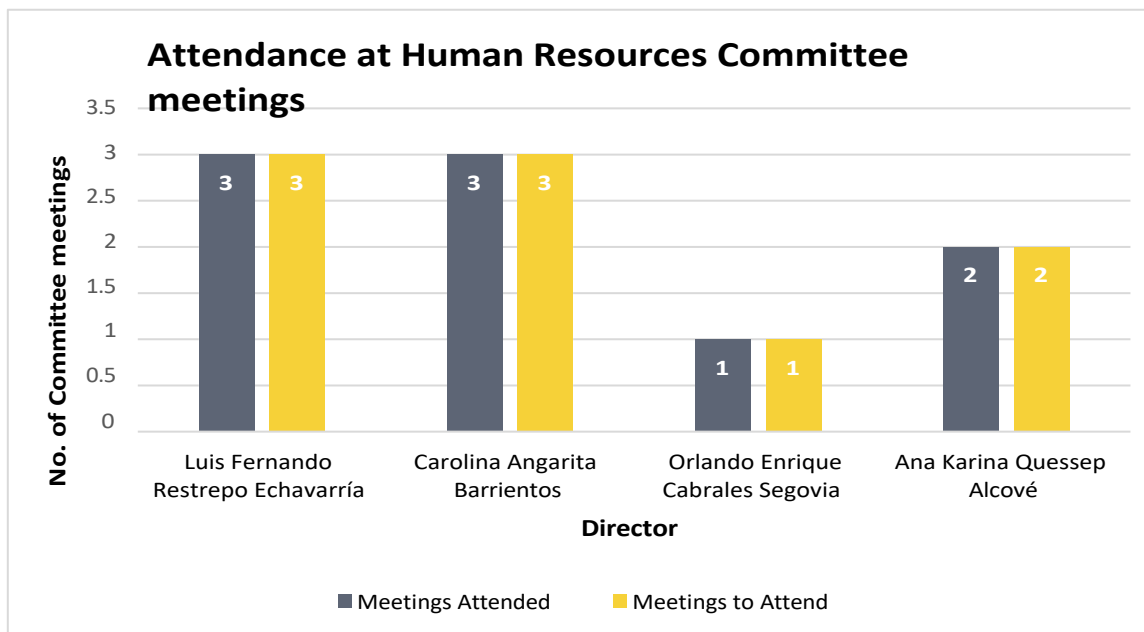
○ Corporate Governance Committee.

During 2022, all meetings of the Board of Directors' Corporate Governance Committee were held remotely, and member attendance was as follows:



○ Human Resources Committee.

During 2022, all meetings of the Board of Directors' Human Resources Committee were held remotely, and member attendance was as follows:



**l. Chairman of the Board of Directors.**

In accordance with the Internal Regulations of the Board of Directors, the Board shall have a President elected from among its members, who may be removed at any time. Currently, the position of Chair of the Board of Directors is held by Dr. Nora Cecilia Aristizábal López. The main functions of the Chair of the Board of Directors include convening Board meetings, setting the agenda for meetings jointly with the President or independently, chairing meetings, and ensuring that the Board's decisions are implemented.

Details of the duties of the Chairman of the Board of Directors can be found in the Internal Regulations of the Board of Directors, which are published on the Company's website and can be accessed via the following link: <https://conconcreto.com/gobierno-corporativo/#id-junta-directiva>

**m. Secretary of the Board of Directors.**

In accordance with the provisions of Article 49 of the Bylaws, the Secretary of the Board of Directors shall be the Secretary General of the Company; in special cases, an ad hoc secretary may be appointed for meetings. Notwithstanding the foregoing, in order to safeguard the independence of the Secretary of the Board of Directors vis-à-vis the President of the Company, his or her appointment and removal shall be the responsibility of the Board of Directors, at the proposal of the President of the Company, with a prior report from the Human Resources Committee. The Secretary of the Board of Directors may be a member of the Board of Directors. Currently, the Secretary of the Board of Directors is Dr. Candelaria Rodríguez Jaramillo, who holds the position of Secretary General of the Company.

The Secretary is responsible for keeping, in accordance with the law, the minutes books of the Board of Directors and authorizing with his or her signature the copies that are issued from them. The Secretary shall assist the Chairman of the Board in his or her duties and shall ensure the proper functioning of the Board.

of the Board of Directors, providing the Directors with the advice and information necessary for the proper performance of their duties, keeping the company's documentation, duly recording the proceedings of the meetings in the minutes books, and certifying the decisions of the Board of Directors.

Details of the duties of the Secretary of the Board of Directors can be found in the Internal Regulations of the Board of Directors, which are published on the Company's website and can be accessed via the following link: <https://conconcreto.com/gobierno-corporativo/#id-junta-directiva>

**n. Relationships during the year between the Board of Directors and the Statutory Auditor, financial analysts, investment banks, and rating agencies.**

During 2022, the Statutory Auditor attended all meetings of the Board of Directors' Audit Committee. The Board of Directors did not engage in any activities with financial analysts, investment banks, or rating agencies.

**o. External advice received by the Board of Directors.**

During 2022, the Company's Board of Directors was assisted by an external advisor who guided the Board in defining the Company's strategy and succession plan.

**p. Management of Board of Directors information.**

In accordance with the provisions of the Internal Regulations of the Board of Directors, the agenda for the meeting shall be attached to the notice of meeting; other matters may be included if the Chairman of the Board deems it appropriate in the interests of the company, and it may also be decided, even after the notice of meeting has been issued, that a particular matter will not be dealt with at the meeting. The information and/or documentation to be discussed at the respective meeting shall be sent with the notice of meeting. If, exceptionally, all or part of the information is not available at the time of the notice of meeting, it may be sent at a later date, but in any case at least three (3) calendar days prior to the date of the meeting.

**q. Activities of the Board of Directors Committees.**

- Audit Committee: In accordance with its duties, the Audit Committee of Constructora Conconcreto met four times in 2022 to conduct a detailed review and follow-up of the financial results of the operation, risk management, and relevant business situations. In addition, it reviewed developments in anti-money laundering and terrorist financing controls and the recommendations and requests of the Statutory Auditor.

- Corporate Governance Committee: During 2022, four meetings of the Corporate Governance Committee were held, at which the Committee's work plan for 2022 was defined, the results of the external evaluation of the Board during 2021 were shared, an analysis of the corporate documents and internal regulations of the Committees and the Board of Directors was carried out, and reviewed the draft code of good corporate governance prepared by management.

- Human Resources Committee: During 2022, three meetings of the Human Resources Committee were held, during which topics related to the presentation and approval of the variable compensation project were discussed, data on jobs generated directly and indirectly by the Organization were presented, and the administrative structure, organizational climate, and succession plan were reviewed.

**r. Information on the evaluation processes carried out by the Board of Directors and Senior Management, as well as a summary of the results.**

For 2022, it was decided to carry out a self-assessment of the Board of Directors. The methodology proposed for this was to conduct a survey, and the following points were highlighted in the evaluation: it is proposed to increase the number of regular Board meetings and implement a system of alternating between meetings, so that some are operational in nature and others have a strategic focus.

Likewise, it is proposed that the Board delve deeper into topics related to digital transformation, the future of construction, innovation, strategy, and asset allocation at its meetings.

Finally, as an opportunity for improvement, it is proposed to progressively strengthen the Company's corporate governance, the internal committees of the Board of Directors, and the communication of the activities carried out by these committees at Board meetings.





# 3

Operations with  
**Related  
parties**

### III. TRANSACTIONS WITH RELATED RELATED PARTIES.

#### **a. Powers of the Board of Directors regarding this type of transaction and situations of conflict of interest.**

The Code of Good Governance of Constructora Concreto S.A. defines conflict of interest as a situation in which the interests of the Company are in opposition to the personal interests of employees or their family members, in such a way that it leads the employee to act under parameters other than those established to ensure the real and ethical fulfillment of their responsibilities to the company.

Likewise, it stipulates that members of the Board of Directors, Legal Representatives, members of Senior Management, and other administrators of the Company must periodically inform the Board of Directors of any direct or indirect relationships they may have with each other or with other entities or structures belonging to the Business Group, or with the Company, or with suppliers, or with customers, or with any other stakeholder (the latter being understood as all those persons who, due to their connection with the Company, have an interest in it. These include the general public, shareholders, employees, customers, users, economic and tax authorities, and the official supervisor), which could give rise to conflicts of interest or influence the direction of their opinion or vote.

If the Company, its directors, managers, or other employees find themselves in a situation that gives rise to a conflict of interest, the following procedures will be followed, depending on whether the conflict is sporadic or permanent:

If the conflict is sporadic, it will be mandatory, in the first instance, for the person directly involved to inform the Board of Directors or their immediate superior, as the case may be, about the situation giving rise to the conflict and obtain their consent to initiate or continue with the transaction. This mechanism may not eradicate the conflict of interest, but it will maintain the transparency of the transaction. On the contrary, if the conflict of interest is permanent and affects the Company's operations as a whole, this situation will constitute grounds for mandatory resignation on the part of the affected party, since they are unable to perform their duties.

In the case of administrators, the provisions of Article 23 of Law 222 of 1995, paragraph 7, and its regulatory Decree No. 1925 of 2009 shall apply, and in this regard, it will be necessary to obtain the respective authorization from the General Shareholders' Meeting when it comes to signing contracts or submitting commercial offers in which the respective administrator has an interest, either directly or through an intermediary.

The company has a Conflict of Interest Policy approved by the Board of Directors, which applies at all levels of the Organization and seeks consistency between corporate values and the actions of its employees. This Policy has been widely disseminated within the Company and is published on the Company's website.

**b. Details of the most significant transactions with Related Parties in the Company's opinion, including transactions between companies within the Conglomerate.**

Transactions with Related Parties are disclosed in detail in the notes to the financial statements, as well as in the Business Group report, which are made available to shareholders in the annual information available to them during the period for exercising their right of inspection.

**c. Conflicts of interest and actions of the members of the Board of Directors**

There were no conflicts of interest during 2022.

**d. Mechanisms for resolving conflicts of interest between companies within the same conglomerate and their application during the fiscal year.**

The Company has a Corporate Group policy that establishes guidelines for intra-group transactions. This policy was approved by the Board of Directors and is published on the Company's website. In addition, there is a Conflict of Interest Policy that applies at all levels of the Organization.



4

Systems

**Risk**

**Management**

**t**

## **IV. RISK MANAGEMENT SYSTEMS OF THE COMPANY OR CONGLOMERATE.**

### **a. Explanation of the Internal Control System (ICS) of the company or conglomerate and its modifications during the fiscal year:**

The general architecture and control system is the mechanism by which the organization groups internal and external control processes, ensuring the coherence and consistency of the various administrative and management processes.

Internal control processes include all verification, monitoring, and control mechanisms carried out by agents who are part of the different areas of the company. These strategies include self-control, follow-up plans, periodic review of strategic risks, financial results, and relevant business information that are made available to the Board of Directors' audit committee, facilitating the achievement of strategic objectives and ensuring the sustainability and continuous improvement of the company.

External control processes are led by the statutory auditor, third-party auditors, and quality management system certification bodies. These entities verify compliance with legal, regulatory, contractual, and organizational guidelines in accordance with national and international standards.

### **b. Description of the risk policy and its application during the fiscal year.**

The organization's risk management focuses on periodic activities to identify and update strategic and operational risks that may affect project execution and the achievement of the organization's objectives. The results of these reviews were presented in a timely manner during 2022 to the administrative and management bodies in order to take the necessary actions to reduce both the probability of occurrence and the financial impact resulting from their materialization.

Being aware of climate change and its imminent relevance to the development of the company's corporate purpose, the environmental process risk matrix was updated, emphasizing this risk understood as the climate-related threat derived from accelerated changes in weather patterns. This was done with the aim of generating preventive, corrective, and reductive actions to counteract the harmful effects of this process in each project and to promote mitigation strategies that include energy efficiency measures, water footprint reduction, carbon footprint measurement, and the implementation of good environmental practices.

**c. Materialization of risks during the fiscal year and response and monitoring plans for the main risks.**

In 2022, ongoing efforts were made to strengthen the culture of strategic and operational risk management within the business. During the fiscal year, the Superintendency of Companies declared the termination of the Emergency Negotiation Procedure for the Company's Reorganization Agreement, since the situation that gave rise to the assumption of imminent inability to pay was overcome and agreements were reached with creditors outside of the bankruptcy proceedings.

On the other hand, Concreto decided to sign an agreement with the VINCI Group with the intention of limiting its exposure to risks arising from the Bogotá-Girardot Third Lane construction contract, thereby ensuring the sustainability of the organization.

This event represents an estimated decrease of COP \$248 billion in the company's equity, but it eliminates the high risk of default due to the contract term and mitigates possible future losses due to increased inflation, high interest rates, the devaluation of the Colombian peso, and adverse changes in the construction sector. Organizational resilience comes to the fore with this negotiation, which allows for the fulfillment of obligations to third parties and strengthens the company's solidity and liquidity.

**d. Internal Audit.**

The annual internal audit program for the management system is governed by ISO 9001:2015, 14001:2015, 45001:2018, and NORSOK S-WA-006:2018 standards. These are applied to five (5) infrastructure projects, seven (7) design projects, six (6) construction projects, twelve (12) strategic and support processes, and one (1) laboratory for quality control of construction materials in soils, concrete, stone aggregates, and asphalt mixtures. As a result of the 2022 internal audits, improvement plans were implemented to address risks and opportunities, optimize company processes, and contribute to operational effectiveness and the achievement of strategic objectives.



5

Report on

**Risk**

**Management**



## V. RISK MANAGEMENT REPORT

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### a. Monitoring Risk Map.

The company's strategic risks were monitored and tracked during the fiscal year. The methodology for measuring the impact and probability of occurrence for each scenario in the current uncertain environment facilitates the timely attention to situations that arise in the ordinary course of business and strengthens stakeholder confidence while ensuring operational efficiency, sustainability, and compliance with all of the organization's obligations.

### b. Money laundering.

Concreto complies with current regulations on risk management systems associated with corruption, fraud, bribery, money laundering, and terrorist financing (AML/CFT). For this reason, it has a risk management system approved by the Board of Directors through the Money Laundering Prevention Manual and the Fraud and Corruption Risk Protocol, which establish guidelines for information verification controls, validation processes, and consultations on restrictive lists and reports in public information sources, with the purpose of protecting the business from possible risks related to unusual or suspicious operations that tend to serve as an instrument for the concealment, management, investment, or exploitation in any form of money or property derived from illegal activities. During the reviews carried out by the Company, some alerts were detected, but none of them materialized and they were disclosed to the Audit Committee.



6

General Assembly of  
**Shareholders**

## VI. GENERAL SHAREHOLDERS' MEETING.

### **a. Differences in the functioning of the Meeting between the minimum requirements of current regulations and those defined by the Company's Bylaws and Meeting Regulations.**

Both the Bylaws and the Internal Regulations of the General Shareholders' Meeting have adopted measures that are more rigorous than those established by law in order to protect shareholders' rights, in line with the recommendations of the Country Code. The most significant improvements are as follows:

- The call for the General Shareholders' Meeting for the ordinary meeting shall be made no less than 30 calendar days prior to the date on which the meeting is to be held; for extraordinary meetings, it shall be made fifteen (15) calendar days prior to the date scheduled for the meeting.
- When discussing an increase in authorized capital, a decrease in subscribed capital, or an improper spin-off, the respective item must be included in the agenda specified in the call notice, under penalty of the respective decision being invalid. In such cases, the company's administrators shall prepare a report on the reasons for the proposal, which shall be made available to shareholders during the term of the notice at the company's administrative offices.
- In cases of spin-offs, mergers, and transformations, the respective proposals must be made available to shareholders at the Company's principal place of business at least thirty (30) calendar days prior to the meeting at which the proposal will be considered. Likewise, the agenda of the meeting must include this item and expressly indicate the possibility for shareholders to exercise their right of withdrawal, under penalty of the decision being invalid.
- In transactions that may result in the dilution of minority shareholders' capital, such as a capital increase with waiver of preemptive rights in the subscription of shares, merger, spin-off, or segregation, the Board of Directors shall submit a prior report to the shareholders containing a summary of the opinion of an independent external advisor of recognized standing, appointed by the Board of Directors itself. This report shall be made available to shareholders prior to the Meeting at which the transaction in question is to be voted on, under the same terms established for the exercise of the right of inspection.
- The call may be made by electronic means, by written communication addressed to each of the shareholders at the address registered in the Company's books or by publication on the Company's website, or its equivalent.  
or by means of a notice published in a national newspaper or through social media. Likewise, notice of the call for bids shall be given to the relevant regulatory body, if applicable.

- During the term of the call, all documents and information related to the items on the meeting agenda will be available to shareholders, both physically at the Company's facilities and electronically on the corporate website.
- The notice specifies the items on the agenda to be dealt with by the General Shareholders' Meeting and the Proposed Resolution, which is understood to be the literal description of the matter that the Board of Directors submits for consideration by the Meeting, and which may include a suggestion from this body to shareholders on how to vote.
- Within five (5) calendar days following personal notification or publication of the call, shareholders shall have the right, regardless of their shareholding, to propose the inclusion of one or more items for discussion on the agenda of the ordinary meeting of the General Shareholders' Meeting or to submit new Proposed Resolutions, provided that such requests are accompanied by a justification.
- Shareholders who are unable to attend one or more sessions may attend the General Shareholders' Meeting through a proxy who will prove their status with a power of attorney duly granted in writing. The company provides a power of attorney form on its website that shareholders may use for this purpose.
- To ensure greater dissemination of the meetings of the assembly, they are broadcast via *streaming*.

**b. Measures adopted during the fiscal year to encourage shareholder participation.**

Once the Shareholders' Meeting has been called, a link called "Meeting" is added to the website, where documents related to the topics to be discussed at the meeting are published. It is possible to follow the meetings via *streaming*, so that shareholders who are unable to attend can connect remotely and learn firsthand about the decisions made at each meeting.

Quarterly conferences are organized to present the financial results for the period, which are broadcast on the Company's website, during which questions from investors and other stakeholders are answered. The Company's website has a link called "investors," which seeks to communicate the Company's financial and non-financial information accurately and in a timely manner. This allows our investors to learn firsthand about content that is of interest to them. It is important to note that the Company has been adopting the recommendations of the Country Code to ensure greater shareholder participation.

**c. Information for shareholders and communication with them.**

The Code of Good Corporate Governance adopted by Constructora Conconcreto S.A. has defined a procedure that establishes the mechanisms available to the Company for interacting with its shareholders on matters such as:

- **Access to information:** All shareholders of Constructora Conconcreto S.A. shall have equal rights to access information about the Company, with the right to equal treatment in exercising such rights. The company will endeavor to ensure that all its shareholders are fully and promptly informed about the ordinary course of business, disclosing the company's financial and non-financial information in a timely and truthful manner, allowing them to have a detailed and complete understanding of the company's performance.
- **Resolution of requests for information:** By virtue of the right to access Company information, Constructora Conconcreto has permanently open channels of communication through which shareholders can express their concerns and receive answers to them, provided that this does not involve the disclosure of confidential information or information relating to trade secrets, or information whose disclosure could be used to the detriment of the Company.

Thus, the website has a link exclusively for investors, with a button labeled "Investor Relations," where a series of frequently asked questions are listed with their respective answers and where messages to the Company can be left. Constructora Conconcreto has an Investor Relations office, where during business hours there is a person available to respond to shareholder requests and an email address set up to receive these messages.

- **Company communication channels with shareholders:** Constructora Conconcreto has developed the following communication channels with its shareholders:
  - Website <https://conconcreto.com/inversionistas/>
  - Quarterly teleconferences via a website, where the most relevant news of the period is presented, along with financial information and results for the period.
  - Email [ir@conconcreto.com](mailto:ir@conconcreto.com)
  - Via the telephone line+ 57 (604) 402 5700
  - Through press releases
  - Social media
  - Website of the Financial Superintendency of Colombia, under the link for relevant information.

- **Form of interaction between shareholders and the Company, its Board of Directors, and other administrators:** Interaction between shareholders and the Company mainly takes place at the Ordinary Shareholders' Meeting or at extraordinary meetings of the Shareholders' Meeting. However, if a shareholder submits a request for information to the Company addressed specifically to the Board of Directors or to a particular administrator, such requests will be channeled through the Investor Relations office, which, after consulting with the General Secretariat, will respond to the shareholder in a timely manner.

**d. Requests and matters on which shareholders have requested information from the company.**

During 2022, the following requests were received directly by the company through the Investor Relations department:

TYPE	# REQUESTS
Written requests	32
Telephone inquiries	3
In-person assistance	0
<b>Total</b>	<b>35</b>

SUBJECT OF REQUEST	# REQUESTS
Hidroituango	2
Reorganization process	5
Certificates	3
Requests to the Board of Directors	1
Shareholders' Meeting	8
Publication of results	3
General questions	1
Share buyback	5
Distribution of profits	4
Performance of the stock	1
Telephone call requests	1
Transaction with VINCI on the Third Carril Bogotá – Girardot	1
<b>Totals</b>	<b>35</b>

**e. Attendance data for the General Shareholders' Meeting.**

The following is the most relevant data regarding attendance at the Company's ordinary Shareholders' Meeting on March 31, 2022:

<b>Shareholders represented</b>	94
<b>Attendees</b>	53
<b>Shares represented</b>	971,859,869
<b>Shares outstanding</b>	1,134,254,939
<b>Percentage represented</b>	85.68%

**f. Details of the main agreements reached.**

During the Company's ordinary General Shareholders' Meeting held on March 31, 2022, which was conducted as a hybrid meeting, in person at Carrera 43B #1A Sur – 70, Edificio Buró, Milla de Oro, Auditorium - 5th floor, Medellín, Antioquia, and virtually through the digital platform called Sistema Integral de Gestión de Asambleas (Comprehensive Meeting Management System), administered by the Centralized Securities Depository of Colombia DECEVAL S.A., the Sustainability Management Report, the Corporate Governance Report, and the Company's financial statements as of December 31, 2021, were approved. Likewise, the distribution of the Company's profits was approved, which would be paid in three installments, provided that the Emergency Negotiation Procedure for a Reorganization Agreement of the Company had been completed. In addition, the Board of Directors was appointed to complete the two-year statutory term from April 2021 to March 2023, following the retirement of two of its members, Dr. Richard Francioli and Dr. Jaime Alberto Ángel Mejía.

