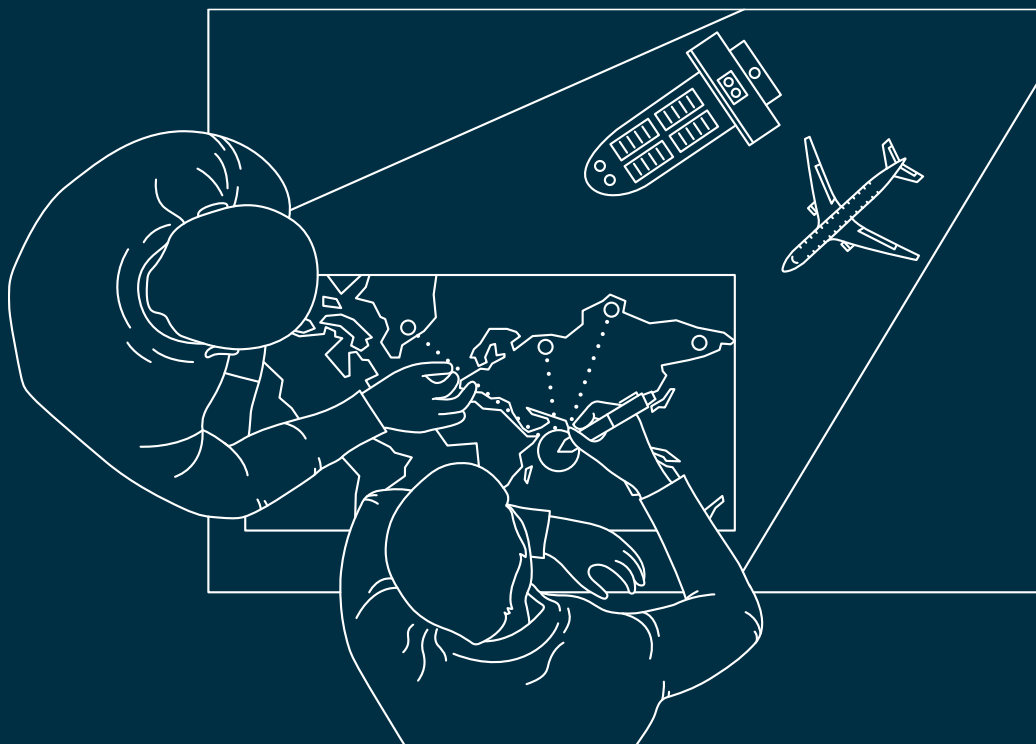


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Concesión vial Ruta del Cacao

Q4-2023 Social & Environmental Report

— Version

1.0

— Prepared for

The Lenders to Ruta del Cacao

— Issue Date

28th February, 2024

— Prepared By

LSA Team

— Reviewed by

Erika Beltrán

— Approved by

Olma Alvarez

IMPORTANT LEGAL NOTICE

This is a technical report dealing with the contractual and construction aspects of the Project but does not provide a detailed review of all the technical aspects in relation to the Ruta del Cacao (the Project). It is intended to highlight issues that are considered to have significant commercial implications in relation to the risk to which the prospective Lenders to Ruta del Cacao may be exposed.

This report, by its very nature, requires a certain amount of simplification of complex technical provisions. The detailed terms of any contractual documentation referred to in this report should be relied upon for their full effect and not any summaries of such terms that may be contained in this report.

The comments made throughout this report are selective and should not be taken as the only areas where the Lenders may be exposed to risk. The assessment of the risks associated with a project of this nature is complex and involves (inter alia) an understanding of the interaction of issues where specialist opinion (for example from the Lenders' legal advisers) is required.

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PROJECT SUMMARY

| PROJECT SUMMARY | |
|-----------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Description | The Bucaramanga – Barrancabermeja – Yondó Project is a Design, Build, Financing and Maintenance (DBFM) for a 25-year Operating Period with an option to extend 4 years. The works cover a mix of (A) Design and Construction (66km), (B) Improvement (18km), (C) Rehabilitation (13km), (D) Transferred O&M of existing roads (77km) including 2 tunnels of a combined length of 1.32km, and (E) Design and Construction + improvement (18km). In addition to 18 bridges, 6 viaducts, 5 toll stations and 2 tunnels with a combined length of 5.36km. |
| Pre-Construction Period | 12 months in the Concession Agreement |
| Construction Period | Ranges from 6 to 48 months depending on the section |
| Concession Period | Minimum of 25 years including Pre-Construction and Construction |
| Concession Type | Tolls + Availability |
| Consortium | Ruta del Cacao S.A.S. |
| CONTRACTING PARTIES | |
| Authority | Agencia Nacional de Infraestructura (ANI) |
| Concessionaire / Equity Members | Cintra Infraestructura Colombia S.A.S. (30%) |
| | RM Holdings S.A.S. (20%) |
| | MC Victorias Tempranas S.A.S. (20%) |
| | John Laing (30%) |
| ENGINEERING, PROCUREMENT AND CONSTRUCTION (EPC) CONTRACTOR & SUBCONTRACTOR (EPCM) | |
| EPC Contractor JV | Ferrovial Agroman (70%) |
| | Colpatria Constructora (30%) |
| Key Design Organisations | Ayesa; EUROESTUDIOS |
| OPERATIONS & MAINTENANCE CONTRACTOR (O&M) | |
| O&M Contractor | Concessionaire Ruta del Cacao S.A.S. on a self-performing basis. |
| | During the Pre-Operation phase: <ul style="list-style-type: none"> Sub-Consultants: <ul style="list-style-type: none"> DC Túneles: Existing tunnels' O&M located in UF3.2 Regency: Operations EPC: Maintenance |
| | During the Operation phase the O&M will be undertaken on a self-performing basis. |
| | |
| | |

ACRONYMS AND DEFINITIONS

| ACRONYMS | DEFINITION |
|--------------|----------------------------------------------------------------------------------------|
| AMP | ARCHAEOLOGICAL MANAGEMENT PLAN |
| ANLA | NATIONAL AUTHORITY OF ENVIRONMENTAL LICENSES |
| ANI | NATIONAL INFRASTRUCTURE AGENCY |
| CAP | CORRECTIVE ACTION PLAN |
| CAS | REGIONAL AUTONOMOUS CORPORATION OF SANTANDER |
| CDMB | REGIONAL AUTONOMOUS CORPORATION FOR THE DEFENSE OF THE BUCARAMANGA PLATEAU |
| CORANTIOQUIA | REGIONAL AUTONOMOUS CORPORATION OF THE CENTER OF ANTIOQUIA |
| ES&HS | ENVIRONMENTAL, SOCIAL AND HEALTH AND SAFETY |
| EIA | ENVIRONMENTAL IMPACT ASSESSMENT |
| EMP | ENVIRONMENTAL MANAGEMENT PLAN |
| EP | EQUATOR PRINCIPLES |
| ESAP | ENVIRONMENTAL AND SOCIAL ACTION PLAN |
| ESCR | ENVIRONMENTAL AND SOCIAL COMPLIANCE REPORT |
| ESMP | ENVIRONMENTAL AND SOCIAL MONITORING PLAN |
| GHG | GREENHOUSE GASES |
| H&S | HEALTH AND SAFETY |
| ICA | INFORME CUMPLIMIENTO AMBIENTAL (ENVIRONMENTAL COMPLIANCE REPORT) |
| ICANH | COLOMBIAN INSTITUTE OF NATIONAL ANTHROPOLOGY AND HISTORY |
| IE | INDEPENDENT ENGINEER |
| IFC PS /ND | IFC PERFORMANCE STANDARDS |
| INVIMA | COLOMBIAN NATIONLA FOOD AND DRUG SURVEILLANCE INSTITUTE |
| IMS | SISTEMA DE GESTION INTERGRAL (INTEGRATED MANAGEMENT SYSTEM) |
| LSA | LENDERS' SOCIAL & ENVIRONMENTAL ADVISOR |
| MADS | MINISTRY OF ENVIRONMENT AND SUSTAINABLE DEVELOPMENT |
| MIN INTERIOR | MINISTRY OF INTERIOR |
| PCA | PERMISO DE CONCESIÓN DE AGUAS (WATER CONCESSION PERMIT) |
| PMA | PLAN DE MANEJO AMBIENTAL (ENVIRONMENTAL MANAGEMENT PLAN) |
| POC | PERMISO DE OCUPACIÓN DE CAUCE (WATER OCCUPATION PERMIT) |
| PGSC | PLAN DE GESTIÓN SOCIAL CONTRACTUAL (CONTRACTUAL SOCIAL MANAGEMENT PLAN) |
| PQRS | PETICIONES, QUEJAS, RECLAMOS Y SUGERENCIAS (PETITIONS, COMPLAINS, CLAIMS, SUGGESTIONS) |
| PS | PERFORMANCE STANDARD (IFC) |
| PV | PERMISO DE VERTIMIENTOS (EFFLUENT DISCHARGE PERMIT) |
| RoW | RIGTH OF WAY |
| SCF | SOCIOECONOMIC COMPENSATION FACTOR |
| SENA | SERVICIO NACIONAL DE APRENDIZAJE (NATIONAL APPRENTISCESHIP SERVICE) |
| SMLV | SALARIO MINIMO LEGAL VIGENTE (COLOMBIAN MINIMUM WAGE) |
| SMTTL | LEBRIJA MOBILITY, TRANSIT AND TRANSPORTATION SECRETARIAT |
| TMP | TRAFFIC MANAGEMENT PLAN |
| US | UNIDAD SOCIAL (SOCIAL UNIT) |
| VIP | VOLUNTARY INTERVENTION PERMIT |

EXECUTIVE SUMMARY

| TOPIC | OBSERVATIONS | LSA OPINION |
|-----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Permits and Licensing | <p>On October 5th, 2022, through Auto N°08679 ANLA issued charges within an environmental social and administrative sanctioning process at UF2, UF4, UF5 and UF7 due to not implementing management measures to avoid affectation in 6 water sources and to carry out riverbed occupation works without authorization in 5 water sources.</p> <p>On June 7th, 2023, through Auto N° 4078, ANLA requested the initiation of an environmental sanctioning investigation process due to four facts associated to non-compliance with requirements established in the environmental license.</p> <p>On August 15th, 2023, through Res. 1792 ANLA issued a preventive measure stating the immediate suspension of the excavation material disposal in the totality of the Project ZODMES's.</p> <p>On October 26th, 2023, the Concessionaire submitted the Environmental Impact Assessment to ANLA in order to request the license modification for UF5, UF6 and UF7 due to some design modifications.</p> <p>The Concessionaire was developing monitoring at UFs 8 and 9, while reporting, analysis and classification is being performed at the archaeological laboratory for ZODMEs in UFs 8 and 9 as well as UF 2-3. Nevertheless, as a consequence of the contingency occurred on October 1st, 2023, the monitoring activities were suspended at UF8. Regarding UF9, the activities were finished as soil removal works were completed.</p> | <p>Regarding Auto N°08679, the Concessionaire filed the respective disclaimers against the charges filed by ANLA. According to the Law 1333 of 2009 ANLA has the discretion to impose financial fines (if applicable) or dismiss the process.</p> <p>With respect to Auto N° 4078, the Concessionaire is internally reviewing each of the four facts (respectively) formulated by ANLA. The LSA recommends the Concessionaire to inform about the defence strategy that would implement to counterargue the facts exposed by ANLA.</p> <p>Regarding the preventive measure Res. 1792, the Concessionaire requested to ANLA a partial dismissal of the Res. 1792 alleging due diligence unconformities. Although ANLA response is still pending, the Concessionaire has shown progress with the required measures to lift the preventive measure.</p> <p>Regarding the license modification ANLA issued Auto 9511 of November 17th, 2023, which initiates the step of the modification process.</p> <p>The Concessionaire has been complying with the field archaeological activities. As the ICANH officially closed the Preventive Archaeology Program of the ZODME Z-Brisas, it is understood that the Concessionaire has complied the obligations established in the legislation</p> |
| IFC Compliance | <p>The Concessionaire maintained the compliance in actions established in IFC-PS Compliance Matrix. Regarding the verification of the alignment of the Project against the IFC-PS, of the 115 actions identified, the Concessionaire presents a compliance of 85%.</p> <p>An additional effort is expected from the Concessionaire to achieve full alignment. The LSA has advised actions to increase the Project alignment with IFC PS.</p> <p>Pursuant to Palmita's aqueduct, the situation has been worsened by the contingency occurred on October 1st 2023 in UF8 due to the water supply tank was affected by the land slide. The Concessionaire is evaluating new approaches to solve the aqueduct's issue. Currently, the water supply has been covered with water tank trucks.</p> | <p>Although not all the actions are in full compliance, the LSA notes that the Concessionaire has shown little progress in the actions that are in a partial status.</p> <p>The LSA notes that the Project faces the challenge of PS1 related with the sanctioning processes and closure of requirements regarding stakeholders that dates back from 2021; PS4 due to non-dissemination of Emergency Preparedness and Response Plan to communities as well as affectation to La Palmita's community aqueduct; PS3 Pollution prevention; PS5 regarding lack of monitoring indicators to envisage proper reestablishment of living and economic conditions of relocated people; and PS6 related with Biodiversity Conservation.</p> <p>The Concessionaire has made efforts to relocate the totality of the households affected, nevertheless and despite some families have</p> |

| TOPIC | OBSERVATIONS | LSA OPINION |
|----------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | The contingency also impacts households which has been temporally relocated in hotels close to the area having access to social services as usual. | refused to relocate, is necessary detailed follow up of the totality of families affected by contingencies. |
| ESAP and Corrective Action Plan | <p>Out of 53 actions required E&S Action Plan (ESAP “PASA”) of the Credit Agreement, during Q4-2023 the Concessionaire had 68% compliance.</p> <p>Arising from environmental deviation identified by ANLA through Auto N°08679 of October 5th, 2022, a Corrective Action Plan was requested by the LSA.</p> | <p>Regarding the Environmental and Social Action Plan (ESAP) under the credit Agreement, the LSA considers the Concessionaire should focus on those actions which compliance is triggered by the start of the O&M phase.</p> <p>The LSA will continue monitoring the actions established in Corrective Action Plan until the Concessionaire complies with the legal requirements demanded by the ANLA.</p> |

1 INTRODUCTION

1.1 SCOPE OF THE REPORT

- 1.1.1 This report has been prepared as part of the quarterly Environmental, Social and Health and Safety (“ES&HS”) requirements of the Independent Engineer’s and Environmental and Social Consultant’s Monitoring Agreement, as of October 25, 2018.
- 1.1.2 Reference is made to (a) the loan agreement dated as of October 25, 2018 (the IDB Invest Loan Agreement) among the Concesionaria Ruta Del Cacao S.A.S. (the Concessionaire), and Patrimonio Autónomo Proyecto Corredor Vial Bucaramanga – Barrancabermeja – Yondó (the Patrimonio Autónomo Proyecto and together with the Concessionaire, each individually, a Borrower and collectively, the Borrowers), Inter-American Investment Corporation, an international organization established by the Agreement Establishing the Inter- American Investment Corporation among its member countries (IDB Invest); and IDB Invest, as agent acting on behalf of the Inter-American Development Bank, an international organization established by the Agreement Establishing the Inter-American Development Bank among its member countries (IDB); and (b) the loan agreement dated as of October 25, 2018 (the COP Loan Agreement) among the Borrowers, the COP Lenders and the COP Administrative Agent.
- 1.1.3 Through this report the Lenders’ Social & Environmental Advisor (LSA) presents the relevant aspects of the Social and Environmental performance of the Project in accordance with the information provided by The Concessionaire, as well as progress during the reporting period with the Environmental and Social Action Plan (ESAP) and the additional actions identified in previous monitoring periods. The LSA has been working collaboratively with the Concessionaire to continue to exercise its monitoring scope to the best of its ability, including the revision and analysis of additional supporting Project information that has enabled, where possible, the continued monitoring of the Project. Nevertheless, it should be noted that the accuracy and veracity of the LSA’s review, as always, is dependent on the quality of the documentation provided to it by the Project, such that it maintains its disclaimer from any erroneous or misleading information.

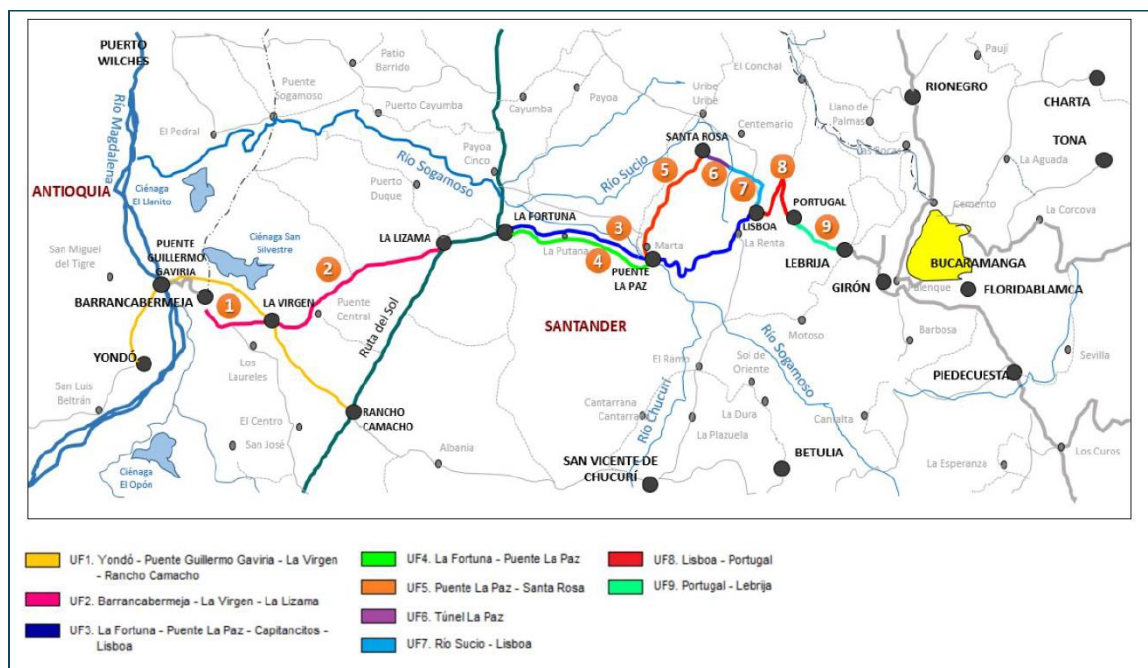
1.2 DOCUMENTATION AND ON-SITE VISITS

- 1.2.1 This report has been prepared based on the information provided by the Concessionaire as well as the EPC Contractor. Observations, findings, and conclusions have been based on the site visit (16th of February 2024), review of the documentation provided, conference calls and meetings held with the Concessionaire and the EPC Contractor’s technical, social, and environmental teams during Q4-2023.

1.3 PROJECT DESCRIPTION

- 1.3.1 The Project comprises 9 Functional Units (UFs) along the road corridor, starting in the municipality of Yondó, passing through the city of Barrancabermeja and finishing in the municipality of Lebrija.

Figure 1.1 Project Overview



Source: The Concessionaire

1.3.2 The scope of works for each UF and sub-section of the Project is presented in the following Table 1-1:

Table 1-1 Scope of Works by UF and Sub-section

| UF | SECTION | SUB-SECTION | APPROX LENGTH | SCOPE OF WORKS | COMMENTS |
|----|----------------------------------------------------|----------------------------------|---------------|------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|
| 1 | Yondó – Puente Guillermo Gaviria | Yondó – Puente Guillermo Gaviria | 10.37km | Rehabilitation | Presence of oil & gas infrastructure on either side of the road |
| | | La Virgen – Rancho Camacho | 15.34km | Operation and Maintenance | Works to start once construction has finished and section handed over |
| | | La Virgen – Rancho Camacho | 14.74km | Operation and Maintenance | Works to start once construction has finished and section handed over |
| 2 | Barrancabermeja – La Lizama | Barrancabermeja – El Retén | 3.20km | Rehabilitation | Road constructed across double carriageway (grade separation) |
| | | El Retén – La Lizama | 26.95km | Maintenance | Currently rehabilitated between PR3 + 200 to PR30 + 000 under the Contract of Work No.1987 of 2012 signed between INVIAS and Consortium ECA27 |
| | | La Virgen – La Lizama | 21.05km | Construction of Second Lane | At La Lizama the Project connects with Ruta del Sol II Concession |
| 3 | La Fortuna – Puente La Paz – Capitancitos – Lisboa | La Fortuna – Puente La Paz | 17.97km | Improvement | Includes recently constructed La Paz Bridge. |
| | | Puente La Paz – Capitancitos | 13.10km | Maintenance and Conservation | Existing road and constituent road built by ISAGEN |
| | | Capitancitos - Lisboa | 6.53km | Maintenance and Conservation | Existing road with presence of colluvial soils |
| 4 | La Fortuna – Puente La Paz | La Fortuna – Puente La Paz | 17.97km | Construction of Second Lane | |

| UF | SECTION | SUB-SECTION | APPROX LENGTH | SCOPE OF WORKS | COMMENTS |
|----|----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|---------------------------------------------------|---------------------------------------------------------------------------|
| 5 | Puente La Paz – Santa Rosa | Puente La Paz – Santa Rosa | 14.76km | Construction of Single Lane Roadway | Includes construction of bridges and viaducts |
| 6 | Túnel La Paz | Excavation and support of tunnel entrance, including tunnel portal. | 1.568km | Construction of La Paz Tunnel | |
| | | Excavation and support of tunnel exit, including tunnel portal. | 1.950km | Construction of La Paz Tunnel | |
| | | Lining and pavement of main tunnel | 3.518km | Construction of La Paz Tunnel | |
| | | Tunnel portals, excavation and support of gallery. | 3.518km | Construction of La Paz Tunnel | |
| | | Lining and pavement of escape gallery, parking niches, escape gallery and pedestrian access. | 3.518km | Construction of La Paz Tunnel | |
| | | Tunnel installations (MEP) in main tunnel and gallery. | 3.518km | Construction of La Paz Tunnel | |
| 7 | Río Sucio - Lisboa | Excavation and support of tunnel entrance, including tunnel portal. | 2.06km | Construction of Single Lane Roadway | Includes construction of 4n° bridges and viaducts and 1n° tunnel La Sorda |
| | | Excavation and support of tunnel exit, including tunnel portal. | 1.22km | Construction of La Sorda Tunnel | |
| | | Lining and pavement of main tunnel | 2.44km | Construction of La Sorda Tunnel | |
| | | Tunnel portals, excavation, and support of gallery. | 2.44km | Construction of La Sorda Tunnel | |
| | | Lining and pavement of escape gallery, parking niches, escape gallery and pedestrian access. Construction of single lane road between exit of La Paz and Lisboa. | 5.89km | Construction of La Sorda and single lane roadway | |
| 8 | Lisboa - Portugal | Lisboa - Portugal | 6.91km | Improvement Works and Construction | |
| 9 | Portugal - Lebrija | Portugal - Lebrija | 12.40km | Improvement Works and Construction of second lane | Connection with Concession ZMB at PR60 |

Source: Concession Agreement, LSA

1.3.3 Project envisages the construction of three (3) tolls along the new and existing road corridor:

Table 1-2 Project Tolls

| INFRASTRUCTURE | NAME | UF | LOCATION |
|----------------|-------------------------|----|----------|
| Toll | La Lizama | 2 | K18+100 |
| | La Paz | 5 | K79+150 |
| | La Angula (Portugal) | 9 | K106+350 |
| | La Renta | 3 | K30+140 |
| Weighing area | La Virgen | 2 | K11+400 |
| | La Angula (Portugal) | 9 | K106+500 |

Source: LSA as of December 2023

1.4 ORGANIZATIONAL STRUCTURE

1.4.1 The EPC Contractor's ES&HS team is presented in Table 1-3 below:

Table 1-3 EPC Contractor's ES&HS Team

| Nº | STAFF NAME | ROLE |
|----|---------------------------|---------------------------------------------------------------------|
| 1 | Nestor Vera | Technical, Environmental and Social Director |
| 2 | Milton Barbosa | H&S Director |
| 3 | Gilberto Alfonso Tigreros | H&S Coordinator |
| 4 | Juan Carlos Montoya | Social Advisor |
| 5 | Dolly Leidy Varón | Social Director |
| 6 | Diana Marcela Suárez | Social Resident (UFs 8 and 9) |
| 7 | Xiomara Pinilla | Information and Outreach Program |
| 8 | Liliana Rodríguez | Workforce Recruitment and Right of Way and Institutional Management |
| 9 | Yandira Tolosa | Road Safety and Community Engagement |
| 10 | Samy Alexis Casas | Archaeologist |
| 11 | Laura Ferreira | Archaeologist |

Source: EPC, LSA

2 ENVIRONMENTAL AND SOCIAL COMPLIANCE

2.1.1 The Project's environmental compliance is assessed through the Equator Principles ("EP") and International Finance Corporation ("IFC") Performance Standards, as presented below:

2.2 EQUATOR PRINCIPLES

Table 2-1 Review of EP Compliance

| EP PRINCIPLE | LSA COMMENT |
|---------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 Review and Categorization | As confirmed during the elaboration of the S&E Due Diligence, the Project has been considered Category B, since the environmental and social impacts and risks produced during construction, can be addressed through the implementation of management and control measures for proper risk management. |
| 2 Environmental and Social Assessment | The information regarding this principle is analysed through the review of IFC PS 1 to 8 in Chapter 3, as well as the ESAP, reported in Chapter 4 of this report. |
| 3 Applicable Environmental and Social Standards | As part of the review undertaken during the period, all licenses and permits required for on-going construction in all UFs were found to be in place. Complementary information is assessed in further detail in Section 2.3 "Relevant Authorizations", Environmental Plans and IFC PS 1 to 8 of this report. |
| 4 Environmental and Social Management System and Equator Principles Action Plan | Compliance against this principle is reviewed and assessed through the IFC Performance Standards, particularly PS1 and the implementation of the Project's ESAP. |
| 5 Stakeholder Engagement | The information regarding this principle is assessed through PS1, PS5 and PS7 in the following chapter of this report. |
| 6 Grievance Mechanism | The information regarding this principle is assessed through PS1 and PS5 in the following chapter of this report. |
| 7 Independent Review | This principle is addressed through the current review and due diligence report prepared by the LSA (Infrata). |
| 8 Covenants | As part of the covenants in the financing documents, the Concessionaire is required to comply with all the relevant host country environmental and social laws, regulations and permits in all material respects. Such compliance is verified by the LSA at the current construction monitoring stage. As such, it is required to comply with the Project ESAP, and any further action plan that may arise because of the assessment. The verification takes place on a quarterly basis within the Environmental and Social Report. |
| 9 Independent Monitoring and Reporting | As a result of the S&E Due Diligence Report, an Environmental and Social Action Plan ("ESAP") was prepared based upon those areas of compliance which required further development in order to demonstrate full compliance aligned with the applicable environmental and social laws. Compliance of this Action Plan by the Concessionaire is verified by the LSA during construction monitoring. The Quarterly S&E Report includes the review and assessment of the ESAP in section 4.1. |
| 10 Reporting and Transparency | To comply with this EP, the Concessionaire is required to ensure that a summary of the Environmental Impact Assessment (EIA) is accessible and available online. At the time of this report, the Concessionaire has only made available the summary of the EIA prepared in 2016. The Concessionaire is required to add any updates to the EIAs according to the subsequent license modifications that have been approved by ANLA. |

| EP PRINCIPLE | LSA COMMENT |
|--------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | <p>Additionally, the EIA and compliance reports presented to the Environmental Authorities are made available to the public at each Environmental Authority office. The Concessionaire also issues monthly and quarterly reports to the Project Supervisor and to the ANI. The Concessionaire is also obliged to prepare and issue to ANLA an ICA Report every six months, to demonstrate compliance with all the required measures and conditions stipulated under the environmental licenses.</p> <p>On the other hand, the Concessionaire has identified and reported annually since 2017 until 2021 the GHG emissions scope 1 and scope 2, the results have shown that the Project does not exceed 25,000 tons of CO₂ per year.</p> |

Source: LSA

2.3 STATUS OF RELEVANT AUTHORIZATIONS

- 2.3.1 As of December, 2023 all relevant environmental authorizations gained by the Project are listed in Annex 6.2. To date, the Concessionaire has all the relevant and required environmental permits for construction works taking place on UF2-9.
- 2.3.2 No updates were reported regarding the PAGAs for UF1, UF2.1, UF3, UF8.1 y UF9.1. Currently, the Concessionaire has all the required and relevant permits, authorizations, licenses and/or concessions for the intervention of natural resources, as required for those UFs under PAGA.

Environmental License modification

- 2.3.3 On August 4th 2023, the Concessionaire requested to ANLA an environmental licence minor change regarding surplus material donation from UF8 and 9 infrastructures works to use in plots not included in the environmental licence, located in vereda Cuzaman, Lebrija municipality, Santander
- 2.3.4 On October 26th 2023, the Concessionaire submitted the Environmental Impact Assessment to ANLA in order to request the license modification for UF5, UF6 and UF7 due to the following design modifications:
- An additional area for vehicular access
 - Expansion of the polygon to join La Paz tunnel (second roadway)
 - Expansion of the polygon to join La Sorda tunnel (second roadway)
 - Expansion of the polygon to join the geometric design of the second roadway
- 2.3.5 ANLA issued Auto 9511 of November 17th, 2023, which initiates the step of modification process.
- 2.3.6 Additional information is scheduled to be submitted to ANLA on February 21st, 2024.

Status of the environmental Closure at UF5, UF6 y UF7

- 2.3.7 In July 2022, the Concessionaire presented to ANI the environmental construction closure report for UF5, UF6 and UF7 (file number RDC-2022-01-05106-S). The aim of this report was to evaluate and confirm compliance with the Administrative Acts and their respective requirements generated by the Environmental Authorities and compliance with the environmental regulations for the execution of the contractual activities.
- 2.3.8 On January 5th, 2023, through file number CBBY-2-469-0006-23 ANI provided non-objection answer regarding this construction closure report.

Relevant Plans

- 2.3.9 All relevant environmental and social plans are described in Annex 6.3.
- 2.3.10 The progress on compensation plans for ban lifting (national and regional) has been significant on additional recovery and relocation of species, agreements with environmental authorities for land availability, tree planting, periodic maintenance, and management of authorities, among others [see Section 3.6].

2.4 STATUS OF PROCEEDINGS

Auto N° 5619 issued by ANLA

- 2.4.1 Formal results of the monitoring visits carried out by the ANLA during February and March, 2023 were received under Auto N° 5619 of July 21st, 2023, presented 235 requirements in total of which 163 were reiterated. A sum-up of the disposition is listed below:

Table 2-2 Auto N°5619 requirements

| ARTICLE | CONTENT DESCRIPTION | STATUS |
|---------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 | Reiterated the compliance of 163 requirements | According to the review reported through Auto N° 11079 of December 27 th , 2023, the ANLA notify the exclusion of 9n requirements, which 5n were emitted in Auto N° 5619; compliance of 52n°, which 14n° were established in Auto N°5619; and around 55°n require to hand in supports. The remaining requirement continue the procedure for compliance with the environmental authority. |
| 2 | Requirement to provide in a month time the respective permit for the disposal of excavation material on the plot Finca El Reposo, located in vereda La Renta, Lebrija. | |
| 3 | Established 9 requirements to fulfil in three-month time. | |
| 4 | Established 62 requirements to fulfil in six-month time. | |
| 6 | 95 requirements were complied. | Close |
| 7 | 40 requirements were removed from future monitoring. | |

Source: LSA, December 2023

- 2.4.2 On August 23rd 2023, the Concessionaire submitted a report with the evidence for the requirements of Auto 11873 compliance. Through Auto N° 11079, 19n requirements were reported as fulfilled, one was excluded and 47n° require further actions.
- 2.4.3 During October 2nd to 6th 2023, ANLA biannual monitoring visit was developed for the Project follow-up within the environmental licence framework. The report of this visit was presented through Auto N°11079 of December 27th, 2023, which emitted 129n requirements.
- 2.4.4 On September 21st 2023, ICA 12 was submitted to the environmental authority. Next report is ICA 13 which will include June to December period and is due by the end of Q1-2024.

“Class Action” lawsuit

- 2.4.5 On November 19th, 2018, the Santo Domingo community raised a claim against the Concessionaire for the location of the ZODMES Z5T6 (1) and Z5T6(2) (commonly referenced as ZODME Santo Domingo). The claim become a "Class Action" lawsuit against the Concessionaire, Municipality of Lebrija, ANLA, ANI and CDMB on September 12th, 2020, by the neighbouring community alleging the impact of the emission of particulate matter and requesting compensation for such damage.
- 2.4.6 The Class Actions lawsuits follow each of the stages described in Law 472 of 1998. Therefore, the Concessionaire has reported that it is not possible to define a specific duration of the process. The “Class Action” has not been processed by the Administrative Court of Santander, yet [see further information in Table 2-3].

- 2.4.7 ANLA conducted a site visit to ZODME area and issued the Resolution 2491 of 2019 which was answered by the Project on April 13th, 2020.
- 2.4.8 In response to Resolution 2491 of 2019, ANLA issued the Auto 8900 of 2020 requesting to develop an identification and characterization of the current conditions of ZODMES Z5T6 (1) and Z5T6 (2) in their abiotic, biotic, and social components.
- 2.4.9 On February 24th, 2021, the Project answered these requirements and proposed the construction of the industrial access road which passes within the ZODME Z5T6 (1) for the circulation of dump trucks in order to move them away from the houses and avoid any possible affectation.
- 2.4.10 In response to Auto 8900, ANLA issued the Resolution 1292 of July 22nd, 2021, requesting additional requirements. As a response, the Project filed an appeal against Resolution 1292 of July 22, 2021, desisting from using the ZODME Z5T6 (1). ANLA answered to this appeal, through Resolution 1959 of 2021 *"Whereby an appeal against Resolution 1292 of 2021 is resolved"*.
- 2.4.11 In order to cover the ZODME withdrawal, the Concessionaire requested a licence modification to ANLA to include a new ZODME in the "Portugal" area and was obtained through Resolution 1665 of September 20th, 2021.
- 2.4.12 The Concessionaire attempted to approach the community of Santo Domingo to disclose the preventive measures implementing at ZODME Z5T6 (2), but the community refused to participate.
- 2.4.13 On July 5th, 2022, The Concessionaire submitted a communication letter to the Administrative Court of Santander in response to a Santo Domingo Community complaint, clarifying that the Concessionaire has not either coerced or forced the community to sign any kind of documents. Supports of meeting carried out with the community were attached to the response.
- 2.4.14 On March 1st 2023, the Court notified: i) acceptance of the ANLA as new sued member within the process, and ii) rejection of the precautionary measure requested against the Project by plaintiffs.
- 2.4.15 As of Q3-2023 and Q4-2023, no additional notifications from the judge have been submitted to the Concessionaire.

Preventive measure by ANLA

- 2.4.16 A preventive measure from ANLA was imposed through Res. 1792 of August 15th, 2023, stating the immediate suspension of the excavation material disposal in the totality of the Project ZODMES's: ZK10+550A, ZK10+550B, ZK11+500A, ZK11+500B, Z31T3, Z29T3, Z26T4, Z24T4, Z21T4, Z19T5, Z18T5, Z18T5, Z15T5, Z14T5, Z13T5, Z12T5, Z-Brisas, Z4T6, Z3T6, Z2T6, Z5T6 (1), Z5T6 (2), Z1T7, Z11T5, Z5T5(2), Portugal. This measure was imposed due to risk scenarios generated by the ZODMES as vegetation cover and water sources are being affected by the dragged material, product of ZODMES soil instability that has been causing several contingencies in the area, already affecting ravines Santa Rosa, Arenosa and Aguabuena. The requirements imposed by ANLA to dismiss the preventive measures established for each of the Project ZODMES's used and intervened, in a sum-up are:
- 1) Submit a detailed report with hydraulic and hydrology studies.
 - 2) Execute the hydraulic works according to the hydraulic and hydrology studies to assure its security and stability.
 - 3) Submit a topographic survey.
 - 4) Submit a certified geotechnic stability study

5) Implement a geotechnic monitoring system; vi) submit a restoration proposal for the Arenosa Creek riparian forest cover.

2.4.17 On August 29th 2023, the Concessionaire requested to ANLA a partial dismissal of the Res. 1792 alleging due diligence unconformities. ANLA response to this matter has not been reported so far. In the meantime, the Concessionaire is disposing the excavation material in “The Guamito sector” which is an authorized area to execute this activity.

2.4.18 In addition, there are a few authorized areas against the local Authority-CDMB (Res. 472 of 2017) which currently have a total capacity of approximately 1,400,000 m³.

Sanction Processes by ANLA

Auto N°3710 of July 9th, 2018 (riverbed occupation works in Rio Sucio and La Sorda Creek)

2.4.19 Due to the execution of riverbed occupations without permission and no spillage clean-up (Rio Sucio and La Sorda), the ANLA initiated a sanction process against the Concessionaire through Auto N°3710 of July 9th, 2018. The preventive measure was partially lifted on May 18th, 2020.

2.4.1 ANLA carried out a site visit and the preventive measure for the riverbed occupation “La Sorda” was partially lifted under Resolution 02243 December 10th, 2021.

2.4.2 On January 15th, 2022, after socialization with the community, the Rio Sucio riverbed occupation was demolished and the solid waste was removed, as well as activities for the water source protection area were carried out. Consequently, the Concessionaire requested to ANLA the total lifting of the preventive measure for Rio Sucio. On October 12th, 2022, through Resolution N° 02480 ANLA lifts in its entirety the preventive measure imposed.

Auto N°08679 of October 5th, 2022 (riverbed occupation works and water source pollution)

2.4.3 On October 5th, 2022, ANLA formulated charges within an environmental sanctioning procedure. two (2) charges within an environmental, social and administrative sanctioning process due to the following facts:

First Charge:

- Not implementing (between March 5th to July 25th, 2018) effective management measures in a timely manner to avoid the contribution of construction materials, sediments, and vegetal material and thus prevent the deterioration of the following water sources: i) Caño NN - K15+340 (UF2), ii) water source located at K21+750 (UF2), iii) Quebrada La Lizama - K1+905 (UF4), iv) Quebrada San Silvestre, v) Quebrada La Peligrosa (UF5) and vi) Río Sucio (UF7).

Second Charge:

- To carry out riverbed occupation works (since March 2018) in areas not authorized by the Environmental License, in the following water sources: i) Quebrada San Silvestre, ii) Quebrada La Peligrosa, iii) Río Sucio, iv) Quebrada La Sorda and v) Quebrada Agua Dulce.

2.4.4 According to Law 1333, article 25, the Concessionaire has a term of ten (10) working days from the day of the notification of this administrative act to submit the respective written disclaimers and provide compelling evidence.

2.4.5 Therefore, on October 20th, 2022, the Concessionaire filed the respective disclaimers against the charges filed by ANLA.

- 2.4.6 If the sanctioning process continues the environmental authority will order evidence in accordance with the criteria of relevance, pertinence, and necessity. The proves will be carried out within a term of thirty (30) days, which could be extended only once up to 60 days.
- 2.4.7 Subsequently, within fifteen (15) working days following the presentation of disclaimers or the expiration of the probation period, through an administrative act the authority will declare or not the responsibility of the infringer for non-compliance of the environmental legislation and the corresponding sanctions will be imposed.
- 2.4.8 The estimation of potential fines as a result of environmental investigation sanctioning process is very difficult, considering that Colombian regulation on this matter (Law 1333 of 2009) does not establish predetermined amounts. Moreover, the quantification of the fines involves some variables (type of infraction, severity, magnitude, duration, mitigating actions, among others), which strongly depend on the case and the assessment carried out by the Authority. Additionally, penalties may include monetary sanctions or the implementation of additional environmental management measures, daily fines can reach up to COP\$ 5,000 monthly minimum wage.
- 2.4.9 Regarding the formulation of charges, a breach against Equator Principles EP2, EP3 and EP4; and IFC PS1, PS3 and PS6 has been identified by the LSA.
- 2.4.10 Therefore, on December 9th, 2022, the LSA formally requested to the Concessionaire the design and preparation of an Environmental Corrective Action Plan (CAP ENV 1_BBY) to manage this breach and on December 20th, 2022, the Concessionaire issued a first version of the CAP for the LSA to review and comment. On January 17th, 2023, the LSA held a meeting with the Concessionaire to comment on the CAP.
- 2.4.11 On March 27th, 2023, the LSA formally sent this CAP to Lender´s approval and since this day it entered into force. See detailed information in section 4.3.

Auto N°08312 of September 26th, 2022 (environmental non- compliance)

- 2.4.12 On September 26th, 2022, through Auto N° 08312, ANLA requested the initiation of an environmental sanctioning investigation process for the following six facts:

Fact 1:

- For changing the authorized structure for the riverbed occupation in Quebrada La Cabezonera located at UF4 in the municipality of Betulia without requesting and obtaining the modification of the environmental license.

Fact 2:

- Failure to comply with the requirements of the forest harvesting permit due to carry out logging activities outside the authorized area and exceeding the number of approved individuals (trees) in accordance with the article 7 of Resolution No. 763 of June 30, 2017, article 6 of Resolution No. 2051 of October 15, 2019, and article 6 of Resolution No. 2594 of October 31, 2019 (through which the environmental license was modified and the corresponding forest harvesting permit).

Fact 3:

- Failure to implement biotic environment compensation obligations within 6 months of impact generation in accordance with the article 3 of Resolution No. 256 of February 22, 2018.

Fact 4:

- For not submitting prior to the beginning of the operation of the ZODME Z5T6(2) the supports of the execution and compliance with the obligations imposed under Resolution No. 1292 of July 22, 2021.

Fact 5:

- For developing a riverbed occupation structure located at coordinates E4966941.72 - N2350164.56, without the proper environmental permit.

Fact 6:

- For not complying with the protocol of air quality monitoring prior to the start air quality prior to ZODME Z5T6(2) operation stage according to Resolution N° 650 of March 29, 2010, and Resolution N° 2154 of November 2, 2010.

2.4.13 The Concessionaire informed that it is internally reviewing each of the six facts formulated by the environmental authority. The process is in preliminary investigation stage and the Authority has not yet imposed charges; therefore, no disclaimer from the Concessionaire is required.

Auto N° 4078 of June 2023, (environmental non- compliance)

2.4.14 On June 7th, 2023, through Auto N° 4078, ANLA requested the initiation of an environmental sanctioning investigation process for the following four facts:

Fact 1:

- For not implementing the environmental management measures at Zodme Z15T5 in order to guarantee stability in the conformation process and geotechnical monitoring, affecting a water source, vegetation cover and land use.

Fact 2:

- For not implementing the environmental management measures at Zodme Z18T5 in order to guarantee the stability in the conformation process and geotechnical monitoring.

Fact 3:

- For failing to file the Risk Management Plan for the Management of wastewater discharge.

Fact 4:

- For not submitting the Project's reports of the 20 contingency events evidenced between March 7, 2018 and March 4, 2022, in compliance with the terms and conditions established in Article 2 and its paragraph 2 of Resolution 1767 of October 27, 2018.

2.4.15 The Concessionaire informed that it is internally reviewing each of the four facts formulated by the environmental authority. The process is in preliminary investigation stage and the Authority has not yet imposed charges.

Auto N° 8269 of October 2023, (environmental non- compliance)

2.4.16 Within the environmental sanctioning process emitted through Auto N° 11214 of November 26th 2020, ANLA issued the Auto N° 8269 on October 10th 2023, establishing a single charge in which states the Concessionaire's lack of environmental management measures implementation in order to avoid the drag of excavation surplus material from the UF7 construction works over the slopes located in K96+456 to K98+600, as well as over La Chafarota Creek and the surrounding plots. The Concessionaire's answer to this charge was issued on October 26th 2023, and the authority reply is pending.

Legal Processes Summary

2.4.17 The following table shows a summary of the status of the most relevant legal proceedings that are still open. They were assessed and classified under the management that the Concessionaire has been carried out to address the legal and financial risks.

Table 2-3 Legal Processes Summary

| DATE | TYPE OF PROCESS | RESOLUTION | COMPLAINANT | STATUS | COMMENTS | RISK LEVEL |
|-------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|-------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| 19/11/ 2018 | Class Action Lawsuit | File N°68001233300020190 030800Pending | Santo Domingo community | <ul style="list-style-type: none"> The Class Action Lawsuit has not yet been processed by the Administrative Court of Santander. | <ul style="list-style-type: none"> At present, the Entities are waiting for the judge whether to require the ANI and Lebrija Municipality to present the conciliatory committees' meeting minutes or to set the date for the initial hearing. No further progress on Q4-2023. | ▶ |
| 5/10/2022 | Formulation of charges within an environmental sanctioning process | Auto N° 08679 of 5 th October 2022 | ANLA | ANLA issued two (2) charges within an environmental social and administrative sanctioning process. (Further information see Section 2.5.27) | <ul style="list-style-type: none"> On March 27th, 2023, the LSA formally sent this CAP (CAP ENV 1_BBY) to Lender's approval and since this day it entered into in force. ANLA has the discretion to impose financial fines (if applicable) or dismiss the process. Likewise, additional legal requirements may be enforced. | ▶ |
| 26/09/2022 | Initiation of an environmental sanctioning investigation process | Auto N° 08312 of 26 th September 2022 | ANLA | <ul style="list-style-type: none"> ANLA requested the initiation of an environmental sanctioning investigation process due to six facts. | The Concessionaire is internally reviewing each of the six facts formulated by the environmental authority. | ▶ |
| 7/06/2023 | Initiation of an environmental sanctioning investigation process | Auto N° 4078 of 7 th June 2023 | ANLA | <ul style="list-style-type: none"> ANLA requested the initiation of an environmental sanctioning investigation process due to four facts. | The Concessionaire is internally reviewing each of the four facts formulated by the environmental authority. | ▶ |
| 15/08/2023 | Preventive measure | Resolution 1792 of August 15 th , 2023 | ANLA | <ul style="list-style-type: none"> ANLA imposed a preventive measure, requiring an immediate suspension of the excavation material disposal in the totality of the Project ZODMES's. | On August 29 th 2023, the Concessionaire requested to ANLA a partial dismissal. The ANLA response is pending. | ▶ |
| 10/10/2023 | Single charge formulation | Auto N° 8269 of October 10 th 2023 | ANLA | <ul style="list-style-type: none"> Within the environmental sanctioning process emitted through Auto N° 11214 of November 26th 2020, ANLA charged the Concessionaire for the lack of environmental management measures implementation. | The Concessionaire issue an answer on October 26 th 2023. The authority reply is pending | ▶ |
| ⊖ | The Project requires the management of E&S actions to reduce the material risk identified, given that a misalignment in compliance with the country's regulations has been evidence. It might require a Corrective Action Plan (CAP) to manage and reduce the identified material risk. | | | | | |
| ▶ | The Project has shown progress in the management of E&S legal processes. However, until the process is closed by the authority, the material risk remains latent. | | | | | |
| ✓ | The Project has reduced the material risk, and it is approaching closure. | | | | | |

Source: LSA based on Concessionaire information, December 2023

LSA Opinion

- 2.4.18 The sanctioning process initiated through Auto N°3710 of July 9th, 2018, the preventive measure for Río Sucio riverbed was totally lifted under Resolution N° 02480 of October 12th, 2022. The LSA opines, that the Project executed the requirements established by the Authority. However, based on the Law 1333, 2009, additional actions may be applicable at ANLA's discretion, so far no sanctions are known.
- 2.4.19 Regarding the current sanctioning processes, these are administrative procedures that did not require suspension of the works. However, ANLA has the discretion to impose financial fines (if applicable) or dismiss the process. Likewise, additional legal requirements may be enforced.
- 2.4.20 Regarding Auto N°08679 of October 5th, 2022 (formulation of charges filed by ANLA), a Corrective Action Plan was developed by the Concessionaire and approved by the LSA and Lenders, which has been monitored and most of the actions complied, remaining the ANLA reply.
- 2.4.21 Regarding Auto N° 08312 of 26th of September 2022 and Auto N° 4078 of 7th of June 2023, these involve an initiation of two environmental sanctioning processes due to six and four facts and the Concessionaire is internally reviewing it. At this stage, the Concessionaire has not provided any response to ANLA due to no charges have yet been filed. However, in the LSA opinion, the Concessionaire could be collecting all the necessary evidence for each fact in case this process passes to the next stage (formulation of charges).
- 2.4.22 The Concessionaire continues waiting for the Court of Santander to set the conciliation hearing schedule. The LSA suggests the Concessionaire to be attentive of such notifications to address in a fashion manner any requirement the Class Action lawsuit process may demand.
- 2.4.23 Regarding to Auto N° 4078 with the initiation of an environmental sanctioning investigation process imposed by ANLA. The Concessionaire informed that it is internally reviewing each of the facts formulated, which will be followed up by the LSA. Although no charges have yet been imposed, the LSA notes that based on the stage of investigation and issuance of the Concessionaire's defence, the imposition of fines will be at the discretion of the environmental authority.
- 2.4.24 Th LSA considers a review of the requirements remaining open and reiterate in the follow up Autos emitted by the ANLA, as they have been cumulative and a promptly compliance will reduce risks.

3 PROJECT ALIGNMENT WITH IFC PERFORMANCE STANDARDS

3.1 ASSESSMENT AND MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS

— Environmental and Social Assessment and Management System

- 3.1.1 During the period, the EPC updated the E&S organizational chart due to some employees left the company and other employees changed roles and duties to meet the E&S management needs (see further details in Table 1-3).
- 3.1.2 The implementation of the social and environmental management plans established in the ESIA was evidenced aimed at preventing and controlling the possible impacts that may be generated due to the activities of the Project. As well as the rehabilitation of areas, contingency plan, solid waste management (hazardous and non-hazardous), H&S plan, grievance mechanism, cultural heritage conservation and community engagement, among others.
- 3.1.3 The Concessionaire presented supports of the meetings, working sessions and participation committees aimed towards the Project's stakeholders. Due to the landslide presented at PR 42+700 in UF8 on October 1st, 2023, most of the meetings held were aimed to address the community's concerns regarding this mass removal mitigation measures. Other participation sessions have included topics such as runoff water management agreements, street lighting adequation, police procedure to solve community issues that are delaying works, progress on the agreements made with communities, urbanism plans at vereda Portugal, La Angula toll installation disclosure, San Nicolas and Cuzaman aqueducts' impact concerns, neighbourhood access adequation among other community requirements.

— Identification of Risks and Impacts

- 3.1.4 Works developed by the Concessionaire regarding soil removal, slope failure, heavy rainfall, and drainage have required temporary relocation of households, additional land management, and compensation of productive activities, therefore the Concessionaire has been performing social accompaniment and follow-up to these families (7 located at Patico sector) in order to ensure continuance of their daily activities.
- 3.1.5 On October 1st, 2023, a mass removal occurred at K101+395 to K101+540 (UF8), affecting the construction of the road segment, private land plots, plantations, 6602 national road segment (PR 40+0670 to PR 50+0200), La Palmita's aqueduct infrastructure and its water points (ID056 and ID109). The prevention and mitigation measures have been performed by the Concessionaire in accordance with the Resolutions enacted by the National Institute of Roads (INVIAS) regarding road restrictions as well as the guidelines mandated by Regional and Local Authorities regarding risk management.
- 3.1.6 Prevention and mitigation measures have been related to drainage works, water supply to La Palmita's water users, temporary relocation of 18 households, adequation of alternative routes, road safety guidelines, diversion of water stream, disposal of removed material at the site authorized "Lote 2" in the vereda Cuzaman, Lebrija.
- 3.1.7 Currently, the Concessionaire continues i) managing relocated people, ii) supplying drinking water to La Palmita's water users, iii) monitoring the colluvium and assessing the environmental, social and technical measures that have to be implemented, iii) progressing on hydraulic works for runoff water management, iv) managing access to private property with Mr. Jairo Prada, and v) and assessing the slope structural design.

— Stakeholder Engagement

- 3.1.8 The stakeholder's map has been updated by the Concessionaire throughout the Project, the latest one was in January 2023 and actors implicated in recent events like the contingency on October, have not yet been identified on the map.
- 3.1.9 In accordance with the "PGS-03 Information and Community Participation Program", 18th extraordinary meetings with the stakeholders were developed during the period to address concerns, as well as to follow-up on the agreements established. The most relevant meetings are presented below:

Table 3-1 Stakeholder Engagement Summary

| UF | STAKEHOLDER | DESCRIPTION |
|----|----------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 8 | Lisboa Community and local authorities | 5 th meetings were held to disclose the contingency event, its management measures and to treat community concerns regarding this issue. |
| | Lebrija Community and Mayor Office | 2 nd meetings were conducted, one with Lebrija Mayor Office to establish the police procedure regarding the access to La Palmita property in order to execute the mitigation works for the contingency, and the other was held with La Palmita community (Prada family) to disclose the runoff water management measures. |
| | Bucaramanga coach station community | One meeting to disclose the road closure due the contingency event. |
| 9 | La Cuchilla Community | 2 nd meeting with community members were held as an answer of rural road adequation requirements due the damage caused by traffic deviation for the contingency. |
| | Mirabel Community | One meeting was held with Mirabel School community to disclose the enclosure designs according to the compensation agreements made in previous meetings. An additional meeting with the Lebrija Planning Secretariat was held to develop the street lighting project for vereda Mirabel. |
| | San Nicolás y Cuzamán Communities | A field meeting in La Tigra sector was held with aqueduct representatives to answer the concerns about sediments in their dams, evidencing that those sediments were not caused by the project and probably were made by previous works. The Concessionaire conducted a monitoring visit along the water bodies that supplies the aqueducts and also will install the fence required as a protection measure for the sector. |
| | Portugal's Community | 2 nd meetings to attend different concerns of the community such as the rural road adequation works as it becomes an alternative route after the October contingency, internal road paving which is not a responsibility of the Concessionaire, progress in urbanism designs, issues with the sewage systems installed, among others. An additional meeting was held with Agua Dulce sector community regarding the petitions made for the neighborhood access adequation works, as well as rainwater management works and embankment grass planting. |
| | Campo Alegre neighbourhood Community | One meeting was made with Campo Alegre community to review the septic tank cleaning works schedule. |

Source: LSA, based on Concessionaire information, December 2023

Asociación de Mujeres Vendedoras de Pescado and "ASOVENPLAYA"

- 3.1.10 The Association of Female Fishmongers (In Spanish, Asociación de Mujeres Vendedoras de Pescado "ASOVENPLAYA") and other local fishmonger's street vendors not associated, shared with the LSA that in September 2021 the ANI and the Entity confirmed compensation to fishmonger's street vendors that had not been identified in previous census. Therefore, the ANI issued non-objection of the land sheets and socioeconomic sheets and estimated the economic compensation to be provided to the 51st fishmongers located in plot BBY_UF4_082, which corresponds to the "Factor to Support the Reestablishment of Economic Means", equivalent to COP \$6,960,000 per person. To date, all fishmongers have been compensated.

Working sessions carried out with interested parties

- 3.1.11 Regarding the agreements established during working sessions with the Local and Regional Authorities, Environmental Agencies and communities located in UF 5 on Q4-2023, the LSA evidenced the culmination of the aqueduct access commitment and is only missing that the Mayor's Office officialised the strip road.
- 3.1.12 Regarding the remaining agreements established for UFs 3, 4 and 5, these are being assessed by the entities in charge of accomplishing or deciding on their feasibility (e.g., ANI, ANLA and regional/local authorities). For instance, Girón Municipality informed that they would provide the machinery to develop maintenance activities of roads in Rio Sudio, Girón (UF5) in October 2023; nevertheless, this agreement has not been reported as closed during the period.
- 3.1.13 Additionally, the ANI is studying the legal and budgetary implications to construct the pedestrian Bridge in La Playa sector (UFs 3 and 4). Regarding the box culvert works done in La Cabezona sector, the Concessionaire is awaiting the Santander Association of Engineers' final concept. As of the water occupation permit for vereda La Marta, the Girón Mayor's Office paid the permit fees, and they are waiting for the CDMB visit.
- 3.1.14 Pursuant Santo Domingo's ZODME, the Concessionaire is awaiting a conformity notification by the Lebrija Mayor's Office for the handed in of the rural road used to access the ZODME. No progress on this matter has been reported during the period.
- 3.1.15 Additionally, the Concessionaire has finished the construction of 4 pedestrian bridges for Lebrija's community at the following sectors: Portugal, Mirabel, El Guamito and Cemetery and all of them has been enabled and are currently in use.
- 3.1.16 An increase in requests for access adaptation has been verified, mainly in UFs 8 and 9. These will be closed during the execution of the urban planning and finishing works, before the UFs enter O&M.

— Media plan

- 3.1.17 The Communication Plan's strategy implemented during the period, is presents below:

Table 3-2 Media plan

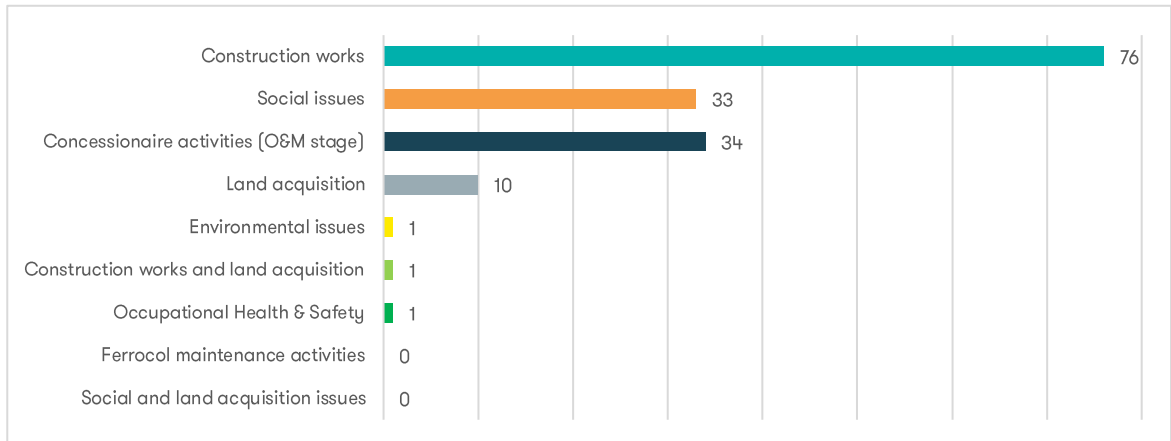
| MEDIA PLAN | PROGRESS |
|------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Quarterly newsletter "Gaceta Vial" | 30 th edition. 1,000n° informative flyers and brochures (updated as required). Topics such as the Project progress in UF9, advertisement of commercial establishment nearby the road, delivery of the pedestrian bridges in UF9, road safety guidelines, among others. |
| Annual corporate video, brochure, monthly radio and television programs (in regional radio and television) | 3n° radio programs 3n° TV programs 8n° radio spots on regional and local radio stations. |
| Monthly billboards | All the billboards located in the different communities were updated. Project progress and community participation meetings were made during the period. |
| Website | 36n° content updates with information about the project, road closings and attention channels on web page. |
| Social media | 11n° WhatsApp broadcast lists, 86n° posts on Facebook, 7n° on LinkedIn, and 95n° post on X (formerly known as twitter). |
| Press releases | 10n° publications regarding the road restrictions, Resolutions enacted by the ANI, road closures' schedules, security measures, among others. |

Source: LSA, based on Concessionaire information, December 2023

— External Communications and Grievance Mechanisms - Customer Service

- 3.1.18 The strategy created for reception and process of the PQRS continues working well, with no disruptions reported during the period. The tool "Accounting and Control Information System" (SICC acronym in Spanish) processes the grievances raised against the Concessionaire by the local community and workers.
- 3.1.19 The Concessionaire's Customer Service system has been implemented based on the *Participation Law* N°1755 of 2015; its scope is to manage the PQRS received from the stakeholders throughout the Project's life cycle.
- 3.1.20 The number of PQRS decreased in comparison with previous period. From October to December 2023, 156n° PQRS were reported as follows: 103n° through email and 53n° in person.

Table 3-3 PQRS Status

| PERIOD | STATUS | N° |
|-------------------------------------------------------------------------------------|-----------------------------------------|-----|
| Q4-2023 | PQRS received during the period | 156 |
| | Closed in the period | 125 |
| | Open with follow-up | 21 |
| | Open and pending initial response | 10 |
| From previous periods | Closed from other periods | 43 |
| | Open with follow-up | 14 |
| TOPICS | | |
|  | | |
| | Construction works | 76 |
| | Social issues | 33 |
| | Concessionaire activities (O&M stage) | 34 |
| | Land acquisition | 10 |
| | Environmental issues | 1 |
| | Construction works and land acquisition | 1 |
| | Occupational Health & Safety | 1 |
| | Ferropol maintenance activities | 0 |
| | Social and land acquisition issues | 0 |

Source: LSA; Concessionaire's information as of December 2023

- 3.1.21 Most of the PQRS (49%) were related to contingency event and the damages caused to community properties and infrastructure as well as compensation concerns.
- 3.1.22 During the period, construction works, O&M activities and social issues are the most recurrent claims people submit, especially in the active work fronts of UFs 8 and 9, mainly due contingency event. During the period, claims increased due to social issues requested by community members.
- 3.1.23 As pertains to claims of particular interest, the Concessionaire pointed out the following progress during Q4-2023:
- The Concessionaire has approached Mrs. Ángela María Rojas owner of Avihealth farm to address the landslide occurred adjacent to the road and it is currently developing the rock removal and stabilization of the area to prevent risk on road users. On March, 13th, 2023, the ANLA visited the property to assess the scope of the contingency. According to the Auto N° 5619 of July 21st, 2023, emitted by ANLA in regard the monitoring visit, a runoff drainage channel maintenance was identified as undermining process has been occurred. As this situation happens in UF3 corridor and regards rutinary maintenance works, ANLA transfer the case due to ANI's competence, through formal notification N° 20234300060021 on May 12th, 2023. Nevertheless, ANLA through Auto N° 11079 required to the Concessionaire the documentary evidence of the risk reduction measures implemented in El Resplandor plot and the supports regarding the disclosure of the contingency attention measures given to Mrs. Rojas. .

- Mr. Jairo Prada (owner of La Palmita farm) to date, has not permitted the Concessionaire to access to the plot to assess the scope of the damages and to implement the mitigation measures due to the mass removal occurred on October 1st, 2023. Through a meeting with Mr. Jairo's attorney, the Concessionaire was informed that Mr. Prada expects an economic compensation up to 5 million COP. Also, the Concessionaire has been managing another issue with Mr. Prada regarding La Palmita's aqueduct (see further information in Section 3.4 of this report). Therefore, the Concessionaire has not been able to monitor and assess affectations' on water points ID-56, ID-109 and ID-110. Negotiations with Mr. Prada have worsened due to the land slide and are being managed with Human Rights Guarantors, Ombudsman and Governance. Police intervention is being considered to access the property and execute the works required including the contingency management measures.
- Claims related to utility systems in Portugal sector have been reduced and are being addressed by Concessionaire through meetings with the community.
- Claims regarding adequations of private property entrances have remained due to current works. The Concessionaire continues addressing the claims by clarifying that once construction is completed, the restauration of the access will commence.

3.1.24 In addition, the following petitions were filed and transferred to the Concessionaire during the reporting period (23n°) mainly by institutional stakeholders such as government entities, "Veeduría Ciudadana Ruta del Cacao", Municipal Authorities, ANI, among others. Supports of closure within terms were also evidenced.

Table 3-4 Summary of petitions by local, regional, and national agencies

| STAKEHOLDER | UF | TOTAL OF PQRS | RELEVANT ISSUES | STATUS |
|---------------------------------------------------------|---------------|---------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| ANI | 2, 3, 8 and 9 | 2 | <ul style="list-style-type: none"> • Santo Domingo aqueduct infrastructure condtions review. • Property access conditions. | In process |
| | | 12 | <ul style="list-style-type: none"> • Lightning repair at the Yuma KM 1 interchange. • Alleged private property damages. • Request support with machinery to rural road at vereda La Parroquia. • Requested rural road adequations. • Community requirement due contingency. • Land acquisition and interventions made in the property. • Aqueduct services conditions. | Closed |
| Veeduría Ciudadana Contrato No 013 | 9 | 1 | <ul style="list-style-type: none"> • Paving activities for caserío Portugal | Closed |
| Local Authorities of Barrancabermeja (Education Office) | | 1 | <ul style="list-style-type: none"> • Alleged property damages to nueva Bélgica educational institute. | Closed |
| ANLA | 9 | 2 | <ul style="list-style-type: none"> • Alleged property damages and a lake affectation due to landslide. This last one was proved to be disconnected from the project works. | In process |
| Local authorities of Lebrija (Attorney Office) | 9 | 1 | <ul style="list-style-type: none"> • Compensation measures comply due alleged property damages caused by the project's activities. | In process |
| | 7 and 9 | 1 | <ul style="list-style-type: none"> • Alleged property damages. | Closed |
| Local authorities of Lebrija (Infrastructure Office) | | | <ul style="list-style-type: none"> • Request road certification state due to contingency. | Closed |
| Ombudsman Office | | 2 | <ul style="list-style-type: none"> • Request restoration of religious image. • Contingency event information request. | Closed |
| ANI | 9 | 2 | <ul style="list-style-type: none"> • Santo Domingo aqueduct infrastructure condtions review. • Property access conditions. | In process |
| ANLA | 9 | 2 | <ul style="list-style-type: none"> • Alleged property damages and a lake affectation due to landslide. This last one was proved to be disconnected from the project works. | In process |
| Personería Lebrija Municipality | 9 | 1 | <ul style="list-style-type: none"> • Compensation measures comply due alleged property damages caused by the project's activities. | In process |

Source: Concessionaire, December 2023

- 3.1.25 The Concessionaire continues reporting the management of petitions submitted by local, regional and national Entities, which none of them have led to investigations or sanctions by environmental authorities so far.
- 3.1.26 Pursuant to stakeholder management, since previous periods as a part of requirement in the IFC-PS matrix, the LSA has requested the Concessionaire to provide evidence of the implementation of the differential strategic communication plan as requested in the action opened in PS1 in the matrix. To date, the Concessionaire has provided an analysis of “the power and influence” of all social participants, as well as the implementation of diverse tools and communication channels that will promote citizen participation and the prioritization of topics. However, the Concessionaire has not yet provided the target indicators that depict the reduction of incorrect information disclosure scenarios arising from stakeholders who oppose the Project.
- 3.1.27 The Concessionaire did not report blockages during the period.

Actions to Implement on PS1

- 3.1.29 The LSA notice the following actions are pending, required complementary information or should be maintained as part of the E&S monitoring report in order to fulfil the PS1 compliance:

Table 3-5 Actions to Implement on PS1

| REF CODE | ACTION TO IMPLEMENT | EXECUTION DATE ¹ | STATUS |
|----------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|------------|
| 1.1 | Present progress on the management carried out with the households relocated due to the contingencies occurred in UFs 8 and 9. | Ongoing as part of the E&S monitoring report | In process |
| 1.2 | Update the stakeholders' map periodically, considering opponents have lessen their engagement against the Project as well as considering contingencies and new activities related to O&M may imply other conflicts or opportunities. | Ongoing as part of the E&S monitoring report | Pending |
| 1.3 | Provide a stakeholder power analysis as well as the implementation of a differential communication strategic plan with the target indicators that depict the reduction of incorrect information disclosure scenarios arising from stakeholders who oppose the Project | Q2-2022 | Pending |
| 1.4 | Present the estimated schedule to develop involvement of the stakeholders in the Emergency Preparedness during 2024. | Ongoing as part of the E&S monitoring report. | In process |
| 1.5 | Report management carried out by the Concessionaire to address relevant claims submitted and currently being managed by stakeholders (i.e., Mrs. Ángela María Rojas and Mr. Jairo Prada, Aguilar family, Mr. Rueda, among others). | Q1-2024 | Pending |
| 1.6 | Report detailed information of community unrests occurred each period as well as compliance of commitments agreed. | Ongoing as part of the E&S monitoring report. | In process |
| 1.7 | Provide information regarding pending works within Mr. Germán Rueda's property, its status, and a follow-up of the PQR process. | Ongoing as part of the E&S monitoring report. | In process |
| 1.8 | Establish an action plan to follow-up and closed the pending requirements stated in Auto N° 11079. | Q1-2024 | Pending |
| KEY | | | |
| In process: Actions implemented to close out the breach, but further evidence is required to verify full compliance. | | | |
| Pending: No progress reported, or evidence/info was not provided to the LSA to verify compliance. | | | |
| Open: Not applicable to the relevant period of report. Actions scheduled at a later date. | | | |

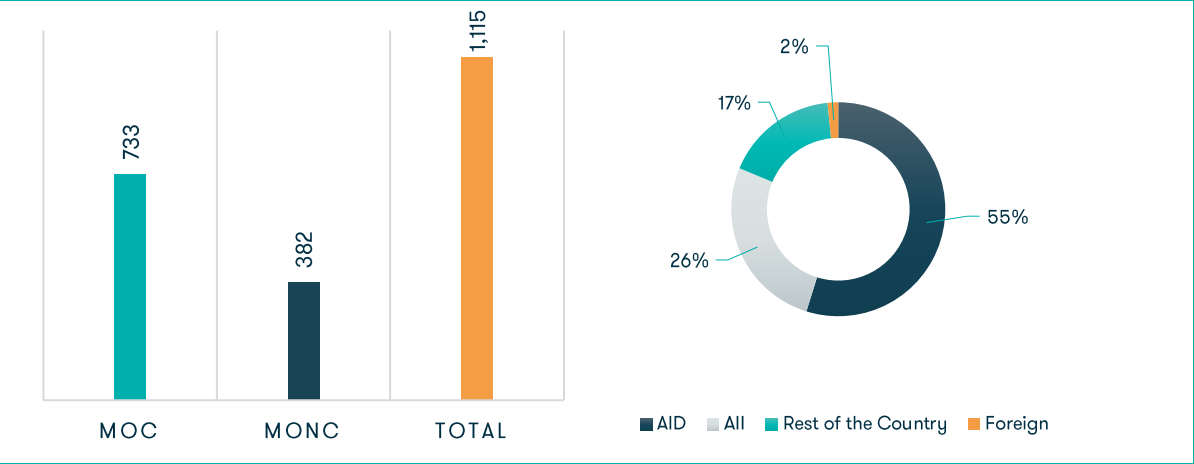
Source: LSA

3.2 LABOR AND WORKING CONDITIONS

— Workforce Employment

3.2.1 During the period, the Concessionaire has reported 1,115 workers, distributed between skilled labour (MOC Mano de Obra Calificada) and unskilled labour (MONC Mano de Obra No Calificada). The workforce is distributed according to origin (AID: Direct Area of Influence; All: Indirect Area of Influence, rest of the country and foreign workforce).

Table 3-6 Workforce Employment



Source: LSA based on the Concessionaire's information as of December 2023

3.2.2 The contractors and subcontractors are understood to comply with the requirement of territorial certificates issued by the six (6) municipalities of the direct area of influence of the Project (Lebrija, Girón, Betulia, San Vicente de Chucurí, Barrancabermeja and Yondó). During the period, through the work of sensitization and monitoring with contractors, 34 territoriality certificates were delivered to 41 AID workers who were linked to the project during the quarter, representing 4% of the total number of workers.

3.2.3 As of December 2023, the Project employs a total of 1,115 workers (192 women – 17.2% and 923 men – 82.7%), of which 41 were newly hired workers. During the period there was a decrease of 78 workers in the Project.

Table 3-7 Distribution of the Workforce

| COMPANY | N° OF WORKERS |
|-------------------------------|---------------|
| Ferropol Santander | 137 |
| EPC Subcontractors | 702 |
| Concessionaire | 134 |
| Concessionaire Subcontractors | 142 |
| TOTAL | 1115 |

Source: LSA based on the Concessionaire's information as of December 2023

— Education and Training of Personnel Linked to the Project

3.2.4 The Concessionaire carried out 9 training sessions aimed to 198 employees and the induction of the new workers, reaching 62% of the proposed goal. The trainings given addressed the following topics: loss of biodiversity, sustainable development, water and energy efficient use, locative risk, healthy lifestyle, correct use of PPEs, risk identification and preventive measures, manual load handling and road safety practices, among others.

3.2.5 During Q4-2023, 123 new employees were hired as part of the induction process and each contractor and subcontractor company provided each of its employees with a copy of the Internal Work Regulations (RIT). This document contains clear and understandable information for workers regarding their rights in accordance with national labour and employment legislation.

— Health and Safety Plan

3.2.6 During the period, 1n° accidents occurred, causing 3 lost working days. 100% of the scheduled activities from the H&S Plan were accomplished with the ARL support. Evidence of activities undertaken was provided for inductions, briefings, databases of personnel who joined and left the Project with social security information, follow-up of subcontractors on H&S matters, PPE's supply, among others.

3.2.7 The records of H&S statistics during Q4-2023 as follows:

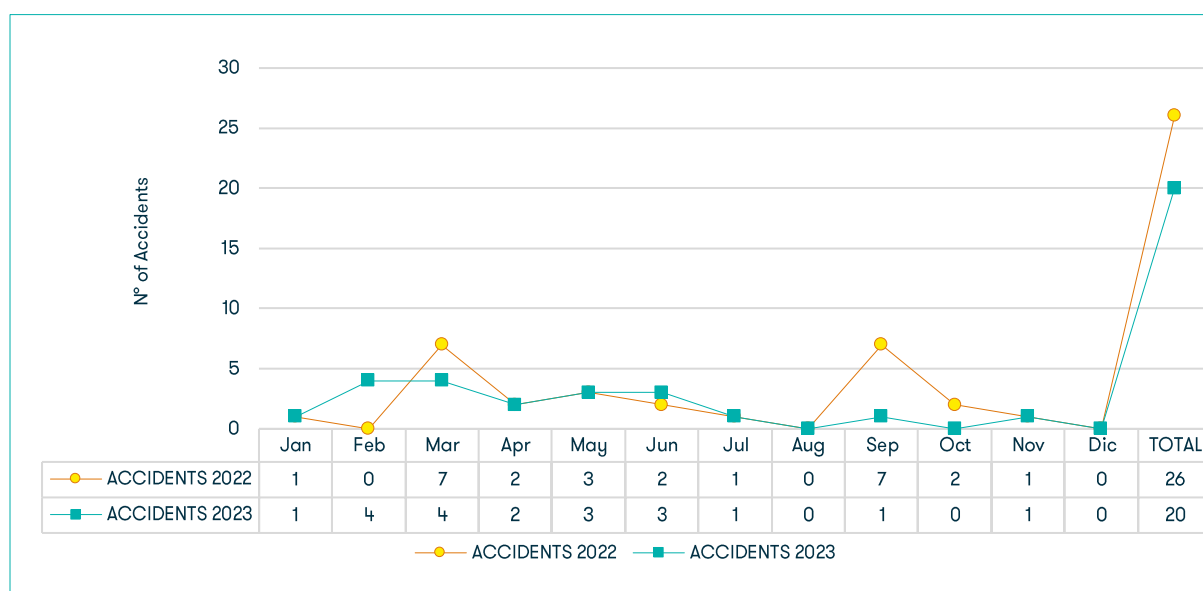
Table 3-8 Summary of H&S Statistics

| MONTH | N° WORKERS | N° ACCIDENTS | ACCIDENT RATE | LOST TIME (DAYS) | SEVERITY INDEX | FATAL ACCIDENT RATE |
|----------|------------|--------------|---------------|------------------|----------------|---------------------|
| October | 802 | 0 | 0 | 0 | 0 | 0 |
| November | 590 | 1 | 0.17 | 3 | 0.51 | 0 |
| December | 397 | 0 | 0 | 0 | 0 | 0 |

Source: LSA based on the Concessionaire's information as of December 2023

3.2.8 The following table provides comparative statistics of accidents occurred in 2022 and 2023 (January-December).

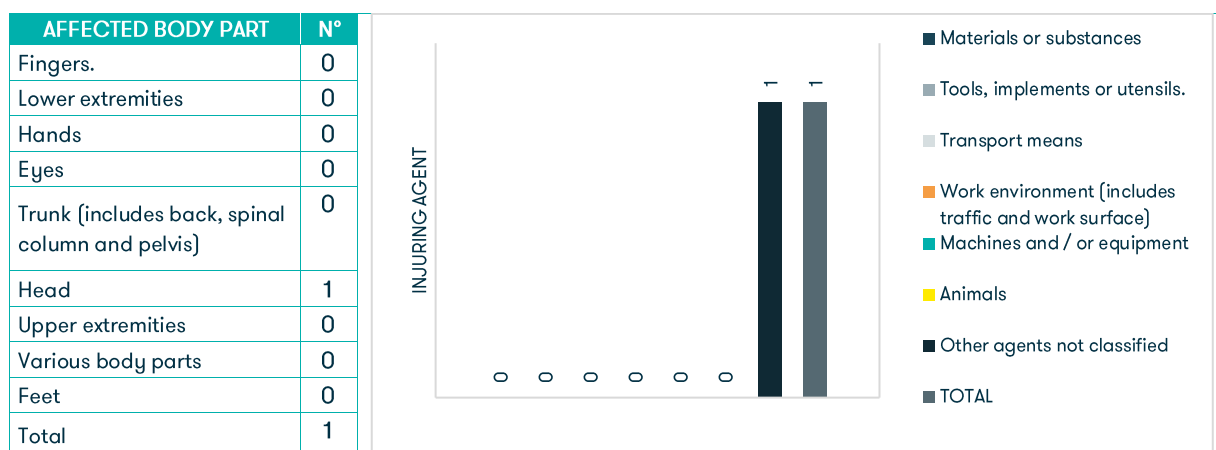
Figure 3-1 Accident Comparison 2022 and 2023 Q4



Source: LSA based on the Concessionaire's information as of December 2023

3.2.9 The LSA has undertaken a review of the accident characterization matrix provided by the EPC Contractor for accidents occurred during the reporting period, to identify main cause, recurrence, and any reasons for concern, if applicable.

Figure 3-2 Body part impacted, and occupational injuring agent in Q4-2023



Source: LSA based on the Concessionaire's information as of December 2023

- 3.2.10 The cause of the workplace accident occurred during the quarter was due to external agent and no working condition was related, a violent user physically attacked the worker, a traffic controller who was preventing the pedestrian bridge crossing as the works were not finished. The Concessionaire has developed an analysis of the root cause of the accident with the respective action plan.
- 3.2.11 As part of the action plan to prevent further similar accidents, a training session was made giving tools to identify and prevent public risk and develop assertive communication skills with road users.
- 3.2.12 According to the information provided by the O&M team, traffic accidents occurred in road users are presented in the following table.

Table 3-9 Summary of Traffic Accidents by Road Users

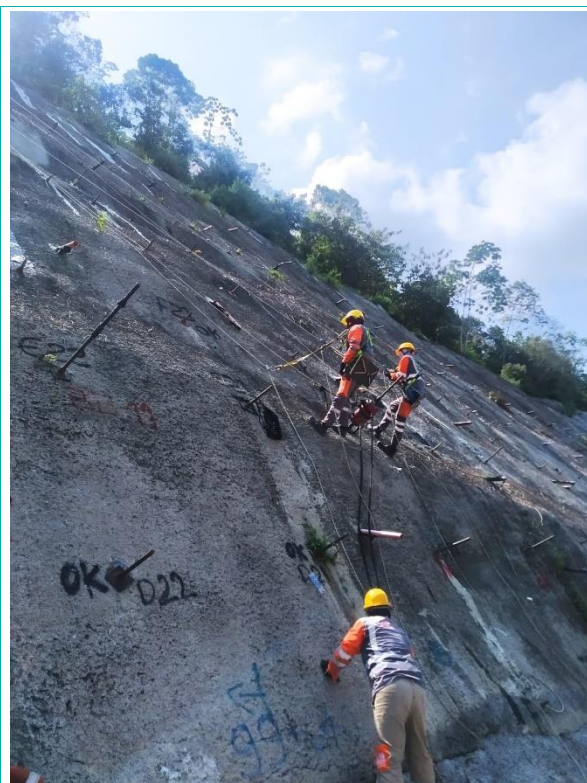
| CATEGORY | OCTOBER | NOVEMBER | DECEMBER | TOTAL |
|-----------------------------|---------|----------|----------|-------|
| Number of traffic accidents | 15 | 12 | 27 | 54 |

Source: LSA based on the Concessionaire's information as of December 2023

- 3.2.13 The Concessionaire has not reported detailed information about the fatal road accidents occurred during the quarter.

— Occupational Health and Safety

- 3.2.14 During the site visit, the LSA noted that the Concessionaire continues to apply protocols and corrective procedures at all work fronts to avoid any occupational accidents. The LSA visited UF8 PR 99+104 and PR100-170, where the contractor CIVILTECH performs anchor tensioning and work at heights, observing that the workers had two life lines and were working with the security procedures. Adequate management of H&S issues and working conditions was evidenced (see photographs below).
- 3.2.15



Anchor tensioning (PR 100+170)-Work at heights- UF8
Source: LSA, February, 2023

Source: LSA, February, 2023

[illegible]

Verification of work permit (PR 100+170)-Work at heights- UF8



Elements for emergency care - Verification of workspaces-UF8

Source: LSA, February 2023



Meeting point signage in case of emergency - Verification of workspaces-UF8

— Working conditions and Management of Worker Relationship

- 3.2.16 Labour-related issues from subcontractors are addressed through the Project's Grievance Mechanism. However, the internal labour grievances are managed by Human Resources area in a confidential manner.
- 3.2.17 The Concessionaire has managed and closed the claims regarding delays in severance, wages and benefit plans payments interposed from July to September 2023 by former and current employees as well as chain suppliers. During Q4-2023, 1n° labour-related PQRS was reported and close during the period after the disbursement of the pending payment from Ufrabe subcontractor.

— Labour Retrenchment Plan

- 3.2.18 The Concessionaire report the following activities carried out during Q4-2023:
- Disclosure of work progress in inductions sessions to allow the employees made job projections.
 - Training sessions with the SENA regarding "Ruta de la empleabilidad" program and informative sessions to disclosed the national government mechanisms to support unemployed.
 - Management and followed up to subcontractors to guarantee hired personnel from the AID.
 - Review the compliance of the subcontractors' payment agreement made with their respective staff, assuring right economic retribution.
 - Answer promptly to the information requests regarding the vacancies available.

— Supply Chain

- 3.2.19 During the quarter no internal not external audits were carried out. The last external audit of the Project was carried out in October 2021. The Concessionaire informs that the next audit will be carried out in Q4-2023 as in the schedule was established for second semester of 2023. Nevertheless, during the period any audit was reported.

— Actions to Implement on PS2

- 3.2.20 The LSA notice the following actions are pending, required complementary information or should be maintained as part of the E&S monitoring report in order to fulfil the PS2 compliance.

Table 3-10 Actions to Implement on PS2

| REF CODE | ACTION TO IMPLEMENT | EXECUTION DATE ¹ | STATUS |
|----------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|---------|
| 2.1 | Report detailed information of traffic accidents including data of accident category occurred per month, the UF and PR where the fatalities occurred, weather conditions, time, among others. | Q4-2023 | Pending |
| 2.2 | Carry out audits to evaluate the environmental, social and H&S compliance of contractors and suppliers | Q4-2023 | Pending |
| KEY | | | |
| In process: Actions implemented to close out the breach, but further evidence is required to verify full compliance. | | | |
| Pending: No progress reported, or evidence/info was not provided to the LSA to verify compliance. | | | |
| Open: Not applicable to the relevant period of report. Actions scheduled at a later date. | | | |

Source: LSA

3.3 RESOURCE EFFICIENCY AND POLLUTION PREVENTION

— Resource Efficiency

The Concessionaire has developed a report annually with the identification of GHG emissions scope 1 and scope 2 since 2017 until 2020. This analysis was performed using the Green House Gas Protocol methodology. For 2022 the results obtained show that the carbon footprint of the Project was 1490,53 ton CO₂eq. This result includes the two scopes, 1 (direct emissions), which represents 99.82% and 2 (indirect emissions) with 1.77%. Thus, the Project does not exceed 25,000 tons of CO₂ per year.

3.3.1 The following table shows the results obtained of the CO₂ emissions generated since 2017 to 2022.

Table 3-11 CO₂ Estimation of emissions (ton CO₂eq)

| YEAR | SCOPE 1 | SCOPE 2 | SCOPE 3 | TOTAL EMISSION |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|---------|------------|----------------|
| 2017 | 512.43 | 12.25 | N/A | 524.68 |
| 2018 | N/A | N/A | 41,525.00 | 41,525.00 |
| 2019 | 669.942 | 25.08 | 143,845.00 | 144,540.02 |
| 2020 | 317.60 | 335.43 | - | 653.03 |
| 2021 | 3,219 | 22.70 | - | 3,242 |
| 2022 | 1,487.89 | 26.45 | - | 1,490.53 |
| Scope 1 – all direct emissions from activities of an organization or under their control; including fuel combustion on site such as gas boilers, fleet vehicles and air-conditioning leaks. Scope 2 – indirect emissions from electricity purchased and used by the organization. Emissions are created during the production of the energy and eventually used by the organization. Scope 3 – all other indirect emissions from activities of the organization, occurring from sources that do not own or control. These are usually the greatest share of the carbon footprint, covering emissions associated with business travel, procurement, waste, and water. | | | | |

Source: LSA based on the Concessionaire's information as of December 2023

3.3.2 In addition, on December 13th, 2021, the Concessionaire obtained the carbon-neutral certificate from *Icontec Colombian Institute of Technical Standards and Certification*, which recognizes the commitment and definition of a policy or strategy that includes carbon-neutrality and the development of a program for GHG management resulting from the quantification of GHG emissions. *Icontec* also verified that the Project complies with *NTC-ISO 14064-3: 2006 (Principles and requirements for the quantification and reporting of GHG emissions and mitigation)*, as well as the requirements established in the GHG Protocol.

3.3.3 On the other hand, the Project provided the Carbon-Neutral Plan 2020-2028, which aims to define and implement the action plan to reduce or control GHG emissions and establish a compensation policy in the base year of the Concession.

3.3.4 For the last three quarters the Concessionaire informed the LSA that they are working in the update of the carbon neutral plan, however, as of the date of this report it is no evidence that this document has been provided. The following table shows the current progress of the actions set out in this plan and the LSA opinion:

Table 3-12 Actions progress Carbon-Neutral Plan

| ACTION | DEADLINE | ACTIONS PROGRESS | LSA OPINION |
|-------------------------------------------|-----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|
| B20 fuel mix study for stationary sources | 1/06/2022 | Unstarted | No records for this action were provided |
| Teleconference meetings | 1/03/2022 | The concessionaire has a training schedule with H&S and strategic road safety plan issues. | The LSA recommends including within this training plan topics focused on GHG reduction, carbon-neutral, climate change, among others. |
| Hybrid vehicle conversion study | 1/06/2022 | On June 30 th , 2022, the Concessionaire sent an email to Peugeot requesting a technical concept of vehicle hybridization. Peugeot replied that these vehicles are diesel-powered and therefore are not compatible with gas and electric conversion. | The LSA understands that, according to this technical concept, the action established by the Project regarding conversion from |

| ACTION | DEADLINE | ACTIONS PROGRESS | LSA OPINION |
|------------------------------------------------------------------------------------|----------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | | diesel to electric vehicles cannot be carried out. |
| Monitoring of vehicles with lower fuel efficiency | Monthly January to December 2022 | The Project keeps fuel consumption records for some of the Project vehicles. | This action is being carried out permanently. The LSA was expecting to obtain by December 2022 a report analysing as a result of this monitoring, to date no record of this actions has been provided. The Concessionary informed that during Q1-2024 will provide the consolidated fuel consumption monitoring report. |
| Refrigerant maintenance | 1/03/2022 | In July 2021 the Project delivered to the responsible supplier, the air conditioning equipment for their maintenance. For 2022 the Project has a schedule of quarterly preventive maintenance for the air conditioners. | The LSA notes the compliance with this action. |
| Feasibility of changing refrigerants | 1/03/2022 | A technical concept provided by a professional refrigeration technician states that: It is not feasible to carry out the change of refrigerant R-410A to alternative refrigerants such as R-717 (ammonia), R-290 (propane), R-600 A (isobutane) or R-1,270 (propylene), since the polyester oil (POE) or polyvinyl ether (PVE) used in the R-410A is not compatible with the mineral oil used in alternative refrigerants and therefore the mixture of the two oils will result in premature failure of the compressor. | The LSA understands that, according to this technical concept, the action established by the Project regarding changing refrigerants cannot be carried out. |
| Purchases of equipment with refrigerants with lower GWP (Global warming potential) | 1/03/2022 | As of November 2021, the Project has not purchased equipment with ozone-depleting refrigerants. | The LSA notes the non-compliance with this action. |
| Energy efficiency study | 1/03/2022 | The Project conducted a power quality study on two energy convertors in the tunnels on the Barrancabermeja-Bucaramanga Road in order to identify electrical variances that could affect the normal operation of the area or deficient power consumption. | The LSA notes the compliance with this action and expects that this type of energy efficiency studies will continue to be carried out. |
| Feasibility of solar power plant | 1/10/2022 | The concessionaire is currently assessing the feasibility of acquiring solar panels at the Lizama toll area and the operation and maintenance control centre. | No records for this action were provided. |
| Change to LED lighting | 1/12/2022 | In La Paz and La Sorda tunnels were installed 1991 LED lighting, additionally in the viaduct sections and the San Vicente bypass 103 LED luminaires were installed. Likewise, the Project is evaluating the scenario to change 1250 conventional lights to LED. | The LSA notes the progress with this action. However, no new records for this action were provided during the period. |

Source: LSA based on the Concessionaire's information as of December 2023

- 3.3.5 Regarding the water saving program, during Q4-2023 the Project used water only in Rio Sucio water source authorized in the Resolution 0451 of April 02, 2018. To guarantee that the water catchment for industrial use does not exceed the authorized flow, the Concessionaire performs a daily monitoring in each water source using macro-meters installed in the collecting vehicles. The following table lists the amount of water collected during the period as authorized.

Table 3-13 Water use permits

| UF | SOURCE | AUTHORIZED FLOW (m³/DAY) | AUTHORIZED FLOW (m³/MONTH) | COLLECTED FLOW DURING PERIOD REPORT (m³) |
|-------|------------------|-----------------------------|-------------------------------|---------------------------------------------|
| 2 | Q. Zarzal | 33.1 | 993 | 0 |
| 4 | Q. La Putana | 8.6 | 259 | 0 |
| 3_4 | Q. Lizama I | 8.6 | 259 | 0 |
| 3_4 | Q. Lizama II | 8.6 | 259 | 0 |
| 4 | Rio Sogamoso 2 | 69.12 | 2,073 | 0 |
| 5 | Q. San Silvestre | 8.6 | 258 | 0 |
| 5 | Q. La Arenosa | 8.6 | 259 | 0 |
| 5 | Rio Sogamoso 3 | 69.12 | 2,073 | 0 |
| 6 | Rio Sucio | 34.56 | 1,038 | 731 |
| 7 | Q. La Sorda | 8.6 | 258 | 0 |
| TOTAL | | 257.5 | 7,729 | 731 |

Source: LSA based on the Concessionaire's information as of December 2023

- 3.3.6 For this period, the collected volume of industrial water decreased by 809m³ compared to the previous quarter (1,540m³).
- 3.3.7 To achieve savings and efficient use of water, the Concessionaire has been increasing inspections and monitoring activities on site, which contributes to reducing water losses from the collection point to the point of consumption. In addition, the socialisation of the drivers of the tank trucks has continued with regard to the correct filling out of the Collection Form and the authorised points for this activity.
- 3.3.8 The CAS has already carried out a visual inspection visit to the deep wells to grant permission for groundwater concessions. To date the Concessionaire is waiting for their approval.

— Pollution Prevention

- 3.3.9 During October 2 and 6, 2023, the ANLA conducted the monitoring visit of the Environmental Licence to the project. By Auto 5619 of 21 July 2023, ANLA carried out environmental control and monitoring, issuing Resolution No. 1792 of 15 August 2023, which establishes a preventive measure of immediate effect for all material disposal activities in ALL ZODMES. The LSA responded to ANLA through the file 20236200538152 of 29 August 2023, requesting the partial revocation of the act, arguing the violation of due process, the lack of proportionality of the preventive measure and that authorised Excavation Material and Waste Disposal Zones, such as ZODMEs ZK10+550(A), K11+500(A), K11+500(B), Z31T3, Z26T4, Z21T4, Z4T6, Z5T6 (1), Z1T7 and Z18T5 (2), have not yet been intervened.
- 3.3.10 Regarding the file 5110 of 25 July 2023, submitted by Mrs Xiomara Pinilla, the CDMB through the response given to Mr Said Barbosa Reyes regarding the visit to the Vereda La Esperanza - San Silvestre del Municipio de Girón, recommends the concessionaire to evaluate the geotechnical conditions of the Zodme built in the sector and take measures of control, monitoring and management of runoff water, giving closed this suggestion
- 3.3.11 During the period of this report, the progress of contingency management measures were monitored, showing progress in runoff water management with the construction of 3n° ditches (2n° perimeter ditches and one intermediate) to drain rainwater. Additionally, periodical inspection and maintenance of the water point ID50 conditions are made. The Concessionaire submitted weekly reports during Q4-2023 with analysis of the effectiveness of the geotechnical management measures implemented at this site.



Works at slope contingency- UF8

Control points installed at slope contingency-UF8

Ditches construction works- UF8

ID 50 water point monitoring and protection-UF8

Source: LSA, December 2023

- 3.3.12 The LSA followed up on the Portugal and Santo Domingo Zodme where it was observed that the concessionaire has given adequate closure to these.
- 3.3.13 Terrace A from the Portugal ZODME has been closed since the previous quarter and during the Q4-2023, terrace B filling was completed, and revegetation process was started. Ditches were adapted and the last terrace was reshaped.
- 3.3.14 Donation area El Guamito is the only place where material from UF8 and UF9 is exposed. Its maximum capacity is 60,000 m³ and 5,000 m³ remain to be filled.



Source: LSA, December 2023

- 3.3.15 In La Tigra sector, the culvert work was completed and signage was installed in the environmental protection area. In addition, the area was fenced off to prevent the community from entering and dumping waste.



Actions to Implement on PS3

- 3.3.16 The LSA notice the following actions are pending, required complementary information or should be maintained as part of the E&S monitoring report in order to fulfil the PS3 compliance

Table 3-14 Actions to Implement on PS3

| REF CODE | Action to Implement | EXECUTION DATE ¹ | STATUS |
|-----------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|----------------------------------------------|-------------|
| 3.1 | Update the Carbon Neutral Plan in accordance with the O&M characteristics and activities of the Concessionaire. | Ongoing as part of the E&S monitoring report | In progress |
| 3.2 | Report the GHG emission reduction and the targets to achieve. | Q1-2024 | Pending |
| 3.3 | Implement the appropriate management to attend the contingencies presented in the Project | Q1-2024 | In progress |
| 3.4 | Comply with the actions proposed within the CAP ENV 1_ BBY in the established times | Ongoing as part of the E&S monitoring report | In progress |
| KEY | | | |
| In process: Actions implemented to close out the breach, but further evidence is required to verify full compliance. | | | |
| Pending: No progress reported, or evidence/info was not provided to the LSA to verify compliance. | | | |
| Open: Not applicable to the relevant period of report. Actions scheduled at a later date. | | | |

Source: LSA

3.4 COMMUNITY HEALTH, SAFETY, AND SECURITY

- 3.4.1 As per the LSA request, the Concessionaire identified and assessed the adverse impacts on the health and safety of the affected Communities during construction phase. Considering the progress of the Project and the upcoming O&M stage, the Concessionaire must update this assessment for routinary and non-routinary activities.
- 3.4.2 During Q4-2023, the Concessionaire developed activities with the involvement of communities' members nearby the Project to prevent the materialization of negative effects and threats on their health and safety. Road safety, public health, Traffic Management Plan "TMP" and environmental care promotion were the main topics approached as shown below:

Table 3-15 Community Health, Safety and Security Plans

| |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Road Safety |
| <ul style="list-style-type: none"> Educational training sessions and road campaigns "Let's go up, using the pedestrian bridge", "The bicycle route moves us safely", and "Let's turn safely at the traffic circle" were carried out with the participation of students, road users and community members. The temporary stops in Portugal and Mirabel sector were maintained due to the non-enabling of the second roadway. |
| Community Health |
| <ul style="list-style-type: none"> During the period, three training sessions on Public Health were held at the COLMERCEDES B School regarding Healthy Lifestyles. |
| Traffic Management Plan (TMP) |
| <ul style="list-style-type: none"> The number of Traffic Management Plans (TMP) have decreased due to the Project works. The Occupational Health and Safety area reported that the project has 218 vehicles as of December 25th, 2023, which are being inspected to verify compliance with road safety requirements. Due to the contingency at PR 42+500, the project only used the Portugal road to enter the clearings located in UF 8; therefore, routine maintenance was performed on this road. |
| Environmental Care |
| <ul style="list-style-type: none"> The community of Lebrija was trained and sensitized on solid waste classification management. (organic, plastic, paper, glass, metal). In UF8 (Guamito) the pedestrian walkway was completed, and a planting of Eugenia and fodder peanuts "Arachis pinto" was carried out. |
| Emergency Preparedness and Response Plan (EPRP) |
| <ul style="list-style-type: none"> Awareness-training day was held in the municipality of Lebrija for the community, with the purpose of providing information on Risk Management and socialization of the EPRP aimed at promoting the correct attention, support and mitigation of impacts generated by emergencies, First Aid care and identification, evaluation and control of risks and hazards. |
| Security Personnel |
| <ul style="list-style-type: none"> Evidence of information disclosure to security personnel regarding use of force and weapons were reported. |

Source: LSA based on the Concessionaire's information as of December 2023

- 3.4.3 Road campaigns have always been carried out with the support of the National Police Road Prevention Group and the Lebrija Mobility, Transit and Transportation Secretariat (SMTTL).

La Palmita Aqueduct

- 3.4.4 In September 2021, the road construction in UF8 modified the conditions of La Palmita Aqueduct due to sediments felt in its water catchment point; therefore, the water users and the Concessionaire agreed to install a water sand trap and implement maintenance works to improve the conditions of the water and the Aqueduct as well as to provide domestic water through water tank trucks.
- 3.4.5 To install the water sand trap, the Concessionaire required the permission from the property owner of the plot (Mr. Jairo Prada) where the Aqueduct is located. The contingency occurred on October 1st, 2023 worsened the situation as the land slide occurred at Mr. Prada affected the Aqueduct's tank and the water points (PA56 and PA109).

- 3.4.6 To date, Mr. Prada has not granted permission to adequate the Aqueduct, regardless the community and other governmental entities have accompanied the Concessionaire to persuade him to grant the permit whether through an easement of through land acquisition. As Mr. Prada's economic expectations exceed the commercial appraisals and the Concessionaire's economic estimation a negotiation has not been reached.

— Actions to Implement on PS4

- 3.4.7 The LSA notice the following actions are pending, required complementary information or should be maintained as part of the E&S monitoring report in order to fulfil the PS4 compliance.

Table 3-16 Actions to Implement on PS4

| REF CODE | Action to Implement | EXECUTION DATE ¹ | STATUS |
|----------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|------------|
| 4.1 | Develop training sessions to disclose the EPRP Emergency to communities. It is also necessary to establish a schedule of the drills to be carried out during 2024 with the communities that will take part. | Ongoing as part of the E&S monitoring report. | In process |
| 4.2 | Disseminate adverse impacts on the communities' health and safety during the Project' life cycle, from both routine and non-routine circumstances and the management measures that the Project has been implementing to prevent the materialization of health and safety risks. | Ongoing as part of the E&S monitoring report. | In process |
| 4.3 | Update the identification assessment of adverse impacts on health, safety and security of communities due to O&M activities. | Q2-2024 | Open |
| 4.4 | Train security personnel regarding Human Rights under the basic principles of the use of force as during the period no evidence of this follow-up was submitted. | Ongoing as part of the E&S monitoring report | In process |
| 4.5 | Continue implementing mitigation measures at La Palmita's Aqueduct and present the supports to the LSA. | Ongoing as part of the E&S monitoring report | In process |
| 4.6 | Provide the supports of follow up carried out to outsourced companies in regard to human rights, use of force and weapons handling trainings aimed to security personnel | Q1-2024 | Open |
| KEY | | | |
| In process: Actions implemented to close out the breach, but further evidence is required to verify full compliance. | | | |
| Pending: No progress reported, or evidence/info was not provided to the LSA to verify compliance. | | | |
| Open: Not applicable to the relevant period of report. Actions scheduled at a later date. | | | |

Source: LSA

3.5 LAND ACQUISITION AND INVOLUNTARY RESETTLEMENT

— Land Acquisition Plan

- 3.5.1 As of December 2023, the Project requires an estimate of 519 plots including the plots for complementary works, such as: service areas, footbridges, slope stabilization, weighing station, land acquisition updates, La Renta sector and Campo Alegre neighbourhood.
- 3.5.2 The following table shows (i) progress in relation to the land availability measured by the effective length; and (ii) land availability required in accordance with the Schedule 12 addendum and Annex 21 of the Financing Agreements.

Table 3-17 Status of Land Acquisition

| UF | N° PLOTS REQUIRED | N° PLOTS AVAILABLE (VIP) | PLOTS OWNED BY ANI | PLOTS WITH EXPROPRIATION PROCEDURES | ACTUAL LAND AVAILABILITY | TOTAL LENGTH(M) | LENGTH AVAILABLE(M) |
|----|-------------------|--------------------------|--------------------|-------------------------------------|--------------------------|-----------------|---------------------|
| 2 | 80 | 80 | 74 | 24 | 100.00% | 23,532.30 | 23,532.30 |
| 3 | 31 | 31 | 30 | 6 | 100.00% | 3,982.22 | 3,982.22 |

| UF | N° PLOTS REQUIRED | N° PLOTS AVAILABLE (VIP) | PLOTS OWNED BY ANI | PLOTS WITH EXPROPRIATION PROCEDURES | ACTUAL LAND AVAILABILITY | TOTAL LENGTH(M) | LENGTH AVAILABLE(M) |
|----------|-------------------|--------------------------|--------------------|-------------------------------------|--------------------------|-----------------|---------------------|
| 4 | 101 | 101 | 98 | 8 | 100.00% | 19,383.01 | 19,383.01 |
| 5 | 28 | 27 | 22 | 4 | 100.00% | 15,493.23 | 15,493.23 |
| 6 | 3 | 3 | 3 | 1 | 100.00% | 311.6 | 311.6 |
| 7 | 25 | 25 | 24 | 2 | 100.00% | 5,849.10 | 5,849.10 |
| SUBTOTAL | 268 | 267 | 251 | 45 | 100.00% | 68,551.46 | 68,551.46 |
| 8 | 45 | 38 | 36 | 4 | 100.00% | 4,593.15 | 4,593.15 |
| 9 | 206 | 205 | 170 | 16 | 100.00% | 18,816.64 | 18,816.64 |
| SUBTOTAL | 251 | 243 | 206 | 20 | 100.00% | 23,409.79 | 23,409.79 |
| TOTAL | 519 | 510 | 457 | 65* | 100.00% | 91,961.25 | 91,961.25 |

*56n° plots submitted for expropriation have been accepted by the Court so far.

Source: LSA based on the Concessionaire's information as of December 2023

- 3.5.3 The Concessionaire continues working towards managing the plots that already have obtained land availability as well as those for expropriation. It is worth highlighting that to obtain the availability percentage of UF8 and UF9 the Credit Agreement "CA" excludes the land plots that are being expropriated.
- 3.5.4 According to the land acquisition subaccount, risk sharing with the ANI has not been activated yet. The current expenditure of \$22,125,317,915 COP is still within the budgeted value.
- 3.5.5 As of December 2023, land acquisition progress in relation to the number of land worksheets ("fichas prediales"), appraisals, offers, and socioeconomic worksheets ("fichas socioeconómicas") is updated below:

Table 3-18 Progress land acquisition, plots documentation and legal proceedings

| UF | N° OF LAND WORKSHEETS | APPRAISALS APPROVED | OFFERS |
|-------|-----------------------|---------------------|--------|
| 2 | 80 | 80 | 80 |
| 3 | 31 | 31 | 31 |
| 4 | 101 | 101 | 101 |
| 5 | 27 | 27 | 26 |
| 6 | 3 | 3 | 3 |
| 7 | 25 | 25 | 25 |
| 8 | 44 | 44 | 43 |
| 9 | 206 | 200 | 199 |
| TOTAL | 517 | 511 | 508 |

Source: LSA based on the Concessionaire's information as of December 2023

— Socioeconomic Compensation Plan

- 3.5.6 Certain social units can be classified as Resident, Productive and Others simultaneously. The process of identifying social compensation factors is dynamic and as such, the number of social units could still vary in the future.
- 3.5.7 The table below shows the progress on the preparation and approval of socioeconomic worksheets and assessment of the social units identified in accordance with Resolution N°545 of 2008 for the process of recognition of Socioeconomic Compensation Factors "SCF".

Table 3-19 Progress on Socioeconomic Worksheets and Diagnosis of the US

| UF | APPROVED SOCIAL WORKSHEETS | TOTAL SU | APPROVED SOCIOECONOMIC ASSESSMENT |
|----|----------------------------|----------|-----------------------------------|
| 2 | 80 | 35 | 94 |
| 3 | 31 | 61 | 59 |
| 4 | 101 | 411 | 343 |
| 5 | 27 | 10 | 25 |
| 6 | 3 | 0 | 3 |
| 7 | 25 | 6 | 33 |
| 8 | 37 | 27 | 49 |
| 9 | 194 | 340 | 335 |

| UF | APPROVED SOCIAL WORKSHEETS | TOTAL SU | APPROVED SOCIOECONOMIC ASSESSMENT |
|-------|----------------------------|----------|-----------------------------------|
| TOTAL | 498 | 890 | 941 |

Source: LSA based on the Concessionaire's information as of December 2023

3.5.8 The number of social units per UF, based upon each compensation eligibility is presented below:

Table 3-20 Social Units

| UF | N° OF SOCIAL UNITS IDENTIFIED | | | | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|-----|---------|-----|-------|
| | RSU | PSU | RSU-PSU | OUS | TOTAL |
| 2 | 15 | 5 | 3 | 4 | 27 |
| 3 | 23 | 14 | 6 | 4 | 47 |
| 4 | 121 | 49 | 62 | 29 | 261 |
| 5 | 3 | 0 | 3 | 0 | 6 |
| 6 | 0 | 0 | 0 | 0 | 0 |
| 7 | 4 | 1 | 0 | 0 | 5 |
| 8 | 9 | 4 | 3 | 2 | 18 |
| 9 | 104 | 77 | 31 | 28 | 240 |
| TOTAL | 279 | 150 | 108 | 67 | 604 |
| SU: Social Unit (Acronym in English) RSU: Resident Social Unit (Acronym in English) PSU: Productive Social Unit (Acronym in English) OUS: Other Social Unit (Acronym in English) | | | | | |

Source: LSA based on the Concessionaire's information as of December 2023

3.5.9

3.5.10 The cumulative value paid for land acquisition during the reporting period is shown below:

Table 3-21 Value of Estimated and Paid Socioeconomic Compensations

| U F | LAND ACQUISITION | | | SOCIAL-ECONOMIC COMPENSATIONS | | | |
|--------|----------------------|--------------------|-------------------------|-------------------------------|-------------------|--------------------|------------------|
| | VALUE PAID | VALUE PAID PERIOD | VALUE PAID ACCUM. (COP) | ESTIMATE (COP) | VALUE PAID PERIOD | VALUE PAID ACCUM. | PENDING VALUE |
| 2 | \$12,581,161,507.00 | \$- | \$12,581,161,507.00 | \$173,858,465.00 | \$- | \$173,858,445.00 | \$10.00 |
| 3 | \$5,531,578,962.00 | \$225,330,575.00 | \$5,756,909,537.00 | \$245,059,437.00 | \$- | \$245,059,437.00 | \$- |
| 4 | \$35,049,528,140.00 | \$- | \$35,049,528,140.00 | \$2,609,260,163.00 | \$159,270,000.00 | \$2,430,566,158.00 | \$178,694,005.00 |
| 5 | \$2,701,830,610.00 | \$- | \$2,701,830,610.00 | \$221,353,690.00 | \$- | \$62,993,690.00 | \$158,360,000.00 |
| 6 | \$219,265,274.00 | \$- | \$219,265,274.00 | \$- | \$- | \$- | \$- |
| 7 | \$2,745,926,637.00 | \$- | \$2,745,926,637.00 | \$25,022,202.00 | \$- | \$25,022,202.00 | \$- |
| 8 | \$13,353,008,512.00 | \$- | \$13,353,008,512.00 | \$171,946,289.00 | \$- | \$171,946,289.00 | \$- |
| 9 | \$59,241,318,762.00 | \$3,724,655,223.05 | \$62,965,973,985.05 | \$2,497,261,836.00 | \$152,545,768.00 | \$2,450,538,325.00 | \$46,723,511.00 |
| Σ | \$131,423,618,404.00 | \$3,949,985,798.05 | \$135,373,604,202.05 | \$5,943,762,072.00 | \$311,815,768.00 | \$5,559,984,546.00 | \$383,777,526.00 |

Source: LSA based on the Concessionaire's information as of December 2023

3.5.11 At present, the Concessionaire has progressed with over 93% of the overall socio-economic compensation payment.

3.5.12 The Social Management Program "Acompañamiento Socio-Predial" consists of 3n° stages as follows:

- Stage 1: Accompaniment before the relocation. Social Units identified as susceptible to involuntary resettlement, and those have not been relocated.
- Stage 2: Monitoring after relocation. Social Units that have already been relocated, which are under monitoring of adaptation to change and new living conditions.
- Stage 3: Closure of the relocation process. These are Social Units that have achieved re-establishment of its living conditions and have completed the monitoring stages.

3.5.13 During the quarter, 20 SU were relocated; all in UF4 and 9.

Table 3-22 Progress on Relocated Social Units

| UF | SOCIAL UNITS IDENTIFIED | TOTAL US RELOCATED Q4-2023 | | | | PENDING TO BE RELOCATED | CUMULATIVE US RELOCATED |
|--------------|-------------------------|----------------------------|----------|----------|---------------|-------------------------|-------------------------|
| | | OCT | NOV | DEC | TOTAL Q4-2023 | | |
| 2 | 27 | 0 | 0 | 0 | 0 | 0 | 27 |
| 3 | 47 | 0 | 0 | 0 | 0 | 0 | 47 |
| 4 | 261 | 0 | 0 | 0 | 0 | 33 | 303 |
| 5 | 6 | 0 | 0 | 0 | 0 | 0 | 6 |
| 6 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 7 | 5 | 0 | 0 | 0 | 0 | 0 | 5 |
| 8 | 18 | 0 | 0 | 0 | 0 | 0 | 21 |
| 9 | 240 | 0 | 0 | 0 | 0 | 0 | 260 |
| TOTAL | 604 | 0 | 0 | 0 | 0 | 53 | 669 |

Source: LSA based on the Concessionaire's information as of December 2023

3.5.14 The Concessionaire has confirmed to the LSA that 2 PSU have voluntarily desisted from the monitoring and follow-up process. Although the Project paid the socio-compensation factors stated under Res. 545/2008, these PSU disagreed with the payment transferred. The Concessionaire informed that the social team has approached these PSU several times to persuade them to continue with monitoring and accompaniment, but none have been successful.

3.5.15 Progress on the Social Units in its different stages of the relocation is presented below.

Table 3-23 Progress on Resettlement Stages

| UF | SOCIAL UNITS IDENTIFIED | SOCIAL MANAGEMENT IMPLEMENTED | | | |
|--------------|-------------------------|-------------------------------|---------------------------|---------------|------------|
| | | ACCOMPANYNG STAGE | EX-POST MONITORING STAGE* | CLOSING STAGE | CUMULATIVE |
| 2 | 27 | 0 | 2 | 25 | 27 |
| 3 | 47 | 2 | 1 | 44 | 47 |
| 4 | 304 | 71 | 47 | 121 | 239 |
| 5 | 6 | 1 | 4 | 1 | 6 |
| 6 | 0 | 0 | 0 | 0 | 0 |
| 7 | 5 | 0 | 5 | 0 | 5 |
| 8 | 21 | 0 | 6 | 15 | 21 |
| 9 | 260 | 2 | 139 | 119 | 260 |
| Total | 670 | 76 | 204 | 325 | 605 |

*Two PSU withdrew the monitoring process.

Source: LSA based on the Concessionaire's information as of December 2023

3.5.16 67n° social units were managed during the current period according to the different resettlement stages, among these, 33n° were in ex-post monitoring, 23n° in accompanying, 10n° in closing process and 1n° in ex-post evaluation.

3.5.17 According to the contractual obligation established by the ANI, the ex-post monitoring process is carried out during one year after definitive relocation of the SU. Then, the Concessionaire assesses the adaptation process and verifies the re-establishment or improvement of the living and/or economic conditions of the relocated US. During the period, ex-post evaluations were applied to vulnerable social units that completed the ex-post monitoring process. This process will continue to be monitored periodically until the resettlement of the total estimated population for the Project has been achieved.

3.5.18 Regarding the communitarian infrastructure relocation, an 80% progress of Campo Alegre's community park III was reported with urbanism construction and furniture installation to enhance the green areas. The remaining infrastructure has not presented progress as the Concessionaire continued reporting as follows: Marta's water supply tank (100%); Nueva Bélgica School (99%), Pozo Nutrias – Los Ángeles School (100%), La Fortuna's community centre (99%); and Aqualisboa's water supply tank (100%).

- 3.5.19 Progress to formalize the delivery of these communitarian infrastructure has been focused in developing administrative procedures to obtain the deeds. Despite some of the pending infrastructure has not shown progress during an extended period, no claims have been submitted by community members regarding the management carried out by the Concessionaire to comply with infrastructure relocation.

— Management of business activities nearby the Project

- 3.5.20 Through the social program “Institutional Support Management” the Concessionaire has developed a strategy to mitigate the disruption of commercial patterns caused on the business establishments located in UF 3.3 (provided by the Supervisor in June 2023) and UF8 (stated in the Concession Agreement) as a result of the reduction of traffic and possible impacts in the sells due to the operation of UFs 5, 6, 7 and 8.
- 3.5.21 In accordance with the results of the market research carried by the Concessionaire, which financial and commercial feasibility of a service area “parador” was discussed with the business owners, deciding that this type of facility was not applicable for the mitigation of the impact.
- 3.5.22 Therefore, the Concessionaire advanced with the individual compensation estimated on the survey performed by a third party as well as Res. 545/2008 and Res. 898/2014 which takes into consideration earnings base line and time framework.
- 3.5.23 The Concessionaire confirmed to the LSA the following economic compensation progress to the beneficiaries:

Table 3-24 Progress on the compensation for commercial business owners

| UF | N° OF COMMERCIAL BUSSINES IDENTIFIED | N° OF PROPOSALS ACCEPTED AND AGREED WITH BUSINESS OWNERS | N° OF PROPOSALS BEING ANALYSED BY THE CONCESSIONAIRE | N° OF BUSSINESS OWNERS ALREADY COMPENSATED |
|-------|--------------------------------------|----------------------------------------------------------|------------------------------------------------------|--------------------------------------------|
| 3.3 | 51 | 47 | 4 | 49 |
| 8 | 28 | 26 | 2 | 25 |
| TOTAL | 79 | 73 | 7 | 74 |

Source: LSA based on the Concessionaire's information as of December 2023

- 3.5.24 As part of the follow-up strategy for re-establishing commercial activities, the Concessionaire mentioned that is preparing a methodology to be implemented during monitoring stage, which will include 5n° sections such as: i) description of each PSU before the intervention, ii) description of each PSU after the intervention, iii) the resources given by the Concessionaire, iv) the progress made for the re-establishment of each commercial activity, and v) economic and cashflow indicators to assess each business. To date, evidence in the application of the methodology has not been provided to the LSA.
- 3.5.25 Additionally, during Q4-2023, the Concessionaire, in collaboration with the National Apprenticeship (In Spanish, Servicio Nacional de Aprendizaje “SENA”) education institute, training sessions were given to a total of 10n° people from community of vereda Lisboa, Lebrija municipality. The topic covered “Identification of ideas and business plan formulation” .

— RoW Management

- 3.5.26 As pertains to the RoW recovery, the Concessionaire carries out visits on regular basis to recommend vendors to stay out of RoW for safety purposes. On Q4-2023, 11n° informal occupants were notify during the site visits with the Project Social professionals and were sent to the corresponding local authorities.
- 3.5.27 According to Law 1228/2008 and Law 716/2015, the Concessionaire submitted 5n° notifications to municipality administrations, one Yondo, Bertulia and Girón, and 2 Barrancabermeja to report the presence of irregular occupants identified during Q4-2023 site visits, and also, to report urban planning violations. To date, any of the notifications were replied.

- 3.5.28 During the period, the Concessionaire is preparing a hearing with irregular occupants of the RoW at Barrancabermeja municipality area. The hearings process will continue until addressing the issues with the occupants or police actions take place.
- 3.5.29 The Concessionaire relocated families as a preventive measure regarding contingencies occurred during the Project execution, among these an accumulative of 7n° families (since July 2021) from Patico sector which 2n° have a commercial establishment and 18n° families from vereda Lisboa regarding the resent contingency. A detailed report about the totality of relocations due to contingencies have not been submitted by the Concessionaire, then is still expected for next quarter.

— PS5 and national framework alignment

- 3.5.30 The LSA has noticed that the Concessionaire has carried out the land acquisition and relocation process according to the legal framework in force, all the contractual agreements made with relevant Entities and the Environmental Authorities that oversee the Project.
- 3.5.31 From early stages of the Project, displacement of people and economic activities were identified so that measures to mitigate and compensate this impact was included as an obligation in the environmental licenses granted by the ANLA. The Project has presented supports of the activities carried out under the programs involved in relocation, compensation and restoration of livelihood and economic activities. Successful cases have been confirmed by the LSA through the quarterly on-site visits. However, some gaps have been identified against the compliance with PS-5 and its divergence from the Colombian legal framework.

Table 3-25 Comparative between PS5 and national legislation

| PS5 | COLOMBIAN LEGAL FRAMEWORK | ACTIONS TAKEN BY THE CONCESSIONAIRE |
|------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Implementation of a Resettlement or Livelihood Restoration Plan. | Resolution 545/2008 requires the implementation of: i) Land Acquisition Plan (PAP), ii) Socio-economic Compensation Plan (PAST,) and iii) Social Management Plan. | Design and execution of different plans: <ul style="list-style-type: none"> • Land Acquisition Plan ("PAP") • The Accompaniment Relocation and Monitoring Plan ("PAST") • Socio-economic Compensation Plan ("PCS") • Social Management Plan ("PGS") • Social Programs within the Social Management Plan ("PGS") issued environmental assessment ("EIA"). |
| Physical Displacement. (Paragraphs 19 to 24). | In accordance with Law 1682/2013: <ul style="list-style-type: none"> • The price of property acquisition in voluntary alienation stage is equal to the commercial value determined by the Instituto Geográfico Agustín Codazzi (IGAC) through the calculation methods determined by Resolution 620 of 2008. The commercial value is defined taking into account the municipal urban planning regulations in force at time of purchase offer, as well as the economic use of the property to be acquired. This law also states that, if applicable, the compensation or indemnification for the person must include consequential damage and loss of profit. • The consequential damage: recognises the costs incurred by the owner for the sale of the property. It recognises the costs for notary and registration, packing, disconnection of public services, rent and/or storage, property tax and early termination of contracts when applicable. • The loss of profit: establishes the profits lost due to the acquisition of the property. The loss of profit is calculated according to the real yield of the property at the time of acquisition and for a period of up to 6 months. The formula used to calculate the cost of the property at present value takes the CPI as one of the mandatory calculation variables. • Res. 0898/2014 IGAC which complements Law 1682/2013, establishes definitions and classifications of each of the components of the property acquisition, as well as the step by step to follow. | Design and execution of different plans: <ul style="list-style-type: none"> • Compliance with Concession Contract, and technical appendix 7 and 8. • Land Acquisition Plan ("PAP") • The Accompaniment Relocation and Monitoring Plan ("PAST") • Socio-economic Compensation Plan ("PCS") • Social Management Plan ("PGS") |

| PS5 | COLOMBIAN LEGAL FRAMEWORK | ACTIONS TAKEN BY THE CONCESSIONAIRE |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | <ul style="list-style-type: none"> As for real estate valuation methodologies, those are governed by IGAC Resolution 620 of 2008, one of the most common methodologies to define the commercial value of the construction and replacement of the property. The formula considers three variables: the total cost of the property, the depreciation, and the value of the land. | |
| Replacement cost does not include depreciation of structures and assets. | Colombian Legal Framework considers some structures and assets depreciation method. Resolution 0545 of December 05 th of 2008 and Resolution 620 of September 23 rd of 2008; Decree 046 of January 16 th of 2020. | <ul style="list-style-type: none"> The Concessionaire has identified that the cost of the land and assets eligible for socio compensation are below the depreciation cost range. Depreciation method of valuation has been applied as needed when developing the property appraisals. However, this has not affected people as compensation factors have been applied to ensure recognition of total loss. When the value of the property and/or plot does not exceed the VIS approved by Decree N°046 of 16/01/2020 by 70SMMLV, the Housing Reestablishment Factor must be applied. This implies that the Concessionaire must search for mechanisms in the reestablishment factors that ensure that the compensation is equal to the equivalent of 70 SMMLV of the VIS housing. For this reason, it carries out a direct accompaniment to the families, in order to know in depth which items may be applicable covering the required value. In this regard, vulnerable people affected by land acquisition and relocation process have received additional legal, social and technical accompaniment according to Resolution 545/2008 and Resolution 620/2008. The cases in which the Concessionaire is not able to apply compensation factors are associated with property and/or plots that exceed the value of 70 SMLV. In this case, the value is paid to owner, but without any additional social compensation. However, this person and his family continue to be part of the US beneficiaries of other social management programmes lead by the Concessionaire. |
| As a strategy to compensate for displacement, it is preferable to offer replacement land, grazing land, fallow land, forest, fuel, and water resources, among others. In case of land is not an option, there should be offered other alternatives such as employment opportunities, or assistance to establish business in addition to cash compensation for land or other affected assets. | <p>According to the Res. 545/2008, there are 7n° types of socio-economic compensation that aim to assure the well-being and restauration of livelihood of affected people.</p> <p>Also, under the Social Management Plan there is the option to implement intangible compensations, such as assistance and training programs to restore the livelihood of the affected people.</p> | <ul style="list-style-type: none"> The socio-economic compensations factors have been applied under the Colombian legal cost range (Res. 545/2008). The Project does not require large areas of land. There are some compensations factors that have been applied during the transitional support to mitigate the loss of benefits and the effects on their livelihoods during the transition. Some employment alternatives have been offered to people related to plots acquired by the Project. |
| Special measures should be included for the vulnerable or “at risk” persons or communities, such as women, elderly and disabled, to name a few. In some cases, special efforts must be made to ensure that the vulnerable members fully understand their options for resettlement and compensation as well as better access to participation and informative processes. | The Colombian Legal Framework requires to design a Social Management Plan and the implementation of the Socio-economic Compensation Plan to re-establish the livelihood of the affected people, to give adaptation support and accompaniment during the relocation process. These plans consider special attention to people with vulnerable conditions such as: female-headed households, elderlies, and victims of violence. | <ul style="list-style-type: none"> Although land and housing replacement is not provided to all SU as they have proven not being eligible, the Concessionaire has offered accompaniment and adaptation support to affected people during the restoration of their economic and livelihood conditions. Throughout the development of the Project, the Concessionaire has provided to affected people social support in terms of psychological adaptation. |
| Establish decision-making processes and grievance mechanism related to resettlement and livelihood restoration. | There are participation and access to information mechanism within the Contractual Social Programs, the PAGA Social Management Plan, and the EIA under the Environmental License. | <ul style="list-style-type: none"> The Concessionaire has considered a grievance mechanism under the Social Management Plan and the Environmental License. |

| PS5 | COLOMBIAN LEGAL FRAMEWORK | ACTIONS TAKEN BY THE CONCESSIONAIRE |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | <p>The Resolution 545 of 2008 establishes the compensation price rate for each case. However, there are not obligations to let affected people participate in certain topics such as the economic compensation payment and the design and implementation of the Land Acquisition Plan, the Socio-economic Compensation Plan and the Contractual Social Management Plan.</p> | <ul style="list-style-type: none"> • This grievance mechanism has been disclosed to people through media means and all other strategies enabled by the Concessionaire to strengthen the community engagement. • According to the national regulation, there is not much decision making in some matters, such as the payment rates and other options of compensation; however, the Concessionaire has engaged people to participate in choosing location and housing characteristics. |
| <p>The compensation eligibility recognizes and classifies the following persons: i) who have formal legal rights to the land or assets they occupy or use, ii) who do not have formal legal rights to land or assets, but have claim to land that is recognizable under national law, and iii) who have no recognizable legal right or claim to the land or assets they occupy or use customary claims to the land, as well as seasonal natural resource users or who may have interdependent economic relations with communities located in the project area.</p> | <p>Colombian compensation law recognizes the following persons i) who have formal legal rights to the land or assets they occupy or use; ii) who do not have formal legal rights to land or assets but have claim to land that is recognizable under national law.</p> <p>However, the people who have no recognizable legal right to the land and/or or assets they occupy, or do not have a valid claim to it, are not eligible for compensation.</p> <p>Seasonal natural resource users or who may have interdependent economic relationship with communities located in the project area are not eligible for compensations (e.g., irregular traders).</p> | <ul style="list-style-type: none"> • The Concessionaire has implemented the Compensation Plan, according to what is strictly established when managing financial resources provided by the Government. Thus, no compensations in kind are given. • Although Colombian regulations do not recognise economic compensation for informal occupants but recognise the conditions for the and re-establish economic activities. The Project managed the strengthening of 39 productive projects (training and raw material supplies) as an alternative to generate income and re-establish economic activities. • Moreover, the Project is carrying out the feasibility process for the relocation and compensation of 28n° traders located in UF8 and 51n° traders located in UF3.3. This latter groups at the Concessionaire's own risk and expense. • In addition, the Concessionaire has compensated 51n° street fishmongers located in UF4. • Also, the Project, has provided follow ups and accompaniment to ensure that the beneficiaries continue with the Project in an effective manner. |
| <p>It is suggested to consider affected people preferences in terms of compensation mechanism. Such as compensation in kind rather than in cash should be explored.</p> | <p>Colombian Legal Framework does not include and does not recommend compensations in kind. It also does not provide access to other alternatives, but compensations in cash.</p> | <ul style="list-style-type: none"> • The Concessionaire has indicated that compensation in kind, instead of cash, is not feasible, as national law prohibits it. However, the Concessionaire has implemented community projects through i) Corporate Social Responsibility projects, ii) joining efforts with other organisations such as "Fundación Acción en Contra del Hambre" towards community development, and iii) additional activities undertaken during implementation of the social management programs. |

Source: LSA, December 2023

Actions to Implement on PS5

3.5.32 The LSA notice the following actions are pending, required complementary information or should be maintained as part of the E&S monitoring report in order to fulfil the PS5 compliance.

Table 3-26 Actions to Implement on PS

| REF CODE | Action to Implement | EXECUTION DATE ¹ | STATUS |
|-----------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------|------------|
| 5.1 | Provide a matrix report with the PSU that had employees before relocation and a description and analysis of affectation on those employees (e.g., loss of employment and/or income, among other aspects). | Q1-2024 | Open |
| 5.2 | Although the Concessionaire has recorded aspects of each monitoring and follow-up visits, it is relevant to compile a matrix where the following aspects can be clearly distinguish and assessed: i) vulnerable SU and the differential management implemented on those, ii) management to ensure restoration of employment, income, social services, social networks (i.e., Community Board membership and neighbourhood relations), and iii) institutional management developed with entities and organizations that could have been involved during relocations, among others, that support compliance with PS5 of IFC. | Q1-2024 | Open |
| 5.3 | Report progress of relocation and compensation applied to commercial business located in UFs 3.3 and 8 as well as the methodology to monitor and ensure reestablishment of their economic conditions. | Ongoing as part of the E&S monitoring report | In process |
| 5.4 | Provide a relocation matrix of families affected by contingencies, consolidating all the landslides contingencies cases that have caused the resettlement of SU (RSU, PSU and RSU-PSU), in order to follow-up the management measures implemented as well as the risk management for those families that refused to be relocated. | Ongoing as part of the E&S monitoring report | In process |
| 5.5 | Provide the base line database of irregular occupants located in the Project's RoW with: i) the description ii) the measures implemented to recover the area, iii) current status of each irregular occupancy, iv) management developed with relevant institutions, v) compensations (economic or in specie), and vi) former and current challenges presented during the management of RoW occupancies. Also, the database must include the cases in public hearing process and the status of such process | Ongoing as part of the E&S monitoring report | In process |
| KEY | | | |
| In process: Actions implemented to close out the breach, but further evidence is required to verify full compliance. | | | |
| Pending: No progress reported, or evidence/info was not provided to the LSA to verify compliance. | | | |
| Open: Not applicable to the relevant period of report. Actions scheduled at a later date. | | | |

Source: LSA

3.6 BIODIVERSITY CONSERVATION AND SUSTAINABLE MANAGEMENT OF LIVING NATURAL RESOURCES

— Protection and Conservation of Biodiversity

- 3.6.1 During the Q4-2023 the fauna management measures resulted with a total of 2 individuals (1 mammals, and 1 reptiles) rescued and relocated.
- 3.6.2 During the period, project workers received monthly training on conservation and biodiversity topics such as: insects and biodiversity loss, efficient use and saving of water and energy, wildlife conservation and its cultural use, good environmental practices, forest fires and Sustainable Development Goals.

- 3.6.3 While the construction work is being completed, provisional preventive signs have been installed in some sectors to warn road users of the possible presence of fauna in the corridor and thus reduce the risk of wildlife being run over.
- 3.6.4 During the reporting period, various activities related to the "protection of wildlife habitats" were carried out, implementing the proposed management measures for the protection of bodies of water, as follows:
- Management of solid and liquid waste, implementation of ecological points, portable toilets, collection of usable waste at all construction sites.
 - Execution of construction activities only in duly authorized areas.
 - Protection of aquatic ecosystems and water quality by isolating (fencing off) bodies of water near the intervened areas and prohibiting activities that impact project personnel, such as washing vehicles in bodies of water.
- 3.6.5 Elevated wildlife crossings (between the remnants of secondary forest) and underpasses were built taking advantage of the box culvert drainage structures, facilitating the transit of wildlife between the region's ecosystems and avoiding the risk of being run over. Twelve aerial and terrestrial wildlife crossings were installed between UF 5 and UF 7. Semi-annual wildlife monitoring during the rainy and dry seasons to identify the type of wildlife present in the area. Annual monitoring of wildlife roadkill is being carried out.





Source: LSA, February, 2023

- 3.6.6 Regarding the landscape compensation, for the period of this report, the Concessionaire does not report trees planted as compensation for the environment, therefore, to date the count of trees planted in the previous period is maintained, being these 845 trees as compensation for landscape affectation covering 6.78 ha. Likewise, regarding soil compensation to date 1228 trees have been planted within 1.69 ha.
- 3.6.7 The Project presents a partial compliance in this standard since ANLA under Auto N° Auto N°08312 of September 26th, 2022, opened an environmental sanctioning investigation process due to two facts that affect the biodiversity. These facts include lack compliance of forest harvesting permit requirements (fact 1) and failure to implement biotic environment compensation obligations within 6 months of impact generation (fact 3). See detail information in section 2.5 Status of proceedings.
- 3.6.8 According to Auto N° 08679 of October 5th, 2022 (formulation of charges), the Project presents a non-compliance in this standard since the Concessionaire did not implement effective management measures (between March 5th to July 25th, 2018) in a timely manner to avoid the contribution of construction materials, sediments, and vegetal material and thus prevent the deterioration in some water sources, failure to comply with the *PMB 03 - Management measures for the protection of flora, fauna and hydrobiological components*, established in the EIA. Refer to Section 2.5 for details on the status of these processes.
- 3.6.9 According to Auto N°4078 of June 2023 (initiation an environmental sanctioning process), the Project did not implement environmental management measures at ZODME Z15T5 in order to guarantee stability in the conformation process and geotechnical monitoring, affecting a water source, vegetation cover and land use.
- 3.6.10 During the period, LSA site visit covered La Tigra sector, evidencing the sewer improvement and an enclosure of the are to protect the ecosystem as people was dumping wastes. Also, signalling of the area was seen.

— Management of Ecosystem Services

- 3.6.11 The Biodiversity Loss Compensation Plan was approved by ANLA through Resolution No. 01176 of June 20th, 2019. The area to be compensated involves 687.2 hectares. While UF8-9 Plan (approved by Resolution 02594 of 31st December 2019), requires offsetting 146.24ha in the Medellín and the Reserva properties, located in the municipality of Rionegro (Santander).
- 3.6.12 Table 3- shows the environmental compensations required for the Project resulting from the environmental license its modifications and environmental permits.

Table 3-27 Environmental compensations

| TYPE OF ENVIRONMENTAL COMPENSATION | UF | RESOLUTION | AREA (HA) | LOCATION |
|------------------------------------|------------------------------|---------------------------------------------|-----------|------------------------------------------------------------------|
| National | UF2, UF3, UF4, UF5, UF6, UF7 | Resolution 1176 of 2019 | 687.23 | Barrancabermeja, Betulia, San Vicente de Chucurí, Girón, Lebrija |
| | UF3, UF4, UF6, UF7 | Resolution 1843 of 2020 | 11.77 | Barrancabermeja, Betulia, San Vicente de Chucurí, Girón, Lebrija |
| | UF8 y UF8 | Resolution 2594 of 2020 | 146.24 | Rionegro |
| | UF8 | Resolution 1665 of 2021 | 29.48 | Rionegro |
| | UF8 | Resolution 1754 of 2022 | 31.09 | Rionegro |
| Regional | UF1 | Resolution 160ZF-1610-8289 -Corantioquia | 0.136 | Yondó - Antioquia |
| | UF1 | Resolution 160ZF-RES1704-1892- Corantioquia | 0.21 | Yondó - Antioquia |
| | UF2 | Resolutions DGL 1309 DGL 0490 de 2016- CAS | 0.27 | Barrancabermeja- Santander |
| | UF 3.3 | Resolutions 200 of 2016 - CDMB | 4.5 | Girón - Santander |
| | UF3.3 | Resolutions 201 of 2017 - CDMB | 14.36 | Girón - Santander |
| | UF3.3 | Resolution 318 of 2017 - CDMB | 0.90 | Girón -Santander |

Source: Concessionaire, December 2023

- 3.6.13 Table 3- shows a general summary of the progress of the environmental compensation plans regarding each Resolution at national level, and Table 3- shows progress of the environmental compensations at regional level.

Table 3-28 National environmental compensation progress

| UF | RESOLUTION | PROGRAM | MEASURES TAKEN DURING THE QUARTER | PROGRAM PROGRESS (%) |
|------------------------------|-------------------------|-------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|
| UF2, UF3, UF4, UF5, UF6, UF7 | Resolution 1176 of 2019 | Land acquisition of 687.23 hectares | During the quarter, the title study processes for the Vega Duque, Altagracia and La Francia properties were progressed for the acquisition of 249.49 hectares. Currently, the license of divisions of the properties Vega Duque y La Francia are still pending, as the land deed is in process. The promise of sale has already been given. | 40% |
| UF3, UF4, UF6, UF7 | Resolution 1843 of 2020 | Land acquisition of 11.77 hectares | In the current period, the title study processes for the Vega Duque, Altagracia and La Francia properties were advanced for the acquisition of 249.49 hectares. Acceptance of the offer for the Vega Duque and La Francia properties has been signed. The division licenses for the Vega Duque and La Francia properties are expected to be obtained in July 2023. | 80% |
| UF8 y UF8 | Resolution 2594 of 2020 | Land acquisition of 146.24 hectares | The land acquisition was completed with the signing of deeds for the La Reserva property, a total of 146.24 hectares. | 100% |

| UF | RESOLUTION | PROGRAM | MEASURES TAKEN DURING THE QUARTER | PROGRAM PROGRESS (%) |
|-----|-------------------------|------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|
| UF8 | Resolution 1665 of 2021 | Land acquisition of 29.48 hectares | An appraisal and formal offer has already been submitted to the owner of the La Reserva and Medellín properties for the purchase of 29.48 hectares, pending the property division license. | 90% |
| UF8 | Resolution 1754 of 2022 | Land acquisition of 31.09 hectares | No actions were reported. | 0% |

Source: Concessionaire, December 2023

Table 3-29 Regional environmental compensation progress

| UF | RESOLUTION | PROGRAM | MEASURES TAKEN | PROGRAM PROGRESS (%) |
|--------|---------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|
| UF1 | Resolution 160ZF-1610-8289 - Corantioquia | Planting 150 trees (1.50 meters high) coordinated by the Municipal Office of the environmental team of the Municipality of Yondó. | <p>The 150 (1.5 meter) trees have already been established and maintained for 3 years. The same were already visited by Corantioquia officials for their reception and we are waiting for the definitive concept and closing of the file (Laguna del Miedo property)..</p> <p>A formal request was filed this quarter to close the file and reiterate the closing of the file.</p> | 95% |
| UF1 | Resolution 160ZF-RES1704-1892- Corantioquia | Planting 3 trees per one cut down (231 trees to be planted) with a height no less than 1.5 meters in the municipality of Yondó. | <p>The 231 1.50 m trees have already been established and maintained for 3 years and were visited in 2021 by Corantioquia officials for their reception and we are awaiting the definitive concept and closing of the file (Laguna del Miedo property).</p> <p>A formal request was filed this quarter to close the file and reiterate the closing of the file.</p> | 95% |
| UF2 | Resolutions DGL 1309 DGL 0490 of 2016- CAS | Planting and establishment of 300 trees for 3 years. | The establishment and maintenance for 3 years of the 300 trees was carried out. The local environmental authority (CAS) in 2021 executed a site visit. During the current period, the formal closure request of the file was submitted to CAS. | 100% |
| UF 3.3 | Resolutions 200 of 2016 -CDMB | Planting 5,000 seedlings with height more than 0.50 meters and maintenance for 3 years. | The establishment for the 5,000 trees was carried out at El Pantano plot in Girón Municipality. In Q2-2023 the first annual crop maintenance was executed. | 45% |
| UF3.3 | Resolutions 201 of 2017 -CDMB | Planting 15,800 trees with height more than 0.50 meters and maintenance for 3 years. | The establishment for the 15,800 trees was carried out at El Pantano plot in Girón Municipality. The first annual maintenance are being carried out. | 45% |
| UF3.3 | Resolutions 318 of 2017 -CDMB | Planting 1,000 trees with height more than 0.50 meters and maintenance for 3 years. | The establishment for the 5,000 trees was carried at El Pantano plot in Girón Municipality. The first annual crop maintenance are being executed. | 45% |

Source: Concessionaire, December 2023

- 3.6.14 The Project has requested one (1) permit of ban lifting at national level and six (6) permits under regional level (Table 3-21) with the authorities CAS and CDBM. Table 3-22 shows the national ban compensation progress and Table 3-23 regional ban compensation progress.

Table 3-30 National environmental compensation (ban lifting) progress

| TIPO | UF | RESOLUTION | AREA (HA) | LOCATION |
|----------|--------------------------|-------------------------------|-----------|-----------------------------------|
| National | UF 2 to UF9 | Resolution 1048 of 2017 | 5 | Barrancabermeja -Girón |
| Regional | UF3.1 UF4 | Resolution N° 1372 - CAS | 0.036 | Barrancabermeja- San Ignacio Plot |
| | UF5, UF6, UF7, UF8 y UF9 | Resolution 1164 of 2019 -CDMB | 0.18 | Lebrija -Vega Duque Plot |
| | UF3.3 | Resolution 113 of 2021-CDMB | 1.25 | Lebrija |
| | UF5 and UF7 | Resolution 1180 of 2016_CDMB | 93.7 | Lebrija and Girón |
| | UF5 and UF7 | Resolution 1164 of 2019 -CDMB | 0.18 | Lebrija |
| | UF8 and UF9 | Resolution 1122 of 2019 -CDMB | 59.4 | Lebrija |

Source: Concessionaire, December 2023

Table 33-31 National environmental compensation (ban lifting) progress

| UF | RESOLUTION | PROGRAM | MEASURES TAKEN | PROGRAM PROGRESS (%) |
|------------|-------------------------------|-----------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|
| UF2 to UF9 | Resolution 1048 June 5th 2017 | Ecological rehabilitation of 5 hectares | 6,260 trees were planted in Palos de Maguer and Llano Grande plots. Nowadays, the Concessionaire is in the second year of maintenance of the second year of planting. | 80% |

Source: Concessionaire, December 2023

Table 3-32 Regional environmental compensation (ban lifting) progress

| UF | RESOLUTION | PROGRAM | MEASURES TAKEN | PROGRAM PROGRESS (%) |
|-------------|-------------------------------|-------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|
| UF3.1 UF4 | Resolution N° 1372 - CAS | Establishment and silvicultural management of 40 trees (Abarco specie). | The establishment and maintenance required by the authority CAS was carried out. In November 2021 this authority visited the planting activities in order to approve and receive them. The Concessionaire is waiting for the final concept and closing of the file. The file was transfer to the ANLA and the closure concept is expected with the last monitory visit. | 95% |
| UF5 and UF7 | Resolution 1164 of 2019 -CDMB | Establishment and maintenance of 200 trees (Coco Cuna specie). | The establishment and maintenance required by the authority CDMB was carried out. The Concessionaire requested to the authority a site visit to assess and approve the compensation status. The file was transfer to the ANLA and the closure concept is expected with the last monitory visit. | 95% |
| F3.3 | Resolution 113 of 2021-CDMB | Ecological rehabilitation of 0.5 hectares | The Concessionaire held a meeting with the Mayor's Office of Lebrija and CDMB to request rehabilitation areas. | 5% |
| | | Planting 825 trees of native species of the area. | This compensation measure was modified by CDMB through resolution 696 of 2023 with land acquisition of 0.75 ha. | 5% |
| UF5 y UF7 | Resolution 1180 of 2016-CDMB | Acquisition of 92.02 hectares for compensation. | The Concessionaire submitted to CDMB a land acquisition proposal for the plots Villa Ximena y Villa | 15% |

| UF | RESOLUTION | PROGRAM | MEASURES TAKEN | PROGRAM PROGRESS (%) |
|-----------|-------------------------------|-----------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|
| | | | Esperanza, requesting its assessment of the areas to purchase the 92.02 ha. | |
| | | Establishment of 1,956 trees of native species. | The Concessionaire established the trees planting activities at Llano Grande plot and currently this compensation is in the second year of maintenance. Maintenance activities were carried out during the period. | 80% |
| UF5 y UF7 | Resolution 1164 of 2019-CDMB | Planting and maintenance of 200 trees of the <i>Lecythis tuyrana</i> species (coco cuna). | The Concessionaire carried out the planting and maintenance activities and submitted a report to the CAS requesting a site visit and closure of the file. | 95% |
| UF8 y UF9 | Resolution 1122 of 2019 -CDMB | Carry out floristic an enrichment through the restoration of degraded ecosystems. The area to be enriched involves 59.4 hectares. | The enrichment of 15 hectares on El Pantono property was carried out and the respective maintenance would begin. The remaining 44.4 hectares of rehabilitation for compensation were modified by the CDMB, through Resolution 696 of 2023 with the acquisition of 44.4 hectares. | 20% |

Source: Concessionaire, December 2023

- 3.6.15 It should be noted that to date, the advance compensation activities from CORANTIOQUIA and CAS related to UF1.1 and 2.1 respectively, as well as the dismissal of the CAS regional ban related to UF2.3, 3.1 and 4, have already been executed and completed. corresponding to the planting of 40 Abarco trees (*Cariniana pyriformis*).
- 3.6.16 Regarding the 1% investment plan, it was approved on April 10th, 2019, through Resolution No. 00539 April 5th, 2019. This Plan is already under implementation through the administrative agreement between the *Instituto de Hidrologia y Meteorologia y Estudios Ambientales-IDEAM* and the Concessionaire. During Q3-2023, through Resolution No. 1897 of August 28, 2023, the ANLA accepted the value of the partial liquidation of the 1% investment plan equivalent to COP\$ 8,095,185,053.
- 3.6.17 In July, the activities of the monitoring strengthening of the hydrological and meteorological network of Magdalena Medio and Sogamoso project, were completed and the Concessionaire proceed to develop the compliance minutes with the IDEAM. To date, the Concessionaire is in liquidation process of this agreement. To date, the Consortium is in the process of liquidating Administrative Agreement No. 437 of 2022 signed with IDEAM
- 3.6.18 Regarding the progress on the compensation of loss of biodiversity, during Q2-2023, the promise of sale was signed for the acquisition of 215.5 hectares of land. No further progress was reported during the period.

Actions to Implement on PS6

- 3.6.19 The LSA notice the following actions are pending, required complementary information or should be maintained as part of the E&S monitoring report in order to fulfil the PS6 compliance. Table 3-33 Actions to Implement on PS6

| REF CODE | Action to Implement | EXECUTION DATE ¹ | STATUS |
|----------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------|-------------|
| 6.1 | Continue reporting progress regarding the environmental compensation activities. The LSA recommends describing in major detail the compensation activities carried out during the quarter. | Ongoing as part of the E&S monitoring report | In progress |

| REF CODE | Action to Implement | EXECUTION DATE ¹ | STATUS |
|-----------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------|-------------|
| 6.2 | Enhance the number of people reached with the trainings aimed towards communities and personnel about the preservation of ecosystem services. | Q1-2024 | Pending |
| 6.3 | Maintain the LSA updated in relation to the defence strategy that can be implemented to counterargue the facts exposed by ANLA through the Auto N°4078 of June 2023 (initiation of environmental sanctioning process) and the charge issued through Auto 8269 on October 10th 2023. | Ongoing as part of the E&S monitoring report | In progress |
| KEY | | | |
| In process: Actions implemented to close out the breach, but further evidence is required to verify full compliance. | | | |
| Pending: No progress reported, or evidence/info was not provided to the LSA to verify compliance. | | | |
| Open: Not applicable to the relevant period of report. Actions scheduled at a later date. | | | |

Source: LSA

3.7 INDIGENOUS PEOPLE

- 3.7.1 Given the absence of indigenous people in the area of influence of the Project, the PS7 is not currently applicable to the Project. No further action is required.

3.8 CULTURAL HERITAGE

- 3.8.1 Currently, the Project has all the permits covered by ICANH's latest regulations, which no periodic renewal of these is required. The Concessionaire must report semi-annually the archaeological activities to ICANH.

Table 3-34 Summary of permits

| PERMIT | AREAS | STATUS OF APPROVAL | COMMENTS |
|-------------------------------------------------------|-------------------------------------------|--------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Resolution N°719 of September 15 th , 2020 | UFs 8 and 9 | In Force | Archaeological Preventive Program "APP" Registration for the Implementation of the Archaeological Management Plan "AMP". This permit allows the continuation of activities previously authorized in AIA N°8019 and AIA 8029. For Q4-2023, a follow-up report was expected to be submitted to ICANH to comply with Res. 719/2020 of 2020, nevertheless, no evidence of such report was submitted. |
| Resolution N°792 of October 20 th , 2020 | ZODME Z-Paraguay | In Force | APP Registration for the Implementation of the AMP. This permit allows the Project to continue with activities previously authorized in AIA N°5884. For Q4-2023, a follow-up report was expected to be submitted to ICANH to comply with Res. 792 of 2021, nevertheless, no evidence of such report was submitted |
| Resolution N°826 of October 16 th , 2020 | ZODME Z-Santo Domingo (Z5T6-1 and Z5T6-2) | In Force | APP Registration for the Implementation of the AMP. This permit allows the Project to continue with activities previously authorized in AIA N°5884. Verification of units for vertical soil remotion is required permanently when monitoring. On June 15 th , 2023, the Concessionaire received from the ICANH (communication 2023162000059881) giving advises on how to improve the next progress report to be submitted on September 4 th 2023. Final report was filed through communication N° 2023184200078472. |
| Resolution N°830 of October 11 th , 2020 | ZODME Z-Brisas | Closed | APP Registration for the Implementation of the AMP was previously registered through Resolution N°638 of 2020. This permit allows the Project to continue with activities previously authorized in AIA N°5884. On October 5 th , 2023, the ICANH through Resolution 1470 decreed the closure of the Preventive Archaeology Program of the project. |
| Resolution N°1128 of August 26 th , 2021 | ZODME Z-Portugal | In Force | Implementation of the AMP. On May 11 th , 2023, the ICANH issued communication 2023162000034451 requiring from the Concessionaire more rigor in providing accurate information of the progress of the activities, the archaeological sheets and the performance of public archaeology, among others. |

| PERMIT | AREAS | STATUS OF APPROVAL | COMMENTS |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|--------------------|----------|
| Currently, the Concessionaire is managing permits to develop archaeological activities within the License Modification area in UFs 5, 6 and 7. As of this report, the result of this management has not been disclosed to the LSA. | | | |

Source: Concessionaire, December 2023

- 3.8.2 As pertains to public archaeology, 51n° employees, new staff and subcontractors' personnel were trained in i) archaeology legal framework; ii) importance of cultural heritage; iii) purpose of the archaeology preventive program; iv) archaeological protocol in case of chance finds and v) non-archaeological materials and tools that might be found in the different site soil movements.
- 3.8.3 Also, during the period, the Concessionaire developed an outreach activity to 32n° students of the Nuestra Señora de las Mercedes school (COLMERCEDES) Sede B. The session covered the following topics: concepts of archaeology, what it is used for and its role in history; and pedagogical workshop explaining the archaeological elements found and cultural heritage of the pre-Hispanic inhabitants of the area of influence.
- 3.8.4 Overall classification and analysis of lithic material has been based on type of rocks, artifacts, clay materials, thermo-alteration, and shapes, among others. For the present report, the laboratory continues to make progress in the classification and labelling of the material found, reporting a labelling percentage of 100% for site 4, 7.5% for site 7 and 0% for sites 8, 9, 10, 10B, 11 and 15.
- 3.8.5 Concerning to the management and conservation of ceramic and lithic fragments, the Coordinator of Culture and Tourism of Lebrija Santander has shown interest in these, therefore, the Concessionaire informed the ICANH in this regard. As a reply, the ICANH rejected the authorization to the Lebrija mayor's office since only wanted museum materials and not all the rescued material, consequently, other municipalities are being considered for the conservations of the archaeological elements.
- 3.8.6 As of October 1st, 2023, the monitoring activities corresponding to UF 8 and 9 were suspended for: UF 8, the activities were focused on the PR 42+400 contingency, therefore, archaeological monitoring work has not been required. In functional unit 9, given the completion of soil removal works, the activities that were being carried out were not continued.

Actions to Implement on PS8

- 3.8.7 The LSA notice the following actions are pending, required complementary information or should be maintained as part of the E&S monitoring report in order to fulfil the PS6 compliance:

Table 3-35 Actions to Implement on PS8

| REF CODE | Action to Implement | EXECUTION DATE ¹ | STATUS |
|----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------|------------|
| 8.1 | Provide a matrix report with permits granted by the ICANH during the Project's life cycle. The LSA expects the Concessionaire to include the following items: issuance date, expiration date, activities approved, the status of the activities, UFs involved, addendums, and status. Also, provide evidence of closure of permits previously approved. | Ongoing as part of the E&S monitoring report | Pending |
| 8.2 | Provide reports shared with the Project's Supervisor and the ICANH, periodically. | Ongoing as part of the E&S monitoring report | In process |
| 8.3 | Continue presenting the progress of the archaeological activities carried out by the Concessionaire stated in the APP at any of its stages. | Ongoing as part of the E&S monitoring report | In process |
| 8.4 | Report archaeological management undertaken in the License Modification of UFs 5, 6 and 7. | Q1-2024 | Open |
| KEY | | | |

| REF CODE | Action to Implement | EXECUTION DATE ¹ | STATUS |
|-----------------------------------------------------------------------------------------------------------------------------|---------------------|-----------------------------|--------|
| In process: Actions implemented to close out the breach, but further evidence is required to verify full compliance. | | | |
| Pending: No progress reported, or evidence/info was not provided to the LSA to verify compliance. | | | |
| Open: Not applicable to the relevant period of report. Actions scheduled at a later date. | | | |

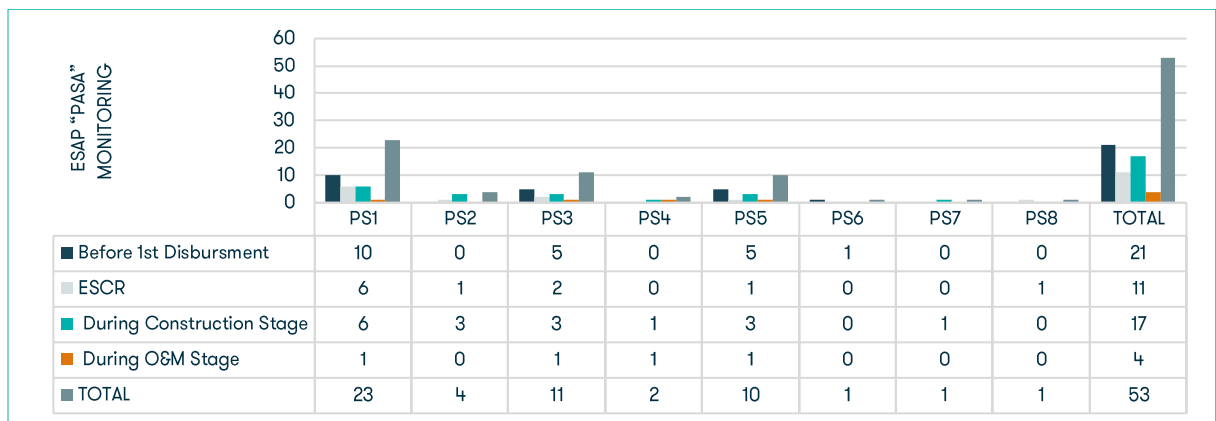
Source: LSA

4 ENVIRONMENTAL AND SOCIAL REQUIREMENTS

4.1 ENVIRONMENTAL DUE DILIGENCE ACTION PLAN (ESAP)

- 4.1.1 As part of the Environmental and Social Due Diligence, the Environmental and Social Action Plan (ESAP) was designed for the Project. This ESAP was prepared based on a gap analysis of IFC's Performance Standards (PS) and it is part of the Credit Agreement. Consists of 53n° actions designed to ensure a complete level of compliance, with the 8 Performance Standards (ND), during the different stages of the Project. During the reporting period, the compliance status of the actions established in the Credit Agreement was maintained.

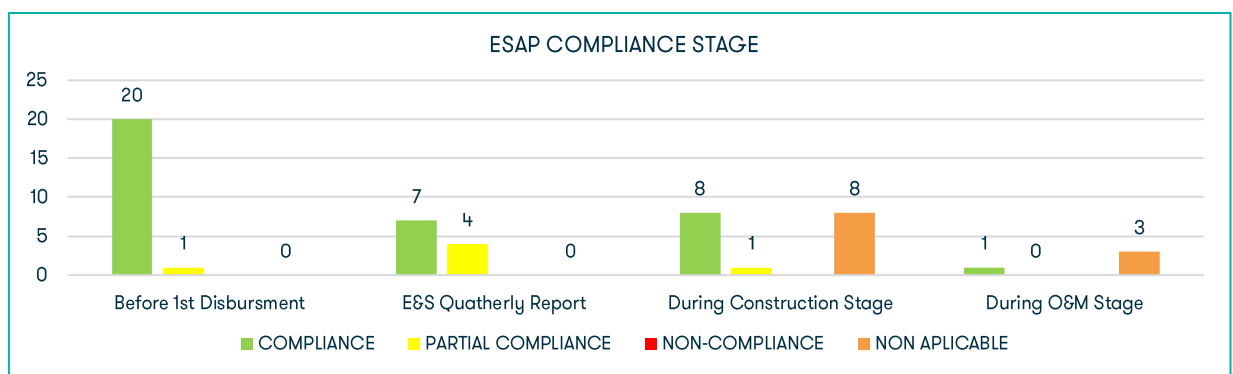
Figure 4-1. E&S Action Plan Monitoring (ESAP "PASA")



Source: LSA as of December 2023

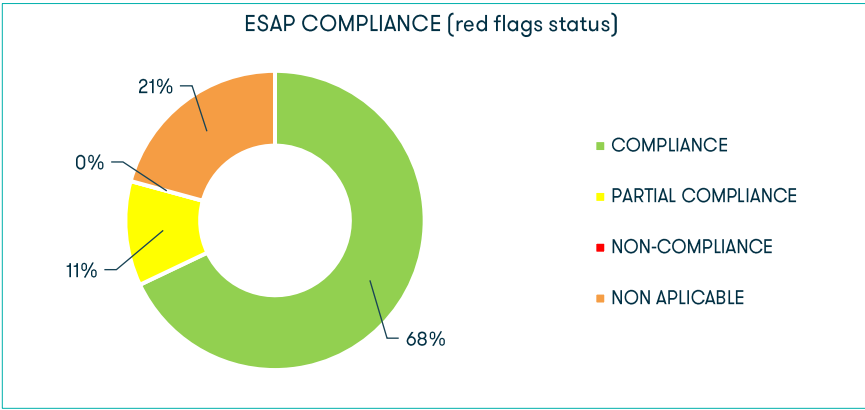
- 4.1.2 The Concessionaire shows management in the actions that are still in partial implementation status. Other actions in "Non-Applicable" status refer actions that will be assessed at a subsequent stage, close to construction completion and/or during O&M stage (See ANNEX 6.4).

Figure 4-2. ESAP Compliance Stage



Source: LSA as of December 2023

Figure 4-3. ESAP Compliance



Source: LSA as of December 2023

4.2 IFC-PS COMPLIANCE MATRIX

4.2.1 During the previous quarter, the LSA identified some changes regarding the alignment of the Project against IF-PS. Currently, a total of 115n° actions have been identified; of which 98n° have been closed and 17n° are in "Partial Compliance". No actions remain as "Non-Compliance". The Project has achieved 85% of compliance regarding the alignment against Performance Standards. (see detailed information in ANNEX 6.4).

Figure 4-4 IFC-PS Compliance

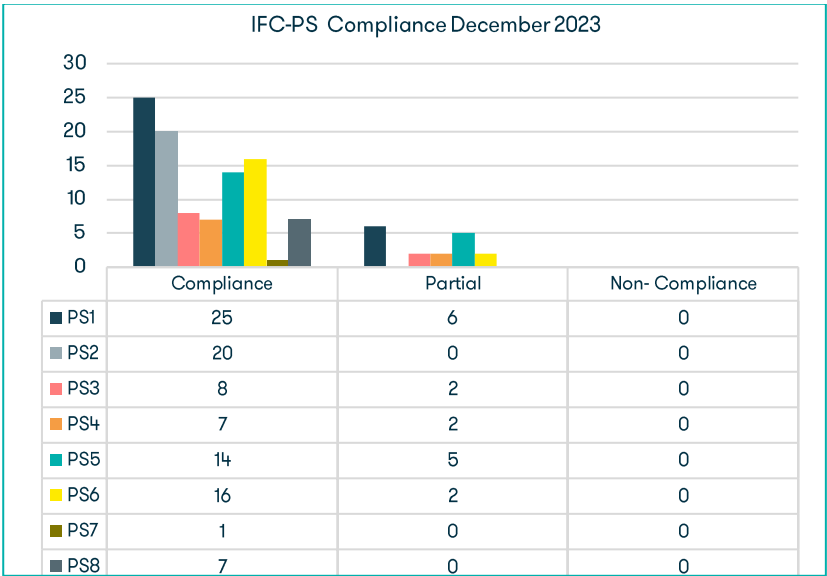
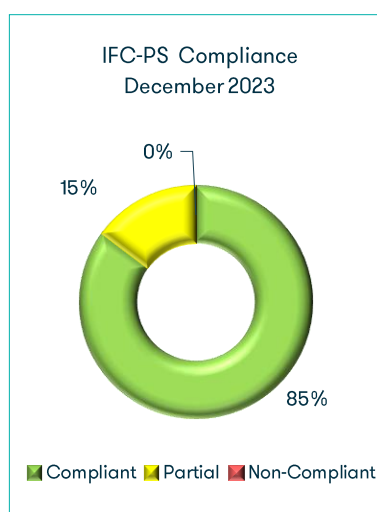


Figure 4-5 IFC-PS Compliance



Source: LSA as of December 2023

LSA Opinion

- 4.2.2 Regarding the Environmental and Social Action Plan (ESAP) under the credit Agreement, the LSA considers the Concessionaire should focus on those actions which compliance is triggered by the start of the O&M phase.
- 4.2.3 In order to fulfil the IFC-PS Compliance, it is necessary that the Concessionaire developed all the requirement regarding the sanctioning procedure and implement the CAP in a timely manner once is approved by the Project Lenders.

4.3 CORRECTIVE ACTION PLAN

- 4.3.1 According to Section 4 of the Credit Agreement, " The Concessionaire shall comply with all Environmental and Social Requirements" and Section 3.1 "The Concessionaire shall ensure compliance in all aspects with all Applicable Laws. It has not received any notification or other written communication from any Authority or another Person with respect to any actual or presumed violation or non-compliance by it with any Applicable Law".
- 4.3.2 Therefore, on December 9th, 2022, the LSA formally requested the Concessionaire the design and preparation of an Environmental CAP to manage this breach due to:
- The imposition of charges under the sanctioning process established by ANLA through Auto N° 08679 of October 5th, 2022.
 - E&S breach against Equator Principles EP2, EP3 and EP4; and IFC PS1, PS3 and PS6.
- 4.3.3 On December 20th, 2022, the Concessionaire issued a first version of the CAP for the LSA to review and comment and on January 17th, 2023, the LSA held a meeting with the Concessionaire to carry out a final revision of this CAP.
- 4.3.4 Pursuant to the Credit Agreement, the Corrective Action Plan shall include:
- i) a brief description of the breach, default or non-compliance event, including the extent, magnitude, impact and causes thereof;*

ii) the proposed actions to correct and to cure all damages and adverse effects caused by the breach, default or non-compliance;


iii) the assignment of responsibility for implementing the proposed corrective actions;

iv) a time schedule for implementing the proposed corrective actions, including the start date, the end date and key milestones; and

v) the proposed actions to prevent similar events of default or non-compliance to occur in the future.

4.3.5 This PAC has been designed in consideration of the current Project progress and the process status with ANLA. It is oriented to the legal and administrative actions necessary to comply with the obligations of the law and to carry out the due process with the Authority, communicating to the LSA and Lenders about its progress in a timely manner.

4.3.6 The following table shows the process of this CAP:

|  | CORRECTIVE ACTION | | | | | | DATE: 19 JAN-23 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|------------|-------------|-----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|
| TYPE: ENVI-CAP | MAIN DESCRIPTION OF THE BREACH: Environmental Sanctioning Process with an effect on PS1, PS3, and PS6 | | | | | | Q4-2023 |
| GAP | ACTION | DELIVERABLE | START DATE | FINISH DATE | RESPONSABLE | LSA COMMENTS | STATUS |
| <p>ANLA formulated charges within an environmental sanctioning procedure (through Auto N° 08679 of October 5th, 2022) due to:</p> <p>(i) Not implementing effective management measures in a timely manner in water sources: i) Caño NN - K15+340 (UF2), ii) water source located at K21+750 (UF2), iii) Quebrada La Lizama - K1+905 (UF4), iv) Quebrada San Silvestre, v) Quebrada La Peligrosa (UF5) and vi) Río Sucio (UF7).</p> <p>(ii) Carrying out riverbed occupation works in areas not authorized by the Environmental License: i) Quebrada San Silvestre, ii) Quebrada La Peligrosa, iii) Río Sucio, iv) Quebrada La Sorda and v) Quebrada Agua Dulce.</p> | 1. Submission of legal evidence to ANLA | Submit to LSA communication with legal discharges issued to ANLA | 20-Jan-23 | 23-Mar-23 | Concessionaire and FERROCOL | On October 20 th , 2022 the Concessionaire provided to ANLA the legal discharges (registered number 2022234612-1-000). | Compliance |
| | 2. Formalization and legal evidence | Pronouncement of the Environmental Authority regarding the evidence submitted by the Project | Jan-2023 | 30-April-23 | Concessionaire and FERROCOL | Trough Auto 09784 ANLA ordered the incorporation of evidence provided by the Project into the process. | Compliance |
| | 3. Carry out training on environmental regulations to the technical staff of FERROCOL | <ul style="list-style-type: none"> - Training schedule - Attendance records - Material used in training sessions | 26-Mar-23 | 30-April-23 | Concessionaire and FERROCOL | <p>On April 29th and 30th, 2023, Ferrocol's technical personnel received training on issues related to the environmental sanctioning process (Law 1333 of 2009) and environmental licensing.</p> <p>Thus, this action is now in compliance status.</p> | Compliance |
| | 4. ANLA's pronouncement regarding the sanctioning process. | Compliance with the legal requirements demanded by the ANLA. | 26-Mar-23 | 31-Dec-23 | Concessionaire and FERROCOL | This action is subject to ANLA'S pronouncement. | Pending |

Source: LSA, Concessionaire, December 2023

5 CONCLUSIONS AND RECOMMENDATIONS

- 5.1.1 The Concessionaire has 68% of compliance in the Project alignment against ESAP-Credit Agreement. The Project shows little management in the actions that are still in partial implementation status and some of the reports submitted have not been updated. Other actions in “Non-applicable” status refer actions that will be assessed at a subsequent stage, close to construction completion and/or during to O&M stage. On the other hand, the Concessionaire has 85% of compliance in the Project alignment against Performance Standards (See ANNEX 6.4).
- 5.1.2 The accident rate has decreased from the previous quarter (1 accidents). The Project’s H&S performance indicators are found to be better compared to what is observed in other similar 4G road infrastructure projects currently on-going in the country. The LSA highlights the actions carried out by the EPC Contractor, mainly through the self-protection approach and dissemination of best H&S on-site practices which has been reflected in the current accident rate.
- 5.1.3 The LSA expects that the Concessionaire provide detailed information related to the traffic accidents, provide information related to the UF and PR where the accident occurred, weather conditions, time, among others, as have been requested in previous periods and not yet reported.
- 5.1.4 The LSA recommends continuing developing the daily safety talks and execute the safe work analysis for each activity at each work front.
- 5.1.5 The LSA highly recommends the Concessionaire to develop a permanent monitoring of all legal processes that are still open and pending. Also, to consolidate and organize this information to make its monitoring more effective. (Further information in Section 2.5 of this report).
- 5.1.6 Likewise, regarding this sanctioning process, the LSA recommends and expects the Concessionaire to reinforce the management measures established in the EIA, such as: i) PMF-10 - General management of structures to be built at riverbed occupation, ii) PMF-11 - Measures to prevent contamination and deterioration of water sources iv) PMB-11 - Protection of water sources and v) PMB 03 - Management measures for the protection of flora, fauna and hydrobiological components.
- 5.1.7 The LSA stands out the monitoring process made to fauna crossings paths and the infrastructure maintenances.
- 5.1.8 Regarding Auto N° 5619 of July 21st, 2023, the LSA recognises the progress made by the Concessionaire with the fulfilment of 95 requirements.
- 5.1.9 Although the Concessionaire has calculated the greenhouse gases for the year 2022 without exceeding 25,000 tons of CO₂ per year, the Carbon-Neutral plan must be updated. The LSA recommends those actions be more in line with the reality and current scenario of the Project.
- 5.1.10 Although the Concessionaire has confirmed the implementation of the communication strategy towards communities and the LSA has observed that the level of influence of some stakeholders consider opponents have progressively decreased such as the case of Santo Domingo Community and the commercial business owners in UF3.3; the indicators of positive results and conflict reduction has not been analysed and reported by the Project as required in the ESAP PS1.

- 5.1.11 The LSA notes that the Concessionaire has rearranged the EPC social management personnel's roles to comply with the requirements within the Contractual Social Management Programs as well as within the social management established for the land slide occurred in UF8, without causing a non-compliance in the first one so far.
- 5.1.12 The LSA recognize the efforts made by the Concessionaire regarding stakeholders' grievances' management, engagement and communication through extraordinary meetings and working sessions, as no blockages occurred during the period.
- 5.1.13 The LSA considers positive that the Concessionaire has involved local authorities and human rights bodies when verifying and resolving complaints and conflicts with the stakeholders.
- 5.1.14 The Concessionaire has advanced with the methodology to monitor the restoration of economic conditions of the merchants of UF 3.3 and 8 and the evidence of the monitoring methodology aimed at ensuring reestablishment of economic conditions of these merchants have not been evidenced by the LSA, yet.
- 5.1.15 The LSA notes that the number of claims regarding road access adequations and utility networks' relocation have decrease in UFs 8 and 9 as in parallel, new demands and information from communities have arisen regarding the land slide occurred in UF8, which as of to date the LSA understands none have turned into a legal lawsuit.
- 5.1.16 The LSA considers positive that the Concessionaire has used the communication plan implemented since Q3-2022 to highlight the social contribution of the Project in the territory (i.e., wildlife rescue when identified on the road, the improvement of living conditions of some households and the reduction of travel time due to the new conditions of the road, among others).
- 5.1.17 The Concessionaire has made efforts to mitigate the negative effects on La Palmita's Aqueduct by providing clean water through water tanks and trucks while the landowner of La Palmita provides permission to access to the plot.
- 5.1.18 The LSA recommends greater effort to engage the communities in Emergency Preparedness and Response activities in order to promote greater understanding and integration when emergency situations occur, especially in those areas where slope management have persisted.
- 5.1.19 In relation to the legal proceedings brought against the Concessionaire, the LSA recommends periodically verifying the execution and compliance with the environmental and social management measures established in the license.
- 5.1.20 The LSA notice that the Concessionaire has progressed with the economic compensation of the fishmongers located in UF 4, and business owners located in UF3.3. and UF 8, where compensation agreements have reached 90% of progress. Regardless this significant progress, the LSA suggests the Concessionaire to continue managing their expectations until re-establishment of conditions' follow ups have been completed.
- 5.1.21 Regarding the irregular occupations in the RoW area (permanent and itinerant), the LSA recognized the progress made through public hearings and recommends the Concessionaire to continue reinforcing the dissemination of National Legal Framework regarding RoW restrictions in UFs 3, 4, 8 and 9.
- 5.1.22 The LSA evidenced that the Concessionaire has steadily achieved compliance of archaeological permits. Nevertheless, the LSA expects more rigor in providing the records of the communications exchanged with ICANH to facilitate the LSA's understanding of the archaeological status of the Project.

- 5.1.23 Considering the phase, the Project is currently in, the LSA expects the Concessionaire to share the progress on the plans to be updated for the O&M phase such as the identification of the health, safety, and security risks on communities.
- 5.1.24 No accidents or road incidents were recorded during the period due to the poor condition of the access roads used by the project or the lack of signage at the construction site.
- 5.1.25 As the Concessionaire has not been able to reach an agreement with Mr. Prada to solve the requirements made by the ANLA and the community to recover the water point, the Concessionaire must evaluate other alternatives.
- 5.1.26 The LSA recognize the efforts made by the Concessionaire to relocate the totality of the households affected by the October 1st, 2023. Although, the LSA also considers that is necessary to consolidate a detailed follow up of the totality of families affected by the different contingencies occurred during the project.

6 ANNEXES

6.1 SOURCE OF INFORMATION

Table 6-1. List of Relevant Documents Reviewed by the LSA

| DOCUMENTS |
|---------------------------------------------------------------------------------|
| Summary of the EMP and ESMP indicators through the quarter the reporting period |
| Social Contractual Management Programs |
| Socio-economical accompaniment and monitoring matrix |
| Matrix with the progress of land acquisition |
| IFC performance matrix and supporting evidence |
| Authorizations and relevant plans matrix |
| Evidence of training sessions, hiring of new staff, induction material, |
| Schedule of training sessions for the reporting period |
| Workforce employment program |
| Stakeholder's map |
| Supports of implementation of Archaeological Preventive Program |
| Resolutions and notices issued by ANLA |
| GHG calculation for 2017, 2018, 2019 and 2020 |
| GHG emissions report 2022. |
| General matrix of indicators |
| Communications tools |
| Quarterly report prepared for Infrata |
| Results of the H&S evaluation of contractors |
| H&S Training schedule |
| Work related accidents matrix |
| Monthly reports - Environmental performance |

6.2 RELEVANT ENVIRONMENTAL AUTHORIZATIONS

Table 6-2. Status of Relevant Authorizations

| AUTHORITY | UF | AUTHORIZATION / PERMIT | APPROVAL DATE | DOCUMENT REF. No. | STATUS |
|-----------|----------|---------------------------------------------------------------------------------------------|---------------|--------------------------------------------------------|--------|
| ANLA | 2.3 to 7 | Modification of License UF 2.3, 3.4, 5, 6 and 7 | 15/10/2019 | Resolution N°02051 | ✓ |
| | 8 and 9 | Modification of UF 8 and 9 of Resolution N°00763 of June 30, 2017 (Environmental Licensing) | 7/10/2019 | Auto N°8500 | ✓ |
| | 2.3 to 7 | Modification of License UF 2.3, 3.4, 5, 6 and 7 | 9/12/2019 | Resolution N°02404 | ✓ |
| | 2.3 to 8 | Modification of License UF 2.3, 3.4, 5, 6 and 8 | 9/12/2019 | Resolution N°02491 | ✓ |
| | 2.3 to 8 | Modification of License UF 2.3, 3.4, 5, 6 and 8 | 16/12/2019 | Resolution N°02445 | ✓ |
| | 2.3 to 8 | Modification of License UF 2.3, 3.4, 5, 6 and 8 | 17/12/2019 | Auto N°11144 | ✓ |
| | 2.3 to 8 | Modification of License UF 2.3, 3.4, 5, 6 and 8 | 17/12/2019 | Auto N°11143 | ✓ |
| | 8 and 9 | Modification of UF 8 and 9 of Resolution N°00763 of June 30, 2017 (Environmental Licensing) | 20/12/2019 | Resolution N°02491 | ✓ |
| | 8 and 9 | Modification of UF 8 and 9 of Resolution N°00763 of June 30, 2017 (Environmental Licensing) | 31/12/2019 | Resolution N°02594 | ✓ |
| | 2.3 to 7 | Modification of License UF 2.3, 3.4, 5, 6 and 7 | 2/1/2020 | Auto N°08924 | ✓ |
| | 2.3 to 7 | Modification of License UF 2.3, 3.4, 5, 6 and 7 | 17/1/2020 | Compliance with Resolution N°02051 of October 15, 2019 | ✓ |
| | 8 and 9 | Modification of UF 8 and 9 of Resolution N°00763 of June 30, 2017 (Environmental Licensing) | 4/2/2020 | Resolution N°02594 | ✓ |
| | 2.3 to 7 | Modification of License UF 2.3, 3.4, 5, 6 and 7 | 28/2/2020 | Resolution N°00337 | ✓ |
| | 8 and 9 | Modification of UF 8 and 9 of Resolution N°00763 of June 30, 2017 (Environmental Licensing) | 5/3/2020 | Resolution N°02594 | ✓ |
| | 2.3 to 7 | Modification of License UF 2.3, 3.4, 5, 6 and 7 | 17/3/2020 | Resolution N°00337 File. RDC-2020-03-01013-S | ✓ |
| | 2.3 to 7 | Modification of License UF 2.3, 3.4, 5, 6 and 8 | 1/4/2020 | Rad, 2020050352-1-000 | ✓ |
| | 2.3 to 7 | Modification of License UF 2.3, 3.4, 5, 6 and 7 | 1/4/2020 | Rad, 2020050244-1-000 | ✓ |
| | 2.3 to 8 | Modification of License UF 2.3, 3.4, 5, 6 and 8 | 1/4/2020 | Resolution N°00581 | ✓ |
| | 8 and 9 | Modification of UF 8 and 9 of Resolution N°00763 of June 30, 2017 (Environmental Licensing) | 1/4/2020 | Resolution N°00585 | ✓ |
| | 8 and 9 | Modification of UF 8 and 9 of Resolution N°00763 of June 30, 2017 (Environmental Licensing) | 8/4/2020 | RDC-2020-04-01359-S | ✓ |
| | 2.3 to 7 | Modification of License UF 2.3, 3.4, 5, 6 and 8 | 20/4/2020 | Auto N°03140 | ✓ |
| | 2.3 to 7 | Modification of License UF 2.3, 3.4, 5, 6 and 9 | 21/4/2020 | RDC-2020-04-01518-S | ✓ |
| | 2.3 to 7 | Modification of License UF 2.3, 3.4, 5, 6 and 9 | 3/6/2020 | Resolution N°01007 | ✓ |

| AUTHORITY | UF | AUTHORIZATION / PERMIT | APPROVAL DATE | DOCUMENT REF. No. | STATUS |
|-----------|----------|--------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|----------------------------------------------------------|--------|
| | 2.3 to 7 | Modification of License UF 2.3, 3.4, 5, 6 and 9 | 18/6/2020 | RDC-2020-06-02482-S | ✓ |
| | 8 and 9 | Modification of UF 8 and 9 of Resolution N°00763 of June 30, 2017 (Environmental Licensing) | 18/6/2020 | RDC-2020-06-02474-S | ✓ |
| | 8 and 9 | Modification of UF 8 and 9 of Resolution N°00763 of June 30, 2017 (Environmental Licensing) | 25/6/2020 | Resolution 02491 | ✓ |
| | 2.3 to 7 | Modification of License UF 2.3, 3.4, 5, 6 and 9 | 26/6/2020 | Resolution N°05929 | ✓ |
| | 8 and 9 | Modification of UF 8 and 9 of Resolution N°00763 of June 30, 2017 (Environmental Licensing) | 10/9/2020 | Auto N°08900 | ✓ |
| | 8 and 9 | Modification of UF 8 and 9 of Resolution N°00763 of June 30, 2017 (Environmental Licensing) | 16/9/2020 | Resolution N°1537 | ✓ |
| | 8 and 9 | Modification of UF 8 and 9 of Resolution N°00763 of June 30, 2017 (Environmental Licensing) | 20/09/2021 | Resolution 1665 | ✓ |
| | 8 and 9 | Modification of UF 8 and 9 of Resolution N°00763 of June 30, 2017 (Environmental Licensing) | 12/08/2022 | Resolution N°01754 | ✓ |
| | 2.3 to 7 | Modification of License UF 2.3, 3.4, 5, 6 and 9 | 21/9/2020 | Resolution N°1557 | ✓ |
| | 8 and 9 | Authorizing measures for using and managing open pit blasting Modification to the Resolution N°02594 of 31st December 2019 (Environmental License). | 09/12/2020 | Resolution 1985 | ✓ |
| | | | | | |
| CDMB | 2.3 to 7 | Modification of License UF 2.3, 3.4, 5, 6 and 7 | 1/10/2019 | Resolution N°1164 | ✓ |
| | 2.3 to 7 | Modification of License UF 2.3, 3.4, 5, 6 and 7 | 9/12/2019 | RDC-2019-12-05291-S (File CDMB 19832) | ✓ |
| | 2.3 to 7 | Modification of License UF 2.3, 3.4, 5, 6 and 9 | 4/5/2020 | RDC-2020-05-01686-S (CDMB File No. 44900 of May 4, 2020) | ✓ |
| | 2.3 to 7 | Modification of License UF 2.3, 3.4, 5, 6 and 9 | 10/6/2020 | RDC-2020-06-02285-S (File CDMB 5837) | ✓ |
| ICANH | 2,3 | UF 2.3, 3.4, 5, 6 and 7 license | 3/10/2019 | ICANH Document 130 - 5619 | ✓ |
| | 2.3 to 7 | Modification of License UF 2.3, 3.4, 5, 6 and 7 | 8/11/2019 | ICANH Document 130 - 6546 Addendum 004 | ✓ |
| | 2.3 to 7 | Modification of License UF 2.3, 3.4, 5, 6 and 7. | 23/12/2019 | ICANH Official Letter 130 - 7344 - Addendum 5 | ✓ |
| | 8 | Diagnosis and prospecting Z portugal | 2/10/2020 | Resolution N°793 | ✓ |
| | 2.3 to 7 | Modification of License UF 2.3, 3.4, 5, 6 and 7 | 23/12/2019 | Amendment Addendum N°005 | ✓ |
| | 2.3 to 7 | Modification of License UF 2.3, 3.4, 5, 6 and 7 | 10/1/2020 | Amendment Addendum N°006 | ✓ |
| | 8 and 9 | Archaeological Prevention Program | 15/09/2020 | Resolution N°719 | ✓ |
| MADS | 2.3 to 7 | Modification of License UF 2.3, 3.4, 5, 6 and 7 | 15/1/2020 | Resolution N°1159 of August 13, 2019 | ✓ |
| | 8 and 9 | Modification of UF 8 and 9 of Resolution N°00763 of June 30, 2017 (Environmental Licensing) | 3/1/2020 | Resolution N°1298 of September 2, 2019 | ✓ |

Source: LSA; Concessionaire's information as of December 2023

6.3 RELEVANT PLANS

Table-6-3. Status of Relevant Plans

| UF | PLAN | AUTHORITY | DOCUMENT REF. | ISSUE DATE | COMMENTS | STATUS |
|---------------------------------------------------|--------------------------------------------------------------------|--------------------|--------------------------------------|----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|
| UF1-9 | Environmental and Social Action Plan | N/A | N/A | N/A | Currently being implemented by the Concessionaire. | ✓ |
| UF2.3-3.1-UF4-5-6 -7-8.2 & UF9.2 | Compensation plan for lost biodiversity | ANLA | Resolution n° 01176 20-Jun-2019 | 20/06/19 | Approved | ✓ |
| UF2.1 | Compensation Plan for forestry logging | CAS | TBC | 21/09/18 | Actions developed under monitoring by CAS. | ✓ |
| UF1.1 | Compensation Plan for forestry logging | CORANTIOQUIA | TBC | 17/09/17 | Under review by CORANTIOQUIA. | ✓ |
| UF2.3-3.1-UF4 | Compensation plan for permission to lift the ban on flora products | CAS | TBC | 25/07/17 | The actions started in July 2018. | ✓ |
| UF5-6-7-8.2 & UF9.2 | Compensation plan for permission to lift the ban on flora products | CDMB | TBC | 28/11/17 27/04/18 | Actions developed under monitoring by CDMB. | ✓ |
| UF1-9 | Compensation plan for permission to lift the ban on flora | MADS | TBC | 24/07/17 | Under review by MADS. The rescue of species has begun, but the approval to relocate them is pending. | ✓ |
| UF2.3-3.1-UF4-UF5-6 -UF7-8.2 & UF9.2 | 1% Investment Plan | ANLA | Resolution 00539 & Auto 4071 | 05/04/19 11/05/20 | Approved with new requirements under Auto 4071. | ✓ |
| UF1.1 and 2.1 | Environmental Management Plan | Project Supervisor | CBBY-2-469-0486-17 | N/A | "Non-Objected". Currently being implemented by the Concessionaire. | ✓ |
| All UFs | Environmental Management Plan | Project Supervisor | GESAC- 469-RS-16-132 | N/A | "Non-Objected". Currently being implemented by the Concessionaire. | ✓ |
| UF8.1 and 9.1 | Environmental Management Plan | Project Supervisor | CBBY-2-469-452-16 | N/A | "Non-Objected". Currently being implemented by the Concessionaire. | ✓ |
| UF1-9 | Integral Management Plan | N/A | Records of Audits carried out | Pending | The Concessionaire submitted supports of the audits carried out in Human Resources to the EPC Contractor and other subcontractors. | ✓ |
| UF2.3-3.1-UF4-UF5-UF6 -UF7-UF8.1 -8.2 & UF9.1-9.2 | Socioeconomic compensation Plan | Project Supervisor | CBBY-2-469-1050-18 | N/A | "Non-Objected". Currently being implemented by the Concessionaire. Version update pending to be conformed in the next period. | ✓ |
| UF2-9 | Archaeological Management Plan | ICANH | Authorization 5884 | 8/5/2017 | Authorization 5884, replaced by AIA 8029 | ✓ |
| UF2-9 | Implementation of Archaeological Management Plan | ICANH | Authorization 6728 | 20/6/2017 | Authorization 6728, replaced by AIA 8029 | ✓ |
| UF2-9 | Implementation of Archaeological Management Plan | ICANH | Authorization 8029 | 26/03/2019 | Current. Replaced by AIA 5884 and 6728. Two addendums approved for the implementation of the PMArq in ZODMES Z5T5 (October 3 rd) and ZODMES Z1T7 y Z11T5 (Dec 23 rd) | ✓ |
| UF1-9 | Social Management Contractual Plan | Project Supervisor | CBBY-2-469-0874-18 | 11/07/18 | "Non-Objected", updated version from 2019 is under review by the Supervisor. Version update pending to be conformed in the next period. | ✓ |
| UF1-9 | Resettlement Plan | Project Supervisor | N/A | N/A | N/A | ✓ |
| UF1-9 | H&S Plan | Project Supervisor | N/A | N/A | Currently implemented by the Concessionaire. | ✓ |
| UF1-9 | Traffic Management Plan | Project Supervisor | CBBY-2-46-415-16 CBBY-2-46-915-17 | 07/12/16 24/10/17 | "Non-Objected", currently being implemented by the Concessionaire. Version update pending to be conformed in the next period. | ✓ |
| UF8-9 | Compensation plan for lost biodiversity | ANLA | Resolution 2594 | 31/12/19 | Approved | ✓ |
| UF2-9 | Compensation plan for lost biodiversity | ANLA | Resolution 1843 | 18/11/20 | The compensation plan on new plot was approved by ANLA in accordance with | ✓ |

| UF | PLAN | AUTHORITY | DOCUMENT REF. | ISSUE DATE | COMMENTS | STATUS |
|-------|-----------------------------------------|-----------|--------------------|------------|-----------------------------------------------------------------------------|--------|
| | | | | | the Resolutions 1843 of 2017 and 2051 of 2019 (Environmental Licences) | |
| UF8-9 | 1% Investment Plan | ANLA | Resolution 00539 | 5/04/19 | Currently implemented by the Concessionaire. | ✓ |
| UF8-9 | Implementation of AMP | ICANH | Authorization 1128 | 26/08/21 | Currently being implemented by the Concessionaire at Portugal's ZODME. | ✓ |
| UF8-9 | Implementation of AMP (Z Paraguay) | ICANH | Resolution N°792 | 20/10/2020 | Currently being implemented by the Concessionaire at Paraguay's ZODME. | ✓ |
| UF8-9 | Implementation of AMP (Z Santo Domingo) | ICANH | Resolution N°826 | 16/10/2021 | Currently being implemented by the Concessionaire at Santo Domingo's ZODME. | ✓ |
| UF8-9 | Implementation of AMP (Z Brisas) | ICANH | Resolution N°830 | 11/10/2021 | Currently being implemented by the Concessionaire at Brisas' ZODME. | ✓ |

Source: LSA; Concessionaire's information as of December 2023

6.4 ESAP

Please see attached PDF.

6.5 PHOTOGRAPHIC RECORD

Photo 6-1. Management of agreements made with communities



Photo 6-2. RoW management

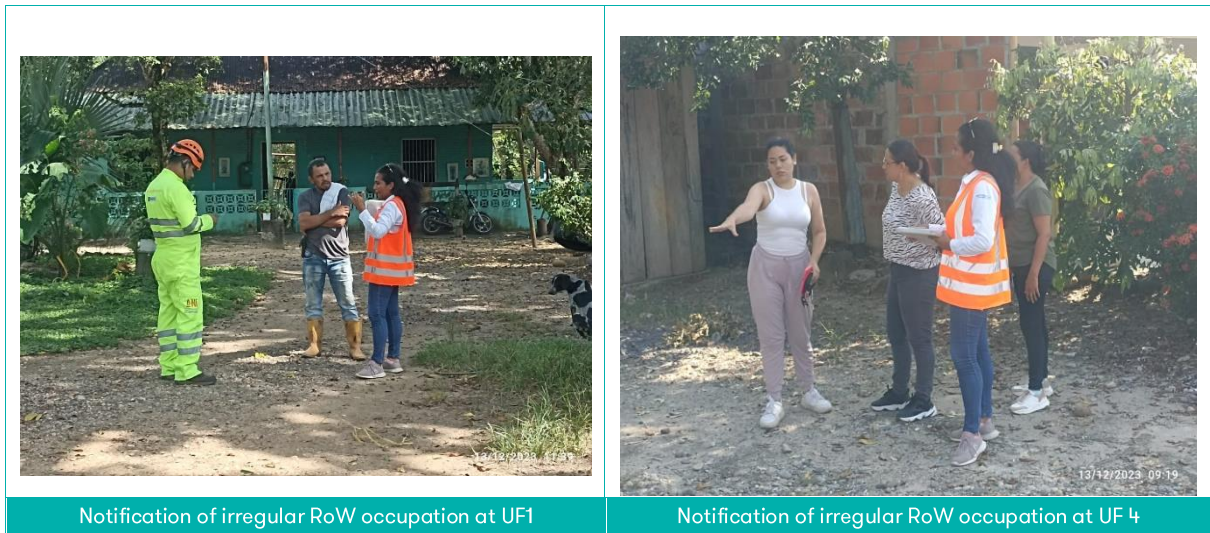


Photo 6-3. User service office

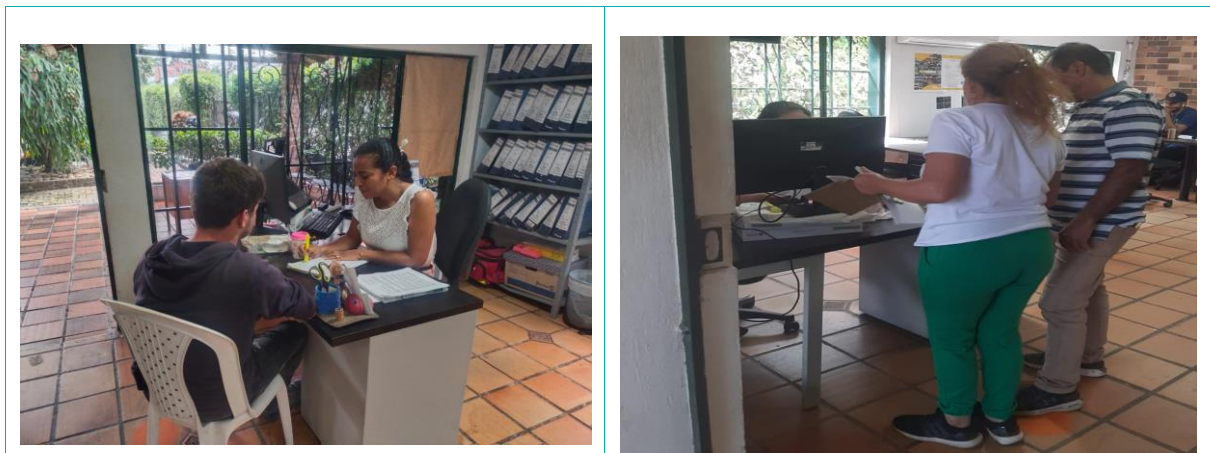


Photo 6-4. Wildlife crossing



Photo 6-5. Road safety



Photo 6-6. Archaeological activities



Photo 6-7. Hydraulic works



Photo 6-8. Waste management



Photo 6-9. H&S activities

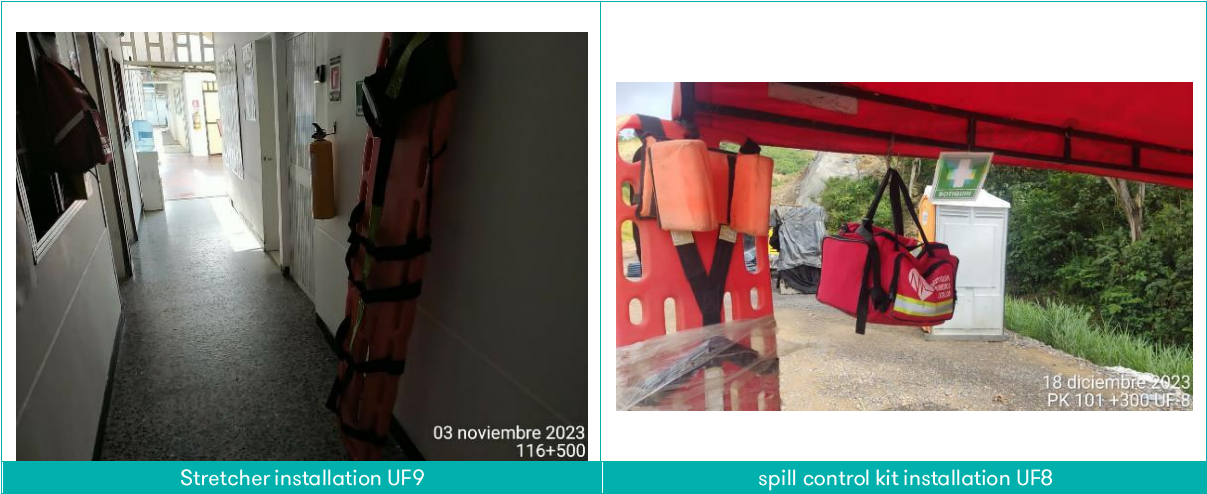


Photo 6-10. Revegetation activities



Photo 6-11. Water protection measures

| | |
|-----------------------------------------------------------------------------------|------------------------------------------------------------------------------------|
|  |  |
| Water point discharge analysis UF6 | Water point enclosure UF8 |