

PRESIDENTIAL DECISION No. 011

Environmental Policy



Grupo Energía Bogotá

SCOPE OF THE DECISION

Adoption of the Environmental Policy of Grupo Energía Bogotá.

BACKGROUND

In accordance with the minutes No. 10 of the Presidential Committee on March 13, 2023, the approval of the Environmental Policy of the Grupo Energía Bogotá's and its controlled companies was recommended.

Based on the minutes No. 15 of the Presidential Committee of June 8, 2021, the approval of the Sustainability Strategy of GEB and its subsidiaries was recommended to be presented to the Corporate Governance and Sustainability Committee of the Board of Directors.

In accordance with the minutes No. 1,658 of the Board of Directors of Grupo Energía Bogotá on June 24, 2021, the GEB Sustainability Strategy was approved.

According to the minutes No. 36 of the Presidential Committee on December 13, 2021, the approval of the Climate Change Policy of GEB and its subsidiaries was recommended, and it was approved by the presidential decision No. 001 of 2022. Both the climate change policy and the environmental policy are complementary and must be developed jointly.

PURPOSE

Establish the framework for the environmental management of Grupo Energía Bogotá and its Subsidiaries, ensuring the protection of the environment, biodiversity, ecosystems, and their surroundings, in the area of influence of projects and operations, in a timely and responsible manner.

SCOPE

Grupo Energía Bogotá S.A. E.S.P. and its controlled companies must apply this policy, in accordance with the applicable regulations in each one of the jurisdictions in which they are domiciled.

STATEMENT OF COMMITMENTS GENERAL COMMITMENTS

- Set strategies and objectives to prevent, mitigate, control, and offset the environmental impacts resulting from the development of projects and operational assets.

SPECIFIC COMMITMENTS

Governance and Environmental Management

1. Ensure the compliance with applicable environmental legislation, as well as with the voluntary commitments and standards, and anticipate the enactment and adoption of new regulations.
2. Monitor the regulatory, socioeconomic, and technological changes in environmental matters.
3. Optimize environmental performance, the use of raw materials, and the management and valuation of recycled and reutilized materials.
4. Identify environmental aspects and impacts and their corresponding controls in all organizational processes.
5. Promote awareness and training for internal and external stakeholders on the importance of managing environmental risks and impacts generated by operations, fostering a culture of respect for the environment, encouraging the understanding of potential environmental impacts of their activities, and committing to the conservation of natural resources.
6. Apply the precautionary principle in all the phases and processes of the projects. Apply the measures contemplated in the mitigation hierarchy: avoid, minimize, restore, and offset, in order to ensure *No Net Loss* of Biodiversity and to generate a *Positive Net Impact* and additionality on biodiversity.

Circular Economy and Eco-efficiency

7. Incorporate a life cycle approach into environmental management, considering aspects, impacts, and environmental risks of activities, products, and services. This includes environmentally safe decision-making for the design, location, and operation of assets, and the identification and assessment of the significance of potential impacts, integrating best practices and available technologies for operational and environmental management.
8. Incorporate cleaner production practices, and eco-efficient technologies, materials, and processes that contribute to environmental protection, efficient resource use, waste management, and adaptation and mitigation of climate change.
9. Promote efficiency in the use of materials, water, and energy, considering opportunities derived from the circular use of material flows. This, through technological innovation and partnerships that enable waste reduction and increased utilization, both in direct operations and throughout value chains and the life cycle of materials.

Biodiversity

10. Protect ecosystems and biodiversity through the identification, evaluation, and implementation of actions aimed at the conservation and restoration of ecosystems in the areas of influence of activities and projects.
11. Achieve *net-zero* deforestation in all projects and assets in operation throughout their life cycle, adopting conservation and sustainable criteria and management of biological diversity and forests, and fulfilling the goals set in the biotic environment compensation plans.
12. Prevent, mitigate, restore, and offset the environmental impacts associated with the operation and construction of projects by applying ecosystem conservation and restoration guidelines, contributing to the conservation of air, soil, and water quality.
13. Plan, execute, and monitor the structuring of ecological corridors in the areas of influence of the rights of way (easements) of all linear projects, (transmission lines and gas pipelines), as a strategy for the conservation biodiversity and ecosystem services.
14. Identify and adopt nature-based solutions for the preservation, restoration, and sustainable management of ecosystems, thereby contributing to climate change mitigation, biodiversity protection, and community well-being.
15. Avoid activities that may generate negative impacts on World Heritage sites and protected areas of IUCN categories I to IV.
16. Generate knowledge associated with environmental management, biodiversity, and ecosystem services through innovation, research, and development.

Climate Change and Energy Transition

17. Set out emission reduction paths to contribute to the fulfillment of the goals adopted by the countries where the Group operates.
18. Annually publish the carbon footprint, verified by an independent third party, and report progress towards the proposed goals.
19. Promote the mitigation of climate change and the transition towards energy-efficient and low-carbon economies through the generation, transportation, and distribution of renewable energies, Non-Conventional Energy Sources (NCES), and natural gas.
20. Evaluate potential climate risks and incorporate mitigation and adaptation measures into project designs, endowing the infrastructure with the capacity to withstand and operate under extreme climatic conditions.
21. Develop operational performance standards that contribute to climate change mitigation and adaptation, and to the control of urban air pollution.

PROCESS THROUGH WHICH IT WILL BE IMPLEMENTED

This policy will be implemented through the Sustainable Development Process.

RESPONSIBLE PARTIES

The Sustainability and Communications Direction of Grupo Energía Bogotá, or its equivalent, is responsible for the coordination, update, and monitoring the implementation of this policy.

The sustainability areas, or their equivalent, in each of the controlled companies is responsible for ensuring the implementation of this policy.

The project planning, construction, and operation and maintenance areas of the controlled companies, along with the environmental teams, are responsible for budgeting the necessary resources and managing the effective implementation of this policy.

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

The communication, commercial, and procurement areas of the controlled companies are responsible for the dissemination and communication of this policy through available means to ensure it is known to all stakeholders within the organization.

DEFINITIONS

IUCN: International Union for Conservation of Nature.

Category I: Strict protection. Its objective is to conserve undisturbed ecosystems, species, and/or extraordinary features of particularly vulnerable geodiversity (there are no examples of this category in South America).

Category II: Conservation and ecosystem protection. It corresponds to the national parks. Its objective is to protect biodiversity and ecological structure, environmental processes, and promote education and recreational use.

Category III: Conservation of natural features. It has no equivalent categories in Colombian legislation. **Category IV:** Conservation through active management. It has no equivalent categories in Colombian legislation.

DOCUMENT CONTROL

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VALIDITY

No. of Prior Decisions	Version date	Type of action	Reason for the update and description of the last version