



CELSIA

TCFD REFERENCE TABLE

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The Task Force on Climate-related Financial Disclosures (TCFD) manages reliable climate-related financial information, contributes to transparency and objectivity in analyzing climate risks and is based on four pillars: strategic review, establishing effective governance for climate issues and sustainability, detailed analysis and modeling future scenarios and improving the available information and disclosure of climate risks.

ELEMENTS OF THE TCFD	DISCLOSURE RECOMMENDATIONS	LOCATION IN THE REPORT
<p style="text-align: center;">GOVERNANCE</p>	<p>a) Describe the board's oversight of climate-related risks and opportunities.</p>	<p>More conscious leadership > Leadership (We lead with awareness and conviction) > Governance structure > Steering committee > Monitoring and supervision of climate change</p>
	<p>b) Describe the role of management in evaluating and managing climate-related risks and opportunities.</p>	<p>Strategic framework > Risk management > Risk governance We care for the planet > Climate change management > Assessment of the magnitude and potential scope of risks</p> <p>The risk management process is defined in the Comprehensive Risk Management System (SGIR, for the Spanish original) and adjusted to good international practices, such as the ISO 31000 and the COSO ERM standards, which define similar components based on the understanding of the business, objectives, environment and trends.</p> <p>Subsequently, we identify and analyze the relevant risks, associate them with mitigation controls, evaluate them in terms of probability and impact qualification and, according to the level of exposure, define their treatment, record them and report them.</p> <p>We apply this same process to manage risks and opportunities derived from climate change. The risk of climate change and resource scarcity is strategic for the company, which is why it is assessed qualitatively and quantitatively from the physical impacts of climate threats on our assets to the implications associated with the transition, such as changes in the market, technology and regulations.</p> <p>To manage the risk of climate change, we have mainly defined mitigation, offsetting, adaptation and communication plans, as well as treatment plans focused on business continuity strategies, risk transfer through the insurance program and taking advantage of opportunities, such as the diversification of the energy matrix with non-conventional renewable sources, energy efficiency, sustainable mobility, and others.</p>
<p style="text-align: center;">STRATEGY</p>	<p>a) Describe the short, medium and long-term climate-related risks and opportunities identified by the organization.</p>	<p>A greener planet > Climate change (We face climate change) > Risks and opportunities in light of climate change</p>
	<p>b) Describe the impact of climate-related risks and opportunities on the organization's business, strategy and financial planning.</p>	<p>Our business (Businesses that challenge us) > Transmission and distribution > Impact of climate change Our business (Businesses that challenge us) > Generation > Our management A greener planet > Climate change (We face climate change) > Impact of climate change A greener planet > Climate change (We face climate change) > Risks and opportunities in light of climate change</p>
	<p>c) Describe the resilience of the organization's strategy, taking into account different climate-related scenarios, including one of 2°C or less.</p>	<p>A greener planet > Climate change (We face climate change) > Risks in light of climate change</p>

ELEMENTS OF THE TCFD	DISCLOSURE RECOMMENDATIONS	LOCATION IN THE REPORT
<p>RISK MANAGEMENT</p>	<p>a) Describe the organization's processes for identifying and assessing weather-related risks.</p>	<p>Strategic framework > Risk management > Our management > Assessment of the magnitude and potential scope of risks A greener planet > Climate change (We face climate change) > Risks and opportunities in light of climate change > Scenario analysis</p>
	<p>b) Describe the organization's processes for managing weather-related risks.</p>	<p>Strategic framework > Risk management > Risk governance A greener planet > Climate change (We face climate change) > Our management</p>
	<p>c) Describe how the processes for identifying, assessing and managing weather-related risks are integrated into the Organization's overall risk management.</p>	<p>Strategic framework > Risk management</p>
<p>METRICS AND GOALS</p>	<p>a) Disclose the metrics the organization uses to evaluate climate-related risks and opportunities in line with its risk management strategy and process.</p>	<p>A greener planet > Climate change (We face climate change)</p>
	<p>b) Disclose Scope 1, Scope 2 and, if applicable, Scope 3 GHG emissions and related risks. (Especially transition risks)</p>	<p>A greener planet > Climate change (We face climate change) > Findings: risks and opportunities A greener planet > Climate change (We face climate change) > GHG emissions avoided A greener planet > Climate change management > Direct and indirect GHG emissions</p>
	<p>c) Describe the organization's objectives to manage climate-related risks and opportunities and its performance against objectives.</p>	<p>A greener planet > Eco-efficiency and circularity > Energy resource management > Water consumption A greener planet > Eco-efficiency and circularity > Energy resource management > Energy consumption A greener planet > Climate change (We face climate change) > Direct and indirect GHG emissions A greener planet > Eco-efficiency and circularity > Management of other emissions (Particulate matter, Sulfur Dioxide, Nitrogen Dioxide, Mercury and SF6)</p>

ADDITIONAL RELEVANT INFORMATION	
TOPIC	MANAGING CLIMATE-RELATED RISKS AND OPPORTUNITIES
GOVERNANCE	<p>We are aware that climate change is humanity's greatest current challenge, which is why it became a relevant study topic for the board of directors and its support committees. Each instance monitors and supervises the defined objectives and goals related to climate change and the respective progress made during the year to analyze the impacts it could have on the company's strategy. The sustainability and corporate governance committee is the authority appointed at CELSIA for validating issues by incorporating them into the organization's strategy. It is responsible for climate-related policies and procedures.</p> <p>This committee continually evaluates the evolution of risks and opportunities every year and communicates its findings to the highest corporate authority for its consideration.</p> <p>The teams manage and present the progress of the Climate Change Strategy to the sustainability and corporate governance committee, providing a complete context of the action plan and how it making progress against the fulfillment of each established goal and objective. Subsequently, the chairperson of said committee is in charge of reporting the information to the board of directors. This means both the board and the support committee actively participate in this issue, making comments, suggestions and recommendations, ensuring compliance with the strategy.</p> <p>The sustainability and corporate governance committee meets at least twice a year or when necessary. In these sessions, they establish guidelines and make strategic business decisions that leverage compliance with goals related to climate change.</p> <p>The ESG worktable was created as a space for standardization and coordination between the Foundation, Communications, Compliance and ESG Topics teams (formerly the Sustainability and Corporate Socio-Environmental Team) to incorporate a comprehensive and synergistic view of sustainability that involves the entire organization. It seeks to align social and environmental investment with the organization's strategy, identify and manage socio-environmental and compliance risks, assume ethics and transparency as pillars that characterize the organization's actions to create sustainable value, foster inclusion and promote diversity as drivers of value for all stakeholders, create partnerships to identify best practices and promote ESG issues, and finally, communicate and dialogue with stakeholders.</p> <p>Based on the definitions and guidelines established in said worktable, the ESG Topics team participates in the Socio-Environmental Committee, in which the actions required to fulfill the environmental and social strategy are communicated to the socio-environmental teams of the generation, transmission and distribution businesses, and an action plan is designed to ensure its execution.</p>
SUPPLIERS	<p>Climate change and global dynamics have increased our demands on suppliers, generating trends for selecting them through sustainable purchasing. Moreover, suppliers are more aware of the fact that they can add value through good practices or circular economy initiatives, on which we work together.</p> <p>We identify critical suppliers in environmental matters within the supply chain, with whom we carry out training on ESG matters (climate change and carbon footprints), to raise awareness about the changes that are impacting our natural and business ecosystem.</p> <p>From a geopolitical point of view, international transportation continues to be impacted, which represented an opportunity to reduce imports of materials and encourage developing local trade. This led to a reduction of our carbon footprint. The decrease in imports has also reduced the use of air and maritime transportation. This has been reflected in the country, with a decrease of approximately 12% compared to 2022.</p>
INNOVATION	<p>Mitigating the impact on climate change is one of our main focuses of innovation at Celsia. Consequently, the company is constantly formulating initiatives aimed at reducing greenhouse gas emissions. Products based on Non-Conventional Renewable Energy Sources are an eloquent testimony of this philosophy, emerging as a concept conceived from the roots of innovation and evolving towards the realization of a product with massive reach.</p> <p>Our initiatives in the field of energy storage, solar power, hydrogen, microgrids and energy efficiency position us as leaders in the exploration of new business opportunities. We tirelessly seek to encourage rooting ourselves in clean technologies in sectors linked to the electrical industry.</p> <p>We have constantly undertaken the search for mechanisms that facilitate integrating energy solutions. These solutions seek to establish links between traditional business practices and emerging technological opportunities, generating a positive impact on the environment and improving the quality and efficiency of our services in a balanced way.</p>
REGULATION	<p>Awareness of climate change has led international institutions and governments to set ambitious objectives for decarbonizing the economy, including Colombia. In Colombia, after signing the Paris agreement, the country committed to reducing GHG emissions by 51% by 2030 and to be carbon neutral by 2050.</p> <p>This has driven important regulatory and political changes in the energy sector, framed in the energy transition policy, such as taxes on fossil fuels, incentives for renewable energy, the economy's decarbonization and greater environmental barriers.</p> <p>We have highlighted challenges generated by Colombia's strategy on climate change, which seeks to meet the goals agreed upon in the Paris Agreement.</p> <p>Furthermore, new opportunities have arisen in the development of non-conventional renewable energy generation, which is part of Celsia's strategy, as well as for using hydrogen as an energy vector and industrial input, which is also strategic for our organization. In addition, we have identified great potential for growth in electric mobility and energy efficiency for homes, industries and cities.</p>