

Code of Ethics and Good Governance

Código: AN-RH-04



VERSION: 04

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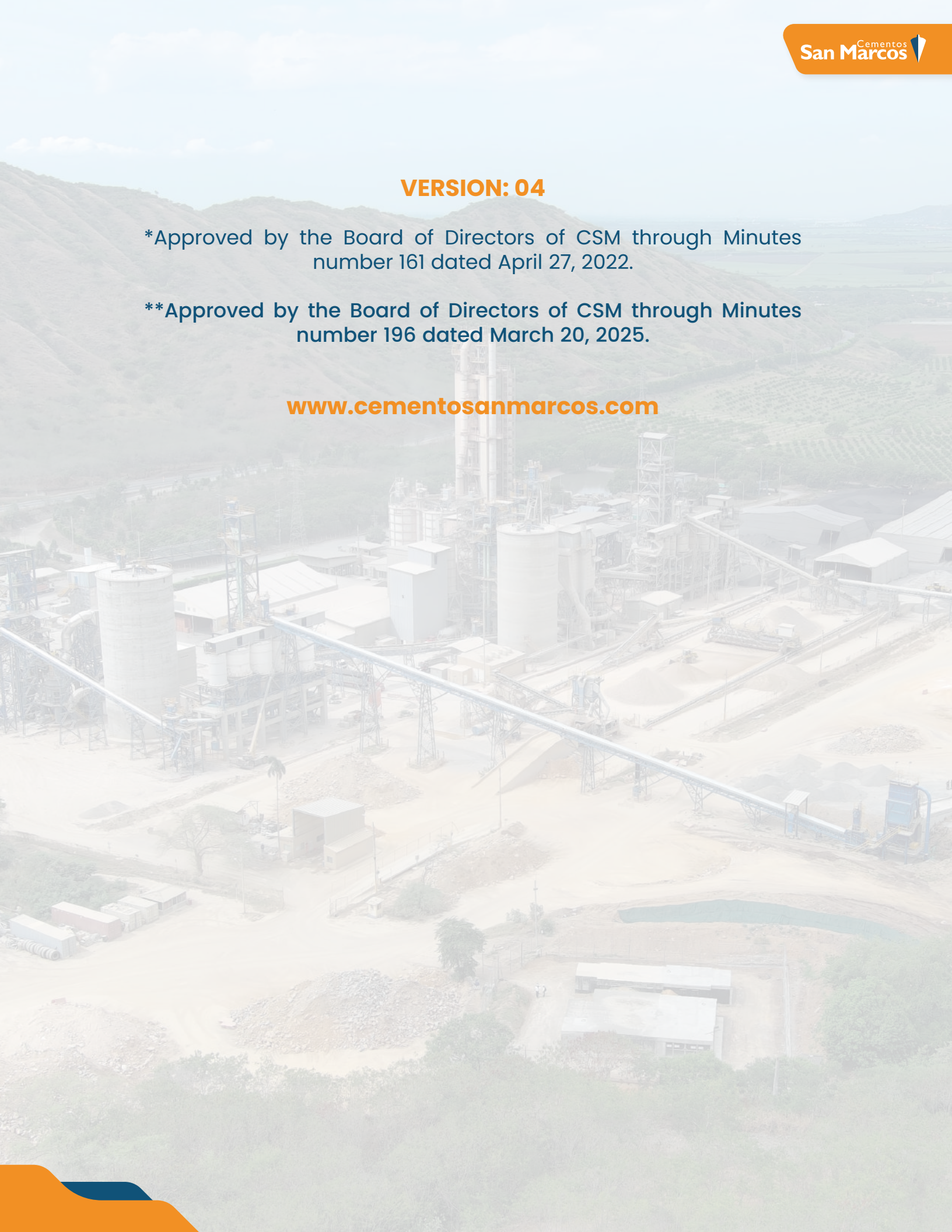


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1. INSTITUTIONAL VALUES OF CEMENTOS SAN MARCOS

At Cementos San Marcos SAS BIC, our institutional values and guidelines form the foundation of a strong and ethical corporate culture, rooted in respect for people, the environment, and both national and international laws.

TEAMWORK

We work together, giving our best to achieve organizational goals and benefit our stakeholders.

INNOVATION

We are a team that embraces change—observant, visionary, creative, and solution-driven.

TRANSPARENCY

We foster transparency among our executives, employees, customers, and suppliers to build long-term relationships and grow together.

INTEGRITY

Do the right thing, even when no one is watching.

RESPECT

Treat others the way you want to be treated.

EMPATHY

We understand and feel the needs of others as if they were our own—and we act accordingly.

DISCIPLINE

We do things in an organized and systematic way, on time and following established methods.

Institutional Principles

- Work hard and be a good person.
- Life comes before everything else.

2. THE CODE OF ETHICS AND ITS SCOPE

This Code of Ethics outlines the values, standards, and guidelines that reflect our company's culture and guide the behavior of all stakeholders in their institutional and personal actions. It provides direction for how we relate to one another and with other organizations, entities, or individuals, ensuring ethical behavior within and outside the organization.

Its main purpose is to foster fair and respectful interaction among all those involved with the company and to ensure that individuals represent the organization with integrity toward society.

This code must be updated regularly in response to new situations, emerging conflicts of interest, or other specific issues.

All organizational and personal actions by those affiliated with Cementos San Marcos S.A.S BIC must align with the values and standards outlined here. Compliance is mandatory for all stakeholders.

It is the responsibility of management to implement this code across the organization and ensure its compliance. The code must also be communicated to stakeholders to ensure they act in accordance with its values.



3. ZERO TOLERANCE POLICY ON BRIBERY AND CORRUPTION

Prohibition of Bribery and Facilitation Payments

At Cementos San Marcos S.A.S BIC, we do not offer, promise, agree to, or give—directly or through intermediaries—any favors, payments, gifts, or items of value (other than customary courtesies) to national or foreign authorities, their relatives, or related third parties, with the intent of influencing their actions, decisions, omissions, or official duties, or to gain any improper advantage.

We also refrain from making facilitation payments—those intended to expedite or secure routine administrative actions by an authority. Meals, corporate gifts, or institutional gestures may be offered occasionally, solely for the purpose of strengthening relationships with the organization, provided they are reasonable in value and frequency and comply with applicable laws. We never give cash gifts or benefits that could be seen as an attempt to improperly influence an authority's objectivity.

Employees are strictly prohibited from using their own funds to bypass this anti-bribery policy. Under no circumstances do we offer bribes through third parties such as external agents, consultants, partners, representatives, suppliers, or any intermediaries acting on behalf of the company.

- 1. Charitable Contributions:** Any donations or sponsorships made by CSM S.A.S BIC to charities, foundations, associations, NGOs, or non-profit institutions must have a lawful purpose and must never be used to disguise acts of bribery or corruption.
- 2. Political Contributions:** On an exceptional basis, we may contribute to electoral campaigns or political movements aimed at promoting democracy. These contributions will comply with applicable legislation, respect legal limits, and must never be used to gain undue advantages.

Transparency in Donations and Contributions

All permitted donations or contributions must be clearly and accurately recorded in the company's accounting system. We do not engage in practices that conceal or manipulate financial records to hide improper activities. All entries are subject to internal audits to ensure compliance.

Reporting Channel

If an authority or their representative requests a payment or benefit prohibited by this policy, we either refuse the request or report it to our Compliance Officer via email at csm.transparencia@csmsa.co or through our Transparency Line available at www.cementosanmarcos.com. Any behavior that violates this Code of Ethics can also be reported via these channels.

How to Identify a Behavior Worth Reporting

When making decisions at Cementos San Marcos S.A.S BIC, ask yourself:

1. Is this the right thing for Cementos San Marcos S.A.S BIC?
2. Is it legal?
3. Does it align with the company's values—or mine—and comply with this code?
4. Is it consistent with the company's culture and values?
5. Could it negatively impact my personal, professional, or the company's reputation?

If the answer to any of these is "no," the behavior is likely unethical. If you are ever unsure, you can report concerns—without fear of retaliation—through:

- **Our Transparency Line:**
<https://cementosanmarcos.com/linea-de-transparencia/>
- **Our Compliance Officer:**
csm.transparencia@csmsa.co

Non-Retaliation

At Cementos San Marcos S.A.S, we are committed to ethical and transparent business practices. We do not tolerate retaliation against anyone who reports misconduct in good faith.

Sanctions

Failure to comply with the Anti-Bribery and Anti-Corruption Policy will be treated as a serious violation of the employment or commercial agreement with CSM S.A.S BIC and may result in disciplinary actions, including termination. It may also lead to administrative, civil, or criminal penalties. Lack of awareness or misunderstanding of this policy does not exempt anyone from compliance.



4. GENERAL PRINCIPLES OF WORKPLACE CONDUCT

Consistency with Values and the Duty to Disagree Respectfully

All organizational and personal actions by employees and contractors at Cementos San Marcos S.A.S BIC must align with the company's core values.

Living the Company's Values

Employees are expected to demonstrate respect, trust, personal excellence, and integrity in their work and in their relationships with colleagues, the company, their families, and society. These values should be internalized and reflected in daily behavior.

Personal Integrity

A sense of belonging, commitment, and loyalty to the company must be rooted in the personal identification with our principles and values. Embracing the company's culture is a moral imperative for all team members.

Right and Duty to Disagree

Employees have both the right and the responsibility to speak up against actions, decisions, or behaviors that contradict our values, equity, ethics, or human dignity. This right must be exercised responsibly and respectfully, with initial recourse to leadership or shareholders when necessary.

Leaders must create an environment where employees feel free to express dissent in a calm, constructive, and respectful manner, always ensuring that company values are upheld.

5. CONFLICT OF INTEREST

A conflict of interest arises when personal interests—whether direct or indirect—of an employee, executive, or shareholder (or their relatives or close contacts) are or may become incompatible with the company's interests. This includes situations that interfere with their duties or may lead them to act for reasons other than the faithful fulfillment of their responsibilities.

All individuals associated with Cementos San Marcos S.A.S BIC must formally report any conflict of interest, whether their own or someone else's, to their supervisor, who must in turn inform the Compliance Committee or the Compliance Officer.

It is the duty of all supervisors and personnel to foster a culture of trust, where unethical behavior is reported directly or anonymously. Supervisors must promptly investigate any violations and inform the relevant committee to apply disciplinary or corrective measures.



6. ETHICAL GUIDELINES FOR SHAREHOLDERS

- Ensure Cementos San Marcos S.A.S BIC serves as a vehicle for value creation, balancing profitability with sustainable development and environmental respect.
- Always act ethically and responsibly in all activities.
- Vote in shareholder meetings in an informed and responsible way, promoting ethical governance and supporting the enforcement of this Code of Ethics.
- Seek a fair balance between capital and labor, ensuring employees receive fair compensation.
- Appoint qualified and ethical individuals to leadership positions.
- Define and defend the company's mission and values in alignment with this Code.



7. ETHICAL GUIDELINES AND COMMITMENT OF COMPANY LEADERSHIP (FROM GENERAL MANAGEMENT TO DEPARTMENT HEADS)

- Conduct professional, ethical, and responsible activities aligned with the company's values.
- Do not discriminate on the basis of race, religion, age, nationality, sex, or any other unrelated personal or social characteristic.
- Prevent and avoid all forms of violence, harassment, or abuse at work.
- Promote professional development, training, and advancement of employees.
- Ensure workplace health and safety by implementing appropriate preventive measures.
- Enforce this Code of Ethics and establish mechanisms to guarantee its application—ideally through a Compliance Committee with authority to take corrective actions.
- Communicate company status and outlook transparently and accurately to shareholders.
- Follow accounting standards and maintain internal/external controls to manage risks appropriately.
- Keep honest and accurate records to support responsible decision-making.
- Cooperate fully with internal and external auditors.
- Put company interests above personal gain when acting on its behalf, and use company assets only with proper transparency and authorization.

- Report any conflict of interest immediately and abstain from participating in related decisions.
- Maintain confidentiality regarding all company information, even after leaving the organization.
- Honor the company's obligations and act diligently in managing both debts and receivables.
- Maintain succession plans for key positions to ensure business continuity.
- Appoint team members based on merit and qualifications, focusing solely on the company's interest.
- Leaders must not accept or request gifts or benefits from clients, suppliers, or potential business partners beyond common, low-value courtesies (e.g., a meal, calendar, or promotional item).



8. ETHICAL GUIDELINES AND COMMITMENT OF COMPANY EMPLOYEES

- Perform your duties ethically and responsibly, in accordance with the company's core values.
- Do not discriminate based on race, religion, age, nationality, sex, or any other personal, sexual, or social condition unrelated to merit and ability.
- Do not permit or engage in any form of violence, harassment, or abuse in the workplace.
- Comply with legal regulations and internal work rules. The following behaviors are strictly prohibited and constitute serious misconduct:
 - Lending money to colleagues with interest charges.
 - Misusing benefits provided by Cementos San Marcos S.A.S BIC for any purpose other than the one assigned.
 - Reporting a personal accident as a work-related accident when it did not occur during work activities.
 - Accepting or soliciting, directly or indirectly, gifts or other types of benefits from clients, suppliers, or potential partners—such as gifts, expense-paid trips, recreational lodging, use of vehicles, or any other benefit of greater value than customary, commonly accepted business courtesies like a lunch, calendar, or promotional item.

9. ETHICAL GUIDELINES IN BUSINESS RELATIONSHIPS

With Clients

Cementos San Marcos S.A.S BIC is committed to serious and professional conduct with clients. We aim to meet their needs with fairness and by faithfully honoring all commitments.

Our marketing and sales strategies must present our products and services truthfully—without exaggerating qualities or misrepresenting specifications, uses, or characteristics.

This rule applies not only to advertising but also to the behavior of our commercial staff.

We act in good faith and with loyalty to maintain transparency in the market. Discriminatory practices—such as favoring one client over another without objective reasons—are unacceptable, especially during times of product scarcity.

Sharing or leaking confidential information that could provide business advantages is strictly forbidden.

Employees must not accept or solicit gifts or favors from clients that go beyond what is considered a standard courtesy.

With Competitors

We refrain from any acts that unfairly harm free competition.

We do not discredit competitors, deceive clients, or obtain competitors' confidential information illegitimately.

We accept contracts only when awarded fairly, based on the merits of our proposal.

We never engage in, offer, or accept bribes or other improper incentives, whether monetary or otherwise.

Violating these principles is considered a serious offense, even if done with the intention of benefiting the company.

With Suppliers and Contractors

We treat all suppliers with respect and honesty and maintain transparent and loyal relationships.

Supplier selection must be based on objective criteria such as product or service quality, pricing, delivery timelines, and the supplier's reputation and financial stability.

We do not share internal company information that could give one supplier an unfair advantage over others.

No employee may accept or solicit gifts or benefits from suppliers that exceed common business courtesies.

10. ETHICAL GUIDELINES IN RELATIONS WITH GOVERNMENT ENTITIES

All interactions with government entities or public agencies that regulate or oversee our activities must follow legal standards and procedures.

The company strongly disapproves of offering or granting payments—whether monetary or in-kind—by our employees or public officials, with the intent to obtain favorable decisions or expedite procedures.



11. PRINCIPLES AND POLICIES OF THE INTEGRATED MANAGEMENT SYSTEMS

At Cementos San Marcos S.A.S, we manufacture and market high-quality cement while fostering a culture of continuous improvement. We are committed to legal compliance, customer satisfaction, and fulfilling the expectations of our stakeholders through the following:

- A high-performance human team.
- Safe and healthy work environments that prevent injury or illness.
- Advanced technology in our processes.
- Environmental protection and promotion of cleaner production practices.
- No association with illicit activities such as theft, money laundering, or terrorism financing.
- Effective risk and opportunity management in service delivery, occupational health and safety, supply chain, and facilities.

Cementos San Marcos S.A.S allocates the necessary human, technical, and financial resources to uphold this policy and expects the active engagement of all employees to ensure continuous improvement.

Senior management is responsible for promoting the evaluation, review, and oversight of the management systems to ensure their effectiveness.

12. RED FLAGS

The following are examples of prohibited behaviors that go against this Code of Ethics:

- A driver offers money to be allowed to enter the company premises ahead of others for loading/unloading.
- A client requests a "commission" in exchange for awarding a major contract or sale.
- A supplier offers an all-expenses-paid international trip as a thank-you for being awarded a contract.
- Misusing company assets or resources for personal purposes.
- Using influence or trust to offer or receive bribes for facilitating company operations (being effective does not mean breaking laws or policies).
- Submitting forged documents to obtain company benefits.
- A supplier agrees with a company employee to submit an inflated quotation, with the difference being transferred to the employee's account as a kickback.

Annexes

- PO-AD-01 Donations Policy
- PO-AD-02 Travel Expense Policy
- PO-GE-01 Whistleblower Protection Policy
- PO-GE-02 Sponsorship Policy
- PO-GE-03 Lobbying Policy
- PO-GE-04 Political Contributions Policy
- PO-RH-09 Sexual Harassment Prevention Policy
- PC-GE-05 Conflict of Interest Policy
- MN-GE-03 SAGRILAFT and PTEE Manual

Acknowledgment of Receipt

I hereby acknowledge receiving from Cementos San Marcos S.A.S BIC:

- This Code of Ethics, which I commit to reading and complying with.
- The disciplinary regime contained in the Code of Ethics.
- Information regarding the whistleblower reporting channel.
www.cementosanmarcos.com

Signature:

Name: _____

ID: _____

Position or Contractor Company: _____ **Date:** _____

Let's make the perfect mix—by honoring this Code of Ethics.

www.cementosanmarcos.com

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San Marcos Cementos 