



# CORPORATE COMPENSATION POLICY



### SCOPE OF THE DECISION

Update of the Corporate Compensation Policy to its version 2.

### BACKGROUND

At the session No. 1584 of the Board of Directors, held on October 26, 2017, version 1 of the Corporate Compensation Policy was approved. Subsequently, at the regular meeting of the Board of Directors No. 1700, held on November 30, 2023, the item "Update Compensation Policy" was presented for consideration, which was unanimously approved by the members present, in the following terms: *"In accordance with the recommendation of the Compensation Committee and numeral 20 of Article 66 of the Bylaws, the Board of Directors is requested to: Approve the update of the Corporate Compensation Policy for GEB and subsidiaries, in the terms presented by Management."* According to the minutes of the Compensation Committee of November 21, 2023, it was recommended the approval of the Corporate Compensation Policy of Grupo Energía Bogotá and its controlled companies, as it was considered adequate for the organization.

### PURPOSE

To drive the business strategy, becoming a vehicle to attract, retain and motivate talent, being consistent with the size of the position and the responsibility assumed by the employees in their jobs, maintaining fair and equitable salary structures and ensuring effective management of personnel expenses.

### SCOPE

This policy applies to employees hired under a fixed-term or indefinite-term employment contract with Grupo Energía Bogotá and its subsidiaries and does not apply to those who provide their services under any of the following modalities:

- Those who are linked through a Temporary Services Company or subcontracted.
- Those who are linked through a contract for the provision of professional services.
- Those who are linked through an apprenticeship or professional practice contract.

This policy will be deployed to the subsidiaries with the particularities of each one and the legal regime of the country in which they are domiciled.

### DECLARATION OF COMMITMENTS

#### GENERAL COMMITMENTS

#### GUIDING PRINCIPLES

- We remunerate according to the level of responsibility and complexity of the position, promoting equal opportunities, free of any type of discrimination and guaranteeing gender equality (internal equity).
- We remunerate based on annual market studies, ensuring salary competitiveness in the reference market (external competitiveness).
- We have position evaluation methodologies, that use objective criteria to measure the level of contribution of the positions to the achievement of the Company's strategic objectives.
- We seek to retain high potential employees and maximize their performance through an appropriate compensation scheme.
- We seek to position ourselves in terms of total compensation around the median of the reference market.
- We offer compensation packages aligned with the best practices of the industry and the markets where the Company operates.
- We adhere to and fully comply with the legislation of the countries where we operate. If this policy is in conflict in any specific point with the labor law of the country where it is applied, the law in the specific point is prioritized.
- For employees covered by a collective bargaining agreement, the salary, variable compensation, and benefits will be governed by what is defined in the collective bargaining document. In the event that the aforementioned concepts are not defined within the collective bargaining agreement, this population will be governed by the guidelines and directives mentioned herein. Under no scenario will there be double recognition for the same concept.

#### COMPENSATION COMPOSITION

The total compensation package shall include different elements, which from the statement of commitments will have different purposes but aligned with the objective of this policy, the convenience or not to include some of the components will be evaluated according to the characteristics and needs of each company, these elements are as follows:

**Fixed compensation:** this is the gross compensation received by employees on a constant and regular basis. It is based on the following aspects:

- Recognition based on the complexity and responsibility of the assigned functions. Existence of salary bands that allow it to be administered.

- Approval by the Board of Directors of annual increases and adjustment of salary parameters, when necessary, in accordance with market indicators and the company's results.
- Periodic review of salary competitiveness, supported by salary surveys considering the reference market, which allows knowing the relative level of compensation of the positions vis-a-vis to the market median.

**Variable compensation:** It is the compensation associated with the fulfillment of the company's objectives and individual objectives. Its character is not fixed and is received based on performance, competencies, and outstanding results. Its purpose is:

- Reward outstanding company results, achieved by the outstanding performance of the entire team of employees.
- Compensate for outstanding achievements and performance at the individual level and leverage operational excellence.
- Incentivize the creation of value for the company.
- Motivate people to achieve better Company performance.
- Encourage teamwork.
- Serve as a mechanism to leverage the fulfillment of the Company's Strategic Objectives.

Its definition and evaluation will be carried out annually or when required, according to the needs of the company and as approved by the Board of Directors.

The following guidelines should be considered in its management:

- Be linked to clear, simple and strategy-related results.
- Reward additional efforts that translate into better results that push to the fulfillment of the company's strategic objectives and operational excellence.

The types of variable compensation are:

*Short-term compensation:* It is considered short-term since it rewards both group and individual results in a period not exceeding one year (fiscal year) and the amount is based on the employee's position.

*Long-term compensation:* It is considered long-term because it recognizes the fulfillment of the company's strategic objectives, which require a period of time longer than one year and is assigned to leadership positions that are directly involved in such objectives.

**Benefits:** It is the set of monetary and non-monetary benefits available to its employees, aimed at satisfying a series of complementary and important needs for them and their families.

The benefits adopted must obey the following guidelines:

- Promote the improvement of the standard of living and well-being of employees and their families.
- Ensure alignment with the organizational structure and the company's strategy.
- Leverage the objective of making the company one of the most attractive places to work.
- Approve by the Board of Directors the current benefits scheme, in accordance with the best market practices and the company's results.

**Flexible Compensation:** All or some of the components of compensation may be made flexible in accordance with new trends, best payment practices and the legal provisions of each country. For this purpose, the demographic characteristics of the population, their interests, and the implications in each country, whatever their nature, will be taken into account.

The fixed compensation may be flexible according to the employee's income level, in accordance with the parameters allowed by the legislation of each country where we operate and in accordance with the aforementioned aspects.

### PROCESS THROUGH WHICH IT WILL BE IMPLEMENTED

This policy will be implemented through the talent management process.

### RESPONSIBLE

The application, administration, follow-up, monitoring, control and improvement of this policy will be the responsibility of the Talent Management Department of Grupo Energía Bogotá or whoever takes its place.

The areas of Talent Management, or whoever takes its place, of each of the subsidiaries are responsible for the implementation, socialization, and compliance with this policy.

### DOCUMENTARY CHECK

	Name	Position	Department
<b>Prepared by:</b>	Edwin Mauricio Rubiano Rodríguez	Advisor I	Talent Management Directorate
<b>Reviewed by:</b>	Carmen Duilia Prieto Gómez	Director of Talent Management	Talent Management Directorate
	Néstor Fagua	Legal Vice-President	Legal Vice-Presidency
<b>Approved by:</b>	Juan Ricardo Ortega	President	Presidency

### VIGENCY

Previous Decision No.	Version Date	Type of Action	Reason for update and description of latest version
Act 1584 of October 26, 2017	November 30, 2023	Update	<p>The Corporate Compensation Policy is updated to its version #2 in the framework of the ordinary session of the Board of Directors No. 1700, and so that it is aligned with the company's current premises in terms of diversity, equity, inclusion, and equal opportunities.</p> <p>This policy repeals Presidential Decision No. 1584 of October 26, 2017</p>