

In compliance with the notice received from the Financial Superintendence of Colombia this past April 20th, which requests from Construcciones El Cóndor S.A. a scope of the Highlights it published on March 24th, and to particularly explain the risks found by the issuer which have impacts on the operation and/or results of the Company, we hereby report the following:

## **CRISIS MANAGEMENT AND BUSINESS CONTINUITY PLAN**

Prior to the State of Emergency called by the National Government through Decree 417 of 2020, Construcciones El Cóndor launched its Crisis Management Plan immediately responding to the impacts and emerging risks caused by the sudden and unforeseen changes derived from the Covid-19 virus. In addition, the Company abided to the mandatory preventive isolation and social isolation measures enforced by the National Government.

The Plan began by analyzing and assessing the emerging risks and changes of the organization's strategic and operating risks, and focused on the following:

- Employee health condition
- Financial risks
- Contractual and legal breach
- Interruption of critical processes
- Action plans hindered in each project
- Overexpenditures derived from the mandatory preventive isolation and from resuming the operation

The magnitude of the impacts is consolidated and analyzed by the Crisis Committee. Nonetheless, to date we have determined that the goal for total invoicing in 202 will be reduced, and we are currently determining the real impact. Moreover, increased operating costs of projects have increased as well as idle costs of resources available during the mandatory isolation period.

In any case, the Corporation deems that the exceptions for free movement set forth as of April 13th in Decree 531 of 2020 are very positive, particularly for the transportation and public works infrastructure and for the supply chain of materials and goods related to the execution thereof. The Company has implemented – as explained in item 2 herein – every activity necessary to safely resume its activities.

Nonetheless, aware of the dynamics involved when resuming work, the Company also foresees an initial drop in the yields since the work fronts are gradually reactivated provided they meet the stringent demands of biosafety protocols.

Consequently, the Company has designed and implemented strategies led by the Crisis Committee focused on the following aspects deemed paramount, and which are applied to date in three stages: 1. Immediate response to face the crisis; 2. Business continuity and on-going revision; and 3. Ongoing risk monitoring.

## **1. SUSPENSION OF ACTIVITIES STAGE**

### **1.1. Employee Protection**

This involves measures aimed to take care of our employees and their families to avoid the virus spread.

- Implementation of teleworking among those positions which can perform their duties on-line.
- Collective vacations for the entire administrative personnel from April 1 to April 15, including all of the positions that could not continue their duties from home.
- Collective vacations for the entire projects personnel since the suspension of said projects, initially making use of the compensation days-off.
- Suspension of all trips – international and domestic – since March 16, 2020.
- Timely disclosure of all measures and corporate assistance with detailed information of the situation and of interest for our employees' peace of mind and wellbeing.

### **1.2. Financial Situation: Response and Recovery Settings**

This involves measures taken to ensure the Company's financial sustainability as well as the economic resources necessary for a proper operation, and to continue meeting every financial obligation.

- Update of monthly follow-up and projection tools, fed by hypothetical scenarios developed by the Company.
- Activities to ensure the constant flow of payments of works executed for each project using resources from long-term loan disbursements, within the normal development of the loan agreements of different concessions.
- Discussions with banks to keep the loan quotas or amounts available and to continue making renovations of maturities in compliance with the authorizations granted by the Government.
- Close ties with the Rating firm, Financial Superintendence and Colombian Stock Exchange to maintain the amounts pre-approved for the Issuance Program.
- Timely payment to suppliers to ensure an active and stable supply chain, and to meet our commitments.
- Increased number of days of cash flow operations.
- Management of social loans for payrolls, using the benefits granted by the Government through the financial sector.

### **1.3 Legal Aspects: Contractual Compliance**

- Provide clear and timely information to our clients, funders and partners in concession agreements regarding the suspension of works due to force majeure and aligned with orders of the National Government, all under the legal and contractual frameworks set forth.
- On-going follow-up of the regulations issued during the state of emergency by the government, via legal comments and guilds – to procure that the measures are feasible to be implemented.
- Legal commitment continuity: The Company held its Annual Shareholders Meeting on-line this past March 31st. On that date, we registered on-line the appointments of the new members of the Board of Directors while the registration of the external auditor is underway along with the formalization of the by-laws amendment. In addition, we implemented and launched the introductory plan for the new Board members and held the Audit Committee and Board of Directors meetings on-line in the month of April.

### **1.4. Operations: Suspension of projects, protection of facilities and assurance of technological infrastructure**

- Total demobilization of work fronts of all projects to ensure the personnel's return to their home, proper disposition of machinery, and safety measures and placement of signs in construction works (5,500 persons and 1,200 equipment).
- Increased security of all of our facilities at work fronts aimed to safeguard the Company's physical assets and their availability when the activities resume.
- Ongoing monitoring of the technological infrastructure to back the continuity of processes carried out by our employees from their homes, to ensure the continuity of technological services and information security.
- Information disclosed to all of our contractors and suppliers related to contract suspension measures derived from the Economic, Social and Environmental State of Emergency.

### **1.5. Business Continuity**

**1.5.** Involves the execution of activities which may be maintained due to their nature: Designs, property management (documentary phase), project proposal and structuring, payment of employees and suppliers, documentary management, contractual management, management with funders, analysis of alternatives, guild and governmental management, follow-up and monitoring of health cases, preparation for future resuming.

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In relation to the foregoing, the first and second level groups of the organization along with

the backup personnel necessary continued the activities listed above in accordance with the contractual requirements.

## **2. ACTIVITY RESUMING STAGE:**

Once the immediate response to face the crisis was implemented, the Crisis Committee - comprised by the President, Executive Vice President, Managers and Secretary General – continued developing strategies aligned with the Business Continuity Plan. With the legal support necessary to continue the execution of works, the Crisis Committee proceeded to simultaneously launch different strategies to resume work in the projects and to gradually normalize and adopt pertinent measures in its operations as soon as possible. The above involves taking care of the risks giving priority to the safety of the persons, and to execute the works with the quality levels required by our clients and established in the organization – safeguarding the interests of our stakeholders, the Company's reputation, and maintaining the elements that set us apart and added value.

### **2.1. Employee Protection: Measures for an ordered, planned and safe reincorporation of our personnel**

- Implementation of biosafety protocols to meet the guidelines set forth by the Ministry of Health
- Preparation of a survey for every employee to determine their health condition (pre-existing health conditions and current symptoms), traceability during the lockdown and location.
- Activation of project administrative and support personnel to begin the adaptation, implementation of biosafety measures, communication with authorities and communities, and other activities necessary to resume work in accordance with the requirements established.
- Activation of corporate personnel to resume teleworking as of April 16.
- Identification of critical roles and persons that can provide support to processes during their absence.
- Determining and launching a socialization and sensitization plan for all personnel and contractors on biosafety protocols.

## **2.2. Activities with local authorities, communities and contractual entities: Tasks aimed to obtain pertinent authorizations to resume activities**

- Preparation and presentation of partial and gradual work plans for the reopening, identifying the resources to be used.
- Disclosure of the reopening to local authorities and communities.
- Engagement with clients, suppliers and subcontractors in the preliminary activities necessary to resume tasks.
- Present contractual communications before Concessionaries and EPC contract executors, to formalize the shift of projects from total suspension of activities to gradual and partial activities.

## **2.3. Operations: Commencement of resource mobilization to activate different work fronts**

- Projection of action plans of projects under several scenarios.
- Creation of possible activities to optimize direct and indirect costs.
- Gradual reincorporation of personnel needed to carry out the preliminary activities to resume activities.
- Implementation of the mobilization and resuming tasks plan.
- Ensure the application of biosafety protocols and resuming plans to avoid difficulties with the authorities, and to protect the personnel and the community.

## **2.4. Logistics: Management of suppliers and the supply chain**

- On-going management of suppliers of critical materials and goods for the construction of works. Monitoring material availability, delivery dates, and deals for price variations of goods.
- Equip with goods required for the reopening, including those regularly used and to implement biosafety protocols.

## **2.5. Financial Planning**

- Financial projections at December 2020, keeping in mind compliance with commitments gained by the Company.
- Identification of possible savings in expenditures.
- Analysis of the Company's indebtedness structure and financial standing.

## **3. ONGOING RISK MONITORING**

During this entire period and while the exceptional State of Emergency remains in force, Senior Management will continue making a weekly revision of strategic and operational risks, and implementing activities for the mitigation thereof, such as:

- Ensure that the activities underway meeting the strategic planning.

- Ensure the new strategies are engaged with the Organization's requirements.
- Make decisions along with the Board of Directors over relevant cases and keep ongoing communications with different stakeholders.
- Ensure the Company has the resources necessary to execute the processes.
- Design roles and responsibilities through the Crisis Committee.
- Ensure the continuity of internal audits to check if the new decisions made in the contingency are implemented and coherent with the strategy and controls established in the organization.
- Ensure the communication of lessons learned and continuous improvements.
- Keep communication channels with employees and stakeholders, aimed to keep cohesion among its employees, reporting measures taken by the Organization, and the steps to be taken.
- Maintain ongoing communication with associations through the CCI.
- Maintain ongoing communication with the National and Local Government to resume the activities of the construction projects in a coordinated and safe manner.
- Make assumptions over the execution of activities in different likely settings, understanding in all cases that the infrastructure sector is a fundamental driver of the country's economy.
- Monitor compliance with different agreements in which the Corporation is involved.