



PRECIDENCY DECISION N° 011

Environmental Policy



Grupo Energía Bogotá

SCOPE OF THE DECISION

Adoption of the Environmental Policy of Grupo Energía Bogotá.

BACKGROUND

According to Minutes No. 10 of the Presidency Committee dated March 13, 2023, approval of the Environmental Policy of Grupo Energía Bogotá and its controlled companies was recommended, considering it appropriate for the organization.

According to Minutes No. 15 of the Strategic Presidency Committee for Processes and Learning dated June 8, 2021, approval of the Sustainability Strategy of GEB and its subsidiaries was recommended for presentation before the Corporate Governance and Sustainability Committee of the Board of Directors.

According to Minutes No. 1,658 of the Ordinary Session of the Board of Directors of Grupo Energía Bogotá S.A. ESP held on June 24, 2021, GEB's Sustainability Strategy was approved.

According to Minutes No. 36 of the Presidency Committee dated December 13, 2021, approval of GEB's Climate Change Policy and its subsidiaries was recommended, which was approved through Presidency Decision No. 001 of 2022. This Climate Change Policy and the Environmental Policy are complementary and should be developed jointly.

PURPOSE

To establish the framework for environmental management within Grupo Energía Bogotá and its Subsidiaries, ensuring the protection of the environment, ecosystems, biodiversity, and surrounding areas in projects and operations in a timely and responsible manner.

SCOPE

This policy shall be applied by Grupo Energía Bogotá S.A. ESP and its controlled companies, in accordance with the applicable regulations in each jurisdiction where they operate.

COMMITMENT STATEMENT

General Commitments

- Establish strategies and objectives to prevent, mitigate, control, and compensate environmental impacts arising from projects and operating assets.

SPECIFIC COMMITMENTS

Environmental Governance and Management

1. Ensure compliance with applicable environmental legislation, as well as acquired commitments and voluntary standards, while anticipating the enactment and adoption of new regulations.
2. Monitor regulatory, socioeconomic, and technological changes related to environmental matters.
3. Optimize environmental performance levels, raw material use, and the management and valorization of recycled and reused materials.
4. Identify environmental aspects and impacts, along with corresponding controls, across all organizational processes.
5. Raise awareness and train internal and external stakeholders regarding the importance of environmental risk and impact management generated by operations, promoting a culture of environmental respect, understanding of potential impacts, and commitment to natural resource conservation.
6. Apply the precautionary principle throughout all project phases and processes, using the mitigation hierarchy as a reference: avoid, minimize, restore, and compensate, in order to ensure No Net Loss of Biodiversity and generate Net Positive Impact and additionality for biodiversity.

Circular Economy and Eco-Efficiency

7. Incorporate a life-cycle perspective into environmental management by considering environmental aspects, impacts, and risks associated with activities, products, and services. This includes environmentally sound decision-making regarding asset design, location, and operation, as well as identifying and assessing the significance of potential impacts to incorporate best practices and available technologies for operational and environmental management.
8. Incorporate cleaner production practices, technologies, materials, and eco-efficient processes that contribute to environmental protection, efficient resource use, waste management, and climate change adaptation and mitigation.
9. Promote efficiency in the use of materials, water, and energy while considering opportunities arising from circular material flows through technological innovation and partnerships that reduce waste generation and increase material recovery throughout operations, value chains, and material life cycles.

Biodiversity

10. Protect ecosystems and biodiversity through strategies that identify, assess, and implement actions aimed at conserving and restoring ecosystems within project and activity areas of influence.
11. Achieve net-zero deforestation across projects and operating assets throughout their life cycles by adopting conservation and sustainable biological diversity management criteria and complying with biodiversity compensation targets.
12. Prevent, mitigate, correct, and compensate environmental impacts associated with construction and operation under ecosystem conservation and restoration guidelines, contributing to the conservation of air, soil, and water quality.
13. Plan, implement, and monitor actions associated with ecological corridor development related to rights-of-way and adjacent areas for all projects, as well as equivalent ecosystems within the influence areas of linear projects (transmission lines and gas pipelines), as a biodiversity conservation strategy.
14. Identify and adopt nature-based solutions to preserve, restore, and sustainably manage ecosystems, contributing to climate change mitigation, biodiversity protection, and community well-being.
15. Avoid, whenever possible, activities that may negatively impact World Heritage Sites and protected areas classified under Categories I–IV of IUCN.
16. Generate knowledge related to environmental management, biodiversity, and ecosystem services through innovation, research, and development initiatives.

Climate Change and Energy Transition

17. Establish emission reduction pathways to contribute to meeting the targets adopted by the countries where the Group operates.
18. Publish the carbon footprint annually, verified by an independent third party, and report progress toward established targets.
19. Contribute to climate change mitigation and the transition toward energy-efficient, low-carbon economies through the generation, transportation, and distribution of renewable energy, non-conventional renewable energy sources (NCRE), and natural gas.
20. Assess potential climate risks and include mitigation and adaptation measures in project design to ensure infrastructure resilience and operation under extreme climate conditions.
21. Develop operational performance standards that contribute to climate change mitigation and adaptation and the control of urban air pollution.

IMPLEMENTATION PROCESS

This policy shall be implemented through the Sustainable Development process.

RESPONSIBILITIES

The Sustainability and Communications Department of Grupo Energía Bogotá, or its equivalent, is responsible for coordinating, updating, and monitoring implementation of this policy.

The sustainability area, or equivalent function within each controlled company, shall ensure implementation of this policy internally.

Project planning, construction, operation, and maintenance departments within controlled companies, together with environmental teams, are responsible for budgeting necessary resources and managing effective implementation.

Employees are responsible for complying with the duties and obligations established under this policy.

Communications, commercial, and procurement areas are responsible for communicating and disseminating this policy through available channels so it is known among all organizational stakeholders.

DEFINITIONS

IUCN: International Union for Conservation of Nature.

Category I: Strict Protection. Intended to conserve undisturbed ecosystems, species, and/or exceptional geodiversity features that are particularly vulnerable (there are no examples of this category in South America).

Category II: Ecosystem Conservation and Protection. Corresponds to national parks. Its objective is to protect biodiversity, ecological structures, environmental processes, and promote education and recreational use.

Category III: Conservation of Natural Features. No equivalent categories exist under Colombian legislation.

Category IV: Conservation through Active Management. No equivalent categories exist under Colombian legislation.

DOCUMENT CONTROL

| | Name | Position | Area |
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VALIDITY

| Previous Decision No. | Version Date | Type of Action | Reason for Update and Description of the Latest Version |
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