

Policy on Managing Conflicts of Interest



Grupo Energía Bogotá



POLICY ON MANAGING CONFLICTS OF INTEREST

1. PURPOSE

Grupo Energía Bogotá S.A. E.S.P. (hereinafter "GEB") is committed to high ethical standards, formalized in the Business Group Agreement, the Codes of Ethics and Conduct and of Corporate Governance, the Control Architecture and Anticorruption and Anti-bribery Business Ethics Policy, and the Internal Audit Statute.

This policy establishes the general guidelines for the knowledge, management, and resolution of conflicts of interest of the Directors and Employees of GEB and the companies of Grupo Energía Bogotá, hereinafter the "Group" ¹.

2. SCOPE

This Policy applies to the Managers², Employees³ of GEB and the Group companies.

Regarding the non-controlled companies in which GEB has equity interest, employees representing it on the Boards of Directors or equivalent corporate bodies shall disclose, present, and propose the best practices of anti-corruption and anti-bribery corporate ethics, so that these may be assessed and considered for adoption by the relevant bodies.

3. DEFINITION OF CONFLICT OF INTERESTS

A Conflict of Interest is defined as a situation in which the independent and impartial judgment of a manager or employee is compromised in performance of his/her duties, by having to choose between the interests of the Company and his/her own interests or those of a third party or related party. Such conflicts are classified as personal, family, and economic, in accordance with the provisions of the Code of Ethics and Conduct.

Conflicts of interest can be:

i. Potential: These are situations a manager or employee may face in connection with the duties of his/her position or his/her personal or professional condition, because his/her decision may have different effects on each condition.

¹ Companies belonging to the Group are understood to be those companies in which GEB has an equity interest equal to or greater than 50% and exercises control over them.

² Managers are defined as the members of the Boards of Directors, Councils of Management, or Directorates, hereinafter "Board of Directors," and the registered agents.

³ Employees are defined as the workers, students in internship and apprentices.

ii. Actual: These are actual conflicts of interest that materialize because there is a dilemma that affects the objectivity or transparency of the Manager or Employee.

iii. Apparent: These are situations in which the independent and objective judgment of a manager or an employee is not affected in performing his/her duties, but someone could reach the conclusion, even if tentatively, that it is.

4. STATEMENTS OF COMMITMENT

i. Managers and Employees must act guided by the Company's ethical principles and the corporate values, and their decisions must be framed under the duties of diligence and loyalty.

ii. Managers and Employees are responsible for taking all the necessary measures to identify and manage potential conflicts of interest and activities that involve competition with the company, according to the provisions contained in this Policy and current regulations. Any doubt regarding the configuration of acts involving conflicts of interest or competition with the company does not exempt them from the obligation to refrain from participating in activities and decisions related to such conflicts or involving competition with GEB.

iii. Managers and Employees must report at the time of their hiring or appointment, annually and immediately, any real or potential conflict of interest situations or activities that involve competition with the company in which they are or may become involved.

iv. GEB will publish in its Annual Corporate Governance Report⁴ a consolidated report on conflicts of interest and activities involving competition with the company.

5. PROCEDURE

For the management of conflicts of interests and activities involving competition with the company, the following procedure must be taken into account:

i. For Managers - members of the Boards of Directors and Registered Agents:

- a. Suspend any action or direct or indirect intervention in activities and decisions related to any conflict of interest or activities that compete with the company.
- b. Report the situation of any conflict of interest or activities involving competition with the company to the Corporate Compliance Department of GEB, through the secretary of the Board of Directors by filling out the established form for this purpose (Annex 1), attaching all the necessary information to determine the existence or not of the conflict of interest or activities involving competition with the company.

⁴ The Annual Corporate Governance Report is part of the Sustainable Management Report that is published annually on the GEB website.

- c. The Corporate Compliance Department will present the situation to the Audit and Risk Committee of the Board of Directors, which will assess the existence or not of the conflict or activity that implies competition with the company and will make the respective classification of the conflict (potential, real, or apparent).
- d. If the Audit and Risk Committee determines that there is a conflict of interest or an activity involving competition with the company, the person involved shall refrain from participating in any discussion or decision on the respective matter and shall withdraw from the meeting.
- e. The Audit and Risk Committee shall recommend to the Board of Directors the measures that must be taken to manage and handle the issue.

The measures may include the following:

- (i) That the Manager refrains from participating in the situation that generates a conflict of interest or activities that involve competition with the company.
- (ii) If his/her participation in the decision and vote is considered relevant, prior authorization from the General Meeting of Shareholders must be obtained, which shall be granted on a case-by-case basis, as long as it does not run against the Company's interests.

When the Manager holds the position of shareholder, he/she must refrain from participating in the respective decision of the General Meeting of Shareholders, and their shares will not be taken into account to form the deciding majority.

This does not exempt the Manager from providing the General Meeting of Shareholders with all the information it requires regarding conflicts of interest or activities that involve competition with the company. The Manager must also refrain from participating in acts in which there is a conflict of interest or competition.

- f. In the case of the Board members, if the Audit and Risk Committee considers that there is a conflict of interest or an activity that implies competition with the company on an ongoing basis and that could affect the company's overall operations, this will be brought to the attention of the General Meeting of Shareholders, which will decide whether or not to remove him/her from the position. If the conflict of interest or the activity involving competition with the company permanently affects a single operation, the Audit and Risk Committee will recommend to the Board of Directors the measures for its management on the terms of subsection (e) above.
- g. If a conflict of interest or any activity involving competition with the company is manifested during a Board of Directors or its Committees meeting, the involved member must temporarily withdraw from the meeting, and the existence or absence of the same will be reviewed in a subsequent meeting of the Audit and Risk Committee.

ii. For the Group's General Auditor, the Corporate Compliance Director, or a member of the Ethics Committee

- a. Suspend any action or direct or indirect intervention in the activities and decisions related to the potential conflict of interest.
- b. Report the potential conflict of interests to the Audit and Risk Committee of the Board of Directors through the Corporate Compliance Office, using the form established for such effect (Annex 1), attaching all the information necessary to enable establishing whether a conflict of interests exists or not. The Committee shall take all measures required to manage and handle the issue and shall classify the conflict of interests (potential, real or apparent).
- c. The Audit and Risk Committee shall recommend to the employee's direct supervisor the measures that must be taken to manage and handle the issue.
- d. In the case of a permanent conflict of interests that may affect the Company's overall operations, the nominating party will be requested to assess whether it is appropriate for the employee to remain at the Company. If a permanent conflict of interests affects only one operation, the Audit and Risk Committee will recommend the measures to be taken by the immediate supervisor to manage such conflict, in the terms of subsection (c) above.

iii. For Employees

When non-management employees face a potential conflict of interests, the procedure specified in the [Code of Ethics and Conduct](#) shall apply, which must be consistent with the provisions of this Policy.

6. TREATMENT OF DECISIONS IN THE INTEREST OF THE GROUP

In the framework of the Business Group Agreement and in order to facilitate compliance with the corporate strategy and the achievement of the GEB's goals, when potential conflicts of interest arise in the assignment of business opportunities to different affiliates, GEB's Board of Directors is the body responsible for solving the situation, considering that the business opportunities must be assigned according to GEB's strategy and so that they are carried out in the most efficient way to obtain benefits for the entire Group.

7. SUPPLEMENTARY RULES

- i. The Secretary of the Board of Directors or the respective Council of Management must refrain from sending, with the call to a meeting, the information regarding which a conflict of interest has been declared or the activity that implies competition with the company to the member who has disclosed it.

- ii. The topics on which conflicts of interest arise or activities that involve competition with the company shall be placed at the beginning or end of the agenda for each meeting.
- iii. In the event that a conflict of interest or an activity involving competition with the company involves several Board members and due to this, a deliberative quorum cannot be formed, the decision must be submitted for consideration by the General Meeting of Shareholders.
- iv. Any potential conflicts of interest or activities involving competition with the company that are disclosed during Board of Directors or Board Committees sessions shall be duly recorded in the minutes of each session, identifying the person who disclosed it. In this case, the procedure outlined in section g of item i. of chapter 5 of this Policy for determining the existence of a conflict of interest or activity involving competition with the company will be carried out after the respective Board or Committee meeting.
- v. Decisions regarding the existence or non-existence of conflicts of interests or competition with the company will be recorded in the minutes of the respective collegiate bodies.

8. PARTIES RESPONSIBLE FOR THIS POLICY

- i. The General Meeting of Shareholders shall be responsible for authorizing the Directors to participate in the decision and vote when it deems it appropriate and always provided that it does not harm the company's interests.
- ii. The Board of Directors of GEB will be responsible for approving this Policy, as well as for implementing the measures for the management and handling of conflicts of interests or competition activities with the company that are recommended by the Audit and Risk Committee.
- iii. The Audit and Risk Committee will be informed about situations of conflicts of interests or competition with the company that are declared by the Managers - members of the Board of Directors, Registered Agents, Group General Auditor, and Corporate Compliance Officer, and will recommend to the Board of Directors the necessary measures for the administration and management of conflicts of interests or competition with the company. In addition, it will review a biannual consolidated report presented by Management.
- iv. The Corporate Governance Committee and the Audit and Risk Committee of GEB will recommend to the Board of Directors the approval of this Policy.
- v. Management and Employees of all companies within the Group shall be responsible for complying with the provisions of this Policy and ensuring its implementation.

The Policy is binding and is complemented by the provisions established in GEB's corporate documents, particularly the [Policy on Transactions with Related Parties](#).