

# Policy for Operations with Related Parties

**Approval:** Board of Directors No. 369 dated  
December 20, 2021



Construcciones  
**EL CONDOR S.A.**  
Ingeniería de Infraestructura e Inversiones

## PRELIMINARY CHAPTER

By adopting this Policy, Construcciones El Cóndor S.A. (hereinafter “the Company”), intends to define the rules and principles that must be applied to all Operations that are performed between Related Companies for exchanging economic resources, obligations, or services, so that such Operations are carried out in a transparent manner and at arm’s length, and set forth the guidelines for their evaluation, approval, and disclosure.

This Policy was prepared by taking into consideration, among others, the Good Corporate Governance Standards implemented by the Company through its by-laws, its Code of Corporate Ethics and Code of Good Corporate Governance, the Best Corporate Governance Code – Country Code, the International Accounting Standards 24, the International Financial Reporting Standards (IFRS), and the information about transfer prices to which the Tax Statutes and its regulations refer.

### DURATION AND MODIFICATIONS

This policy shall become effective as of December 20, 2021, when it was adopted by the Board of Directors, and will remain in effect until de Company, through its Board of Directors, publishes a document to replace it.

Any modifications to this document must be approved by the Company’s Board of Directors.

### DEFINITIONS

- 1. Controlling or significant shareholders:** Owners of shares who, according to the Shareholders Registry, and the titles of the shares they own, have 5% or more of the social capital.
- 2. Administrators:** According to the provisions of ARTICLE 22, Law 222 of 1995, administrators are defined as the Legal representative, the receiver, if any, the representative, the members of boards or management councils and those who, according to the by-laws hold or perform such functions.

3. **Top Management:** These are the positions at the Company's **Strategic Level**.
4. **Associate:** Person who does joint business with the Company or with a Subordinate.
4. **Company:** Construcciones El Cóndor S.A.
5. **Close relative:** Spouse or permanent companion, and individuals in the first degree of consanguinity, first degree of affinity, or sole civil relationship.
6. **Ordinary course of business.** This is the set of decisions and Operations that are necessary or convenient to carry out the Company's corporate objective or that of any Subordinate company.
7. **Operation:** Transfer of resources, services, or obligations between the Company and a Related Party, irrespective of whether a price is charged.
8. **Related Party:** A person or legal entity that is related to the Company; for the purposes of this definition, this includes those that are identified and listed in the International Accounting Standards – IAC 24 and/or any other provisions that complement or modify them, as defined in ARTICLE 1 of this Policy.
9. **Subordinate:** A corporation that belongs to Grupo Empresarial Construcciones El Cóndor and is controlled by the Parent Company.

## **CHAPTER I**

### **GENERAL PROVISIONS**

**ARTICLE 1. Scope.** This Policy shall apply to the Company and all its Related Parties, as described below:

1. The Subordinates.
2. The Associates of the Company or of a Subordinate.
3. The controlling or significant shareholders.
4. The Legal Representatives, except Proxies and Legal Representatives for Judicial, Administrative, and Police affairs.
5. The members of the Board of Directors.
6. The members of Top Management.
7. The Close relatives of:
  - a. Members of the Board of Directors.
  - b. Members of Top Management.

**ARTICLE 2. Application framework.** The Operations that should be evaluated and analyzed according to the provisions of this Policy shall be those which, according to the provisions of International Accounting Standards, should be disclosed in the Company's financial statements, including, without limitation:

- Purchase or sale of assets and products.
- Providing or receiving services.
- Loans.
- Underwriting guarantees and securities.
- Leases.
- Research or development transfers.
- Transfers carried out because of licensing agreements.
- Transfers carried out under financing arrangements.
- Liquidation of assets on behalf of the Company or by the Company on behalf of a Related Party.
- Operations with members of the Board of Directors or Top Management.
- Operations with Close Relatives of members of the Board of Directors or Top Management.

**PARAGRAPH:** The scope of these policies does not include decisions and Operations carried out by the Company with its Related Parties to achieve a unified purpose and direction within Grupo Empresarial Construcciones El Cóndor.

For the purposes of this paragraph, there is unified purpose and direction one the existence and activities of the companies that make up the Business Group are intended to achieve a specific objective defined by the Company, according to the Group's direction, without prejudice to the individual achievement of each Company's corporate objectives or activities.

**ARTICLE 3.** The Company shall strive for all Operations to be carried at market prices and conditions, unless there is a valid, reasonable, and will based reason, approved in advance by the appropriate corporate body as established in the bylaws.

**PARAGRAPH:** In the event that a member of the Board of Directors is acting as an interested party in an Operation that requires the approval of such corporate body, that member may not vote during the meeting where approval thereof is sought, and the minutes for that meeting will record the reasons for not including the member's vote.

**ARTICLE 4.** Recurrent Operations between related parties that are part of the normal course of business activities for the company or its subordinates, and are carried out on an arm's length basis, shall not require approval, unless, because of their amount or their nature, they are specifically regulated by the statutes as being of the exclusive purview of a corporate body as provided by the bylaws.

## **CHAPTER II**

### **PROCEDURE**

**ARTICLE 5. Assessment and Valuation.** Operations that need approval by a corporate body, as required by the bylaws, must be assessed, and valued (if the value of such Operations have not been determined) by the Company's Audit and Risk Management Committee, taking into consideration, at least, the following factors:

- Description of the Operation.
- Identification of the Related Parties involved in the Operation.
- Legal, tax, and accounting compliance.
- Qualitative and Quantitative criteria to determine the Operation's materiality.
- Value of the Operation and its analysis under market conditions.
- How the Operation relates to the principles of transparency, impartiality, and equal treatment for shareholders.
- The obligation and timeliness of disclosing the Operation to the market and/or the supervisory, control, and monitoring authorities.

**ARTICLE 6. Report to the Board of Directors.** The Audit and Risk Management Committee shall submit a detailed report to the Board of Directors with the conclusions from the evaluation of the Operation, and shall include, as attachments, any documents submitted and evaluated.

**ARTICLE 7. Approval.** The Company's Board of Directors will make an analysis, according to the report submitted by the Audit and Risk Management Committee, of whether it is possible to approve the Operations submitted to the Board for its consideration.

**ARTICLE 8. Disclosure.** The Company and its Subordinates shall ensure that the Operations approved by the Board of Directors are disclosed according to the guidelines defined by the supervision, control, and monitoring authorities, and by the pertinent corporate documents, such as this Policy and the Company's Disclosure Manual.

**ARTICLE 9. Financial statements.** Every Operation carried out by the Company shall be documented in the Financial Statements and the notes thereto.

**ARTICLE 10. Special report.** To comply with the provisions of Law 222 of 1995, the Company shall submit a special report to the general assembly of shareholders indicating the intensity of the economic relationships with the Subordinates, including the following details:

1. The most important Operations completed during the respective period, either directly or indirectly, between the Company and its Subordinates.
2. The most important Operations completed during the respective period between the Subordinates and other entities, through the Company's influence or interest, as well as the most important Operations completed during the respective period between the Company and other entities in favor of its Subordinates.
3. The most important decisions that the subordinates have or have not made through the Company's influence or for the Company's interests, as well as the most important decisions that the Company has or has not made in the Subordinates' interest.

## ATTACHMENT I

### MAP OF RELATED PARTIES

To comply with the provisions of Measure Nr. 21.3 of the Code of Best Corporate Practices – Country Code, and to clarify the relationships that exist between the Company and its Related Parties, we have created the following Map of Related Parties:

#### A. INDIVIDUALS

NAME	RELATIONSHIP
PETRICORP S.A.S.	Controlling or significant shareholder
INVESTARCO S.A.S.	Controlling or significant shareholder
TOPLUM S.A.S.	Controlling or significant shareholder
Concesión Cesar Guajira S.A.S.	Subordinate
Condor Investment Inc.	Subordinate
Condor Construction Corp.	Subordinate
Interconexión Eléctrica S.A. E.S.P.	Associate

#### B. LEGAL ENTITIES

NAME	IDENTIFICATION	RELATIONSHIP
Luz María Correa Vargas	42.883.130	President / Legal representative
Alberto Arango López	98.542.322	Legal representative / Manager of Engineering and Business development
Miguel Ángel Sepúlveda Roldán	71.622.199	Legal representative / Construction Manager
Eduardo López Vélez	70.563.742	Legal representative / Financial Manager

Alejandro Correa Restrepo	8.105.180	Member of the Board of Directors
Manfred Gartz Moises	1.788.847	Member of the Board of Directors
Luis Alfredo Turizo Ortiz	98.663.064	Member of the Board of Directors
Jairo González Gómez	71.679.755	Member of the Board of Directors
Beatriz Eugenia Morales Vélez	31.875.446	Member of the Board of Directors
Álvaro Fernando Robayo Mosquera	19.227.895	Member of the Board of Directors
José Jairo Correa Gómez	8.216.453	Member of the Board of Directors
Liliana Maria Guzmán Palacio	43.578.409	Manager of Corporate Development
Gustavo Adolfo Arboleda Mejía	71.374.774	Legal Department Manager