

# SOCIAL INVESTMENT POLICY

COLBUN IS A LEADING COMPANY IN THE ENERGY MARKET. OUR PURPOSE IS TO TRANSFORM ENERGY, IN BALANCE WITH THE PLANET, TO FUEL YOUR PROJECTS AND DREAMS. GENERATING A POSITIVE AND SUSTAINABLE IMPACT FOR THE COMMUNITIES NEAR OUR OPERATIONS AND PROJECTS IS A CORE COMPONENT OF OUR VALUE CREATION MODEL. THEREFORE, WE ARE COMMITTED TO PROMOTING SOCIAL INVESTMENT INITIATIVES THAT CONTRIBUTE TO A BETTER FUTURE, FOSTERING TRANSPARENT, RESPECTFUL, COLLABORATIVE, RECIPROCAL, AND LONG-TERM RELATIONSHIPS.

THIS POLICY IS COMMUNICATED TO ALL EMPLOYEES, CONTRACTORS, DIRECTORS AND SUBSIDIARIES. CONSEQUENTLY, EVERYONE IN THE COMPANY IS RESPONSIBLE FOR ITS IMPLEMENTATION AND COMPLIANCE.

## 1. DEFINITIONS

- **Social Investment:** This term refers to any voluntary contribution to the community or an external organization. Such contributions may be made through social programs and projects or one-time contributions. These contributions may or may not be delivered through a donation:
  - **Social Program:** A long-term strategic social investment that involves consecutive contributions over time. These are associated with the useful life of a project or operation. Social programs integrate, coordinate, and unite diverse initiatives under a unifying strategy aligned with the company's social investment priorities. They deliver substantial, long-term benefits for the communities where they are implemented. These programs have a broader scope regarding implementation time and generate significant benefits for the communities where they are developed, aiming for a long-term positive impact.
  - **Social Project:** A social investment initiative with defined objectives, goals, and an implementation plan, executed within a limited timeframe and with finite resources. It aims to generate a positive and sustainable impact on communities in the short to medium term.
  - **One-time contribution:** A single contribution, either monetary or in-kind, addressing a short-term community issue, a widespread social need, or a local, regional, or national emergency.
  - **Donation:** A formal agreement between a donor (the institution) and a recipient, where the donor provides cash or in-kind contributions. The donor must be a qualified entity capable of providing tax exemptions and adhering to established criteria for such benefits.

## 2. PRINCIPIOS GENERALES

- **Community Relevance:** Social investments must address the needs, challenges, and development priorities of the community, aiming for a long-term positive impact.
- **Dialogue and Participation:** Inclusive dialogue and active community participation are prioritized during the definition and implementation of social investment initiatives. This approach emphasizes empowering vulnerable groups and promoting equitable opportunities.
- **Alliances and Collaboration:** We encourage cooperation and shared efforts for sustainable development by forming public-private alliances and collaborating with national, international, non-governmental, and civil society organizations.
- **Flexibility:** Social investments should adapt to changes in the community's and the company's priorities over time, considering evolving contexts.
- **Transparency and Accountability:** All social investment activities are managed transparently, with clear accountability mechanisms to ensure proper resource allocation and the intended impact.
- **Sustainability:** Social investments must be sustainable over time, leaving lasting capacities in the community and focusing on measurable results, with clear compliance indicators subject to periodic evaluations to take timely action in case of any financial or management deviation.

## 3. ABOUT THE INITIATIVES

- All initiatives must align with the Company's Purpose and Values. Priority is given to initiatives benefiting communities in our areas of influence and focusing on: (i) Local Economic Development; (ii) Local Capacity Building; (iii) Climate Resilience and Adaptation; and (iv) Identity and Heritage.
- All initiatives require formal approval from the Communities Management team.
- The company will not provide financial support for initiatives conflicting with its policies, including the Code of Ethics, Crime Prevention Model, Diversity and Inclusion, and Human Rights and Business Policies.
- Social investment initiatives must be executed economically, including evaluating potential benefits or tax exemptions.
- Initiatives belonging to the same social program or project cannot be divided.

- Preference is given to in-kind social investments, either directly or through experienced foundations or corporations. When in-kind support is not feasible, cash contributions may be made, provided they include detailed contracts outlining resource usage, initiative objectives, and Colbun's accountability mechanisms.
- Colbun will not transfer funds to individual accounts. All social investment initiatives are designed to benefit communities as a whole, not individuals.
- Social investment initiatives for political purposes are strictly prohibited. Mechanisms will be established to ensure contributions to social organizations are not associated with electoral campaigns or political parties.

## 4. REVIEW AND APPROVAL

- The company has due diligence processes to evaluate all social investment initiatives. These processes include controls to analyze initiatives, beneficiary organizations, and their representatives comprehensively.
- All Social Investment approval processes shall include the task of identifying and managing any potential conflicts of interest that may arise in accordance with the Policies and Procedures in force. Social Investment initiatives should avoid directly benefiting employees, directors, or other related parties without clear justification.
- Social investments directly benefiting "related parties" must be approved by the Board of Directors following a review by the Directors' Committee.
- All Social Investment contracts must include provisions requiring the grantee to verify resource usage and grant Colbun the right to review and audit at any time.
- All social investment initiatives must comply with the Management Authority Delegations. Board of Directors' approval is required for social investments exceeding USD 0.5 million, considering accumulated amounts.

**José Ignacio Escobar T .**

CEO Colbun