

## Environmental and Social Review Summary (ESRS) Celsia Colombia S.A - COLOMBIA

**Original language of the document:** Spanish

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### 1. General information of the Operation

This transaction (the "Operation" or the "Transaction") consists of an uncommitted medium-term program provided by IDB Invest that will be used to discount receivable accounts from the provision of services by Celsia Colombia S.A. ("Celsia", the "Company", or the "Client"). The Operation includes receivable accounts whose payment will be deferred due to the exceptional measures ordered by the Government of Colombia and adopted by the Company to mitigate the impact of COVID-19 on its suppliers.

### 2. Scope of the IDB Invest's Environmental and Social Review

The environmental and social analysis of the proposed operation consisted of a desktop review of the Client's environmental and social performance over time, focusing on compliance with the following Performance Standards ("PS"): PS1: Assessment and Management of Environmental and Social Risks and Impacts; PS2: Labor and Working Conditions; PS3: Resource Efficiency and Pollution Prevention; and PS4: Community Health, Safety and Security.

### 3. Environmental and Social Categorization and Rationale

This has been classified as a Category C operation under the IDB Invest's Environmental and Social Sustainability Policy, given that the incremental impacts it will generate are practically negligible and the resources obtained will be used to provide liquidity to the Client while the exceptional measures ordered by the Colombian Government and adopted by the Company are in force, and the impacts derived from the COVID-19 pandemic are noticeable. The funds from the Operation will be used exclusively to the purchase of receivable accounts.

### 4. Environmental and Social Risks

#### 4.1 Assessment and Management of Environmental and Social Risks and Impacts

For each of the transmission or generation facilities owned by Celsia, the Company holds the respective environmental licenses or permits granted by the National Environmental Licensing Authority (ANLA, for its acronym in Spanish), in the case of projects that, pursuant to Colombian legislation, require an approved Environmental Impact Assessment (EIA); or by the Regional Autonomous Corporations of Cauca Valley (CVC), Tolima (CORTOLIMA), Antioquia (CORANTIOQUIA), Cauca (CRC), Atlántico (CRAUTONOMA), Canal del Dique (CARDIQUE), Sinú and San Jorge, and Santander (CAS), for those cases where only an environmental study is required. These licenses and permits, which are in full force and effect, include plans and actions focused on reducing and mitigating possible negative environmental and social impacts generated by the Client's facilities.

The prevention, mitigation, or compensation actions included in the environmental licenses and permits have been carried out through a solid Environmental, Social, and Health and Safety Management System held in place by the Company, both at the central corporate level (21 employees for environmental and social issues, and 33 for occupational health and safety issues), and at the level of each of the generation or transmission projects (groups ranging from 6 people to over 40, depending on the phase of the project in question).

The environmental review revealed that the Company has consistently and continuously complied with the requirements of the environmental licenses and permits, and has regularly submitted its Environmental and Social Compliance Reports (ICAS, for the acronym in Spanish) either to the ANLA or to the Regional Autonomous Corporations.

#### 4.2 Labor and Working Conditions

General labor matters and conditions are very well regulated in Colombia in terms of working hours, salaries, annual leaves, labor compensation, work systems, and prohibition of child labor, among others.

Being Colombia a signatory to several conventions of the International Labor Organization (ILO), the Colombian legislation aligns with the following principles contained in such conventions: i) gender equality and non-discrimination; ii) equal opportunity; iii) prohibition of child labor; iv) fair treatment of workers; v) prohibition of workplace harassment and sexual harassment; vi) freedom of association; vii) workers' rights; viii) freedom of association and protection of the right to organize; ix) equal pay; x) respect for individual diversity and equity; xi) justice, equality, and fairness; and xii) the pursuit of positive and inclusive social impacts. Colombian legislation also prohibits forced or unpaid labor, as well as discrimination against workers based on their race, skin color, sex or sexual orientation, ancestry, marital status, religion, political participation, and nationality, among others.

Celsia complies with the requirements of the Colombian State in matters regarding labor and working conditions.

The Company has implemented, both at the corporate and project levels, mechanisms for addressing complaints and grievances that allow neighboring communities, workers, and other stakeholders to file, either explicitly or anonymously, complaints, grievances, inquiries, or claims whenever they feel that the Company's activities have had an adverse effect on them. These mechanisms regulate the processing deadlines for grievances and complaints, as well as the deadlines to notify complainants about how their claims have been handled.

Celsia was recently awarded the silver seal of “Equidad Laboral Equipares”, an initiative by the United Nations Development Program (UNDP) and the Colombian Ministry of Labor that honors companies that effectively implement gender equality policies with fair and equitable practices for men and women.

#### 4.3 Resource Efficiency and Pollution Prevention

The Company has pollution prevention systems and certifications that attest to its sound environmental and social management. Moreover, being the Operation commercial deferral payment transaction, it will neither generate pollution nor demand the use of natural resources.

#### 4.4 Community Health, Safety and Security

The Company has prevention and response plans for emergency situations in place (many of them required by the environmental licenses or permits), duly approved by the competent authorities. The revision shows that, to date, no situations that may have endangered the public's health or safety have been registered.

#### 5. Proposed management measures

The reports sent by the Company to the environmental authorities, whether central (the ANLA) or regional (the Regional Autonomous Corporations), indicate that the management measures contained in the plans and programs approved in the corresponding environmental licenses or permits are being executed as planned.

#### 6. Additional Information

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Additionally, affected communities can access the IIC's Independent Consultation and Investigation Mechanism (ICIM) as follows:

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