

**REPORT ON THE IMPLEMENTATION OF BEST  
CORPORATE PRACTICES**

**GRUPO ENERGÍA BOGOTÁ S.A. ESP – GEB S.A.  
ESP**

**PRINCIPAL LEGAL REPRESENTATIVE: ASTRID  
ÁLVAREZ HERNÁNDEZ**

**LEGAL REPRESENTATIVE DESIGNATED TO SEND  
THE IMPLEMENTATION REPORT: ASTRID ÁLVAREZ  
HERNÁNDEZ**

**REPORT PERIOD: JANUARY 1 TO  
DECEMBER 31 2017**

**REPORT DATE: JANUARY 31 2018**

## INTRODUCTION

Issuers must report the implementation of the recommendations in the new Code of Best Corporate Practices of Colombia to the Financial Superintendence of Colombia (SFC as per its acronym in Spanish) using this Report on the Implementation of Best Corporate Practices.

The purpose of this report is to inform the securities market if each issuer has implemented the recommendations in the Code or not. To that end, there are three boxes corresponding to YES, NO, and N/A (Not Applicable) in front of each recommendation, as well as a blank space to supplement your response as follows:

If the answer is affirmative, the issuer must briefly describe how such implementation has been performed. If the answer is negative, the issuer shall explain the reasons why it has not applied the same.

The N/A response can only be provided by the issuer in the cases where, due to legal reasons, it is not possible to adopt the recommendation. In this event, the issuer shall state the specific rule that prevents it from doing so.

Since some recommendations are made up of a number of specific aspects, it is worth highlighting that they shall only be deemed implemented if all of the aspects that make them up are met, unless not adopting some of said aspects is based on legal grounds, which should be stated as such.

Each recommendation has a box to indicate the date on which the issuer first implemented the same. In addition, there will be a box to record the dates on which modifications are made.

Finally, whenever, due to the nature of the issuer, it does not have the specific body referred to in the recommendation, it is understood that the recommendation refers to the body in the entity that is equivalent to the same or that acts as such.

**I. RIGHTS OF AND EQUAL TREATMENT TO SHAREHOLDERS**

**Measure No. 1: Principle of Equal Treatment.**

1.1. The Company provides equal treatment to all shareholders who, within the same class of shares, are in the same conditions, which shall not be understood as access to privileged information of some shareholders with respect to others.

1.1 Measure Implemented YES  NO  N/A

<p><b>YES. Briefly explain:</b></p> <p>GEB has adopted as principle the equal treatment to all its shareholders. According to the Corporate Governance Code of GEB (Title 1. Shareholders):</p> <p>1. <i>“Shareholders: GEB S.A. ESP is a stock issuer listed on the Colombian Securities Exchange. Its majority shareholder is the city of Bogotá (the Capital District of Colombia). Its minority shareholders include individual and institutional investors, such as pension funds. In addition, given its status of parent company of GEB, it manages relations with other shareholders of the companies in which it holds interests. In this regard, the Company abides by the following general commitments:</i></p> <p style="padding-left: 20px;"><i>i. Respect for the Minority Shareholders of GEB S.A. ESP: to treat all shareholders respectfully and equally, regardless of the value of their investments or the amount of shares they represent, as established by legal and regulatory provisions as well as by the Company’s different corporate instruments, including the present Corporate Governance Code.”</i></p>
<p><b>NO. Explain:</b></p>
<p><b>NA. Specify the rules that prevent you from adopting the recommendation:</b></p>

<b>Date of Implementation</b>	December 13, 2007
<b>Date of Modification</b>	November 29, 2016

1.2. 1.2. **The Board of Directors has approved a specific procedure** that defines the Company practices **to be in contact with different types of shareholders**, regarding issues such as, for example, access to information, solving requests for information, communication channels, and forms of interaction between shareholders and the Company, its Board of Directors and other Administrators.

1.2 Measure Implemented YES  NO  N/A

<p><b>YES. Briefly explain:</b></p> <p>The following are the practices adopted by GEB to establish the relationship with the shareholders:</p> <p>According to the Corporate Governance Code (literal a. and b. of Title I. “Shareholders” and literal b of Title V “Disclosure of Information”):</p>
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<p>as well as the rights and obligations inherent to each type of shares through a certification by the Statutory Auditor, at the following link:</p> <p><a href="https://www.grupoenergiabogota.com/informacion-corporativa/gobierno-corporativo">https://www.grupoenergiabogota.com/informacion-corporativa/gobierno-corporativo</a></p> <p>Likewise, the Corporate Governance Code is in the following link:  <a href="https://www.grupoenergiabogota.com/informacion-corporativa/gobierno-corporativo/codigo-de-gobierno-corporativo">https://www.grupoenergiabogota.com/informacion-corporativa/gobierno-corporativo/codigo-de-gobierno-corporativo</a> se explain the rights and duties of shareholders.</p>	
<p><b>NO. Explain:</b></p>	
<p><b>NA. Specify the rules that prevent you from adopting the recommendation:</b></p>	
<p><b>Date of Implementation</b> October 14, 2015</p>	
<p><b>Date of Modification</b> December 2017</p>	

**Measure No. 3: No Capital Dilution.**

**3.1. Regarding operations that may result in dilution of the minority shareholders' capital** (such as an increase of capital with a waiver of the right of preference in the subscription of shares, a merger, spin-off or segregation, among others), the **Company explains such operation in detail to the shareholders** by means of a prior report of the Board of Directors, including the opinion of an independent external advisor with recognized soundness (*fairness opinion*) designated by the Board of Directors, regarding the terms of the transaction. Such reports are made available to shareholders before the Meeting within the term set forth to exercise the right of inspection.

3.1 Measure Implemented YES  NO  N/A

<p><b>YES. Briefly explain:</b></p> <p>The Bylaws of GEB S.A. ESP, expressly recognize in section 28 of article 66, as a right of shareholders: <i>"Submit for approval of the General Meeting a report explaining the terms in which transactions or operations are to be performed and which may result in dilution of shareholdings.' The aforementioned report shall be prepared by a qualified external consultant."</i></p>	
<p><b>NO. Explain:</b></p>	
<p><b>NA. Specify the rules that prevent you from adopting the recommendation:</b></p>	
<p><b>Date of Implementation</b> March 31, 2016</p>	
<p><b>Date of Modification</b></p>	

**Measure No. 4: Information for and Communication with Shareholders.**

**4.1. 4.1. The Company has a corporate web page, in Spanish and English, with a link to Corporate Governance or a link to relate to shareholders and investors or the equivalent, which include financial and non-financial information**

on the terms proposed in recommendations 32.3 and 33.3 and which, in no case, shall include confidential information related to the Company or to trade secrets or information whose disclosure may be used to the detriment of the Company.

4.1 Measure Implemented YES  NO  N/A

**YES. Briefly explain:**

The Company was a corporate website, in English and in Spanish, with a link to the Corporate Governance that includes financial and non-financial information that, in no case, includes confidential information about the company or related to industrial secrets, or such information that could be used to harm the company. Additionally, the company has a website with all the documents in English.

Likewise, the company was a Information Disclosure Policy, through which GEB ensures the transparency, ethics, accountability and respect for the rights of shareholders and generates trust relationships with all its stakeholders.

Link:  
<http://www.grupoenergiadebogota.com/informacion-corporativa/gobierno-corporativo>

**NO. Explain:**

**NA. Specify the rules that prevent you from adopting the recommendation:**

Date of Implementation	December 31, 2011
Date of Modification	June 22, 2017

**4.2. The Company has permanent access mechanisms to be exclusively used by shareholders**, such as a web page link for the exclusive access of shareholders or a shareholder and investor care or relations office, and regular briefings, among others, for them to be able to express their opinions, concerns or suggestions regarding the Company's performance or their capacity as shareholders.

4.2 Measure Implemented YES  NO  N/A

**YES. Briefly explain:**

GEB currently has several mechanisms of permanent access and targeted use exclusively to the shareholders:

1. Finance and Investor Relations Department, through which it discloses to the shareholders and investors, regulators and stock exchanges and risk rating agencies, information about the commercial, financial and operative performance of the companies of the group and the economic environment in which they develop their activities. It is related to financial and non-financial information that allows different stakeholders to have elements of judgement to make their decisions. Specific inquiries about investments can be made to this Department or requirements by telephone or through written communications sent to the physical address of GEB or through email

. Likewise, quarterly informative meetings are held.  2. GEB has made available the following link at its website ( <a href="https://www.grupoenergiabogota.com/inversionistas/relacion-con-inversionistas">https://www.grupoenergiabogota.com/inversionistas/relacion-con-inversionistas</a> ) through with clear information about the companies operations is presented to its investors.	
NO. Explain:	
NA. Specify the rules that prevent you from adopting the recommendation:	
Date of Implementation	December 31, 2007
Date of Modification	

**4.3. The Company holds events to present quarterly results, aimed at its shareholders and market analysts, which may be attended face-to-face or through distance communication means (conference, videoconference, etc.).**

4.3 Measure Implemented

YES

NO

N/A

<p><b>YES. Briefly explain:</b></p> <p>The Finance and Investor Relations Department of GEB holds events to present quarterly results, aimed at its shareholders and market analysts, which may be attended face-to-face or through distance communication means (conference, videoconference, etc.).</p> <p>In the section Investor Relations of the website (<a href="https://www.grupoenergiabogota.com/inversionistas/calendario-de-eventos">https://www.grupoenergiabogota.com/inversionistas/calendario-de-eventos</a>) the company publishes the calendar of events, as well as the materials from the telephone conferences of results of Grupo Energia Bogota.</p> <p>These are the dates of the events carried out in 2017:</p> <p>January 13, 2017: Breakfast with analysts                  January 27, 2017: Special Shareholders Meeting                  February 28, 2017: Bonds &amp; Loans from February 28 to March 1                  March 9, 2017: Results Conference TGI 4T 2016                  March23, 2017: Results Conference GEB 4T 2016                  March 30, 2017: General Shareholders Meeting                  May 11, 2017: Results Conference TGI &amp; Cálidda 1T 2017                  May 23, 2017: Results conference GEB 1T 2017                  June 20, 2017: Special Shareholders Meeting                  August 10, 2017: Results Conference TGI &amp; Cálidda 2T 2017                  August 23, 2017: Results conference GEB 2T 2017                  September 21, 2017: Investor Day Cálidda                  October 6, 2017: Special Shareholders Meeting                  October 25, 2017: Ethics and Transparency Training                  November 16, 2017: Results Conference TGI &amp; Cálidda 3T 2017                  November 23, 2017: Results conference GEB 3T 2017                  December 6, 2007 Special Shareholders Meeting</p>
NO. Explain:
NA. Specify the rules that prevent you from adopting the recommendation:



Date of Modification	December 31, 2017
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**4.5. 4.5.** The Company Bylaws provide for that a shareholder or group of shareholders who represent at least five percent (5%) of the capital may request the performance of Specialized Audits regarding issues other than those audited by the Company’s Statutory Auditor. According to its capital structure, the Company may determine a percentage lower than five percent (5%).

4.5 Measure Implemented                      YES       NO                       N/A

<p><b>YES. Briefly explain:</b></p> <p>The Bylaws of GEB S.A. ESP, in its article 99, expressly recognizes as a right of shareholders: <i>“Shareholders representing at least five percent (5%) of subscribed shares, and investors representing at least twenty five percent (25%) of bonds outstanding, may request the CEO to perform specialized audits, the cost of which shall be on the account of the shareholders or investors who requested the audit. .”</i></p> <p><b>NO. Explain:</b></p> <p><b>NA. Specify the rules that prevent you from adopting the recommendation:</b></p>
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Date of Implementation	March 31, 2016
Date of Modification	

**4.6.** In order to exercise said right, the Company has a procedure in writing with the details contemplated in recommendation 4.6.

4.6 Measure Implemented                      YES       NO                       N/A

<p><b>YES. Briefly explain:</b></p> <p>GEB, through its Bylaws (article 99) has provided the following procedure for specialized audits:</p> <p><i>“Specialized Audits: “Shareholders representing at least five percent (5%) of subscribed shares, and investors representing at least twenty five percent (25%) of bonds outstanding, may request the CEO to perform specialized audits, the cost of which shall be on the account of the shareholders or investors who requested the audit.” The request for the specialized audit must be made in writing, indicating the reasons for requesting it, the facts and operations to be audited, the duration of the audit, and indicating three (3) firms of recognized reputation and track record that would be able to perform the audit. When the percentage required to request a specialized audit is made up by a plural number of shareholders, the request shall include the name of the appointed representative to coordinate the entire process. Within ten (10) business days the Board of Directors</i></p>
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<p><i>shall reply to the request, indicating which of the submitted firms was selected to perform the audit, and the start date of the audit. If the Board of Directors refuses to perform a specialized audit, it must justify the reasons for such refusal. If the specialized audit is performed, its results shall be initially submitted to the CEO. Such results shall be forwarded to the Board of Directors, and within the following fifteen (15) days, they shall be presented to the shareholders or investors who requested the special audit. In the event any unlawful act is found, the Board of Directors and/or the CEO shall forward the case to the appropriate oversight and control, legal or investigation body."</i></p>	
<p><b>NO. Explain:</b></p>	
<p><b>NA. Specify the rules that prevent you from adopting the recommendation:</b></p>	
<p><b>Date of Implementation</b></p>	<p>December 31, 2007</p>
<p><b>Date of Modification</b></p>	<p>March 31, 2016</p>

**Measure No. 5: Behavior of Administrators regarding operations of change or takeover related to the Company.**

**5.1.** The Board of Directors and Senior Management members have expressly accepted in their Acceptance Letters or contracts that, from the knowledge of the presentation of an OPA or other relevant transactions, such as mergers or spin-offs, there will be periods during which they commit not to negotiate, directly or indirectly through a third party, the Company shares.

5.1 Measure Implemented                      YES                          NO                          N/A   

<p><b>YES. Briefly explain:</b></p> <p>As of March 2017, the members of the Board of Directors, in their acceptance letters of the position, declared the following: <i>"For purposes of my appointment as member of the Board of Directors, I declare that I meet the necessary qualities to integrate the management body, and I know and accept the different Corporate Governance documents of the Company. Thus, I specially commit to not negotiate directly or indirectly through an intermediary, the shares of the Company, as of the moment in which I know of the possibility or occurrence of a relevant operation and until it is completed"</i></p> <p>Likewise, in the month of June 2017, the Board of Directors approved the Share Trading Policy, which applies "to the members of the Board of Directors, legal representatives, vice presidents, directors and manager of GEB S.A. ESP. and in general, to the executive personnel of the Company, as well as for the members of the Boards of Directors, Executive Boards, Management Boards, Directorates, legal representatives and employees of the GEB companies". The purpose of this policy is to ensure that transactions with shares of GEB S.A. ESP. made by employees connected to the companies of GEB, are made in market conditions, according to the highest standards of transparency, protecting the rights of all the shareholders, minimizing reputational or legal risks for the Company.</p>
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The employment contracts of executives of the Company, include a sixth clause of the obligation to <i>“Strictly observe the rules established by the COMPANY to carry out the task referred to in this agreement”</i> .	
<b>NO. Explain:</b>	
<b>NA. Specify the rules that prevent you from adopting the recommendation:</b>	
<b>Date of Implementation</b>	March 30, 2017
<b>Date of Modification</b>	June 22, 2017

**Measure No. 6: Quotation of Companies Part of Conglomerates.**

**6.1.** Without prejudice to the Independence of each individual Company part of the Conglomerate and to the responsibilities of their administration bodies, an organizational structure exists in **the** Conglomerate, which defines for the three (3) governance levels (shareholders Meeting, Board of Directors, and Senior Management) the key bodies and individual positions, as well as the relations among them, structure which is public, clear, and transparent, and enables determining clear lines of responsibility and communication, and facilitates the Conglomerate’s strategic orientation, supervision, control, and effective administration.

6.1 Measure Implemented                      YES        NO        N/A   

<b>YES. Briefly explain:</b>
<p>The organizational structure of Grupo Energia de Bogota (GEB) is described as part of the Introduction to the Corporate Governance Code, in the following terms: <i>“...EEB is the head of Grupo Energia de Bogota, hereinafter the "Group" or "GEB", which is structured according to three (3) Strategic Business Groups, as follows: i. Urban Strategic Solutions; ii. Interconnection for Market Development, and iii. Low Emission Generation. In this manner, EEB acts as a "strategic connector", which allows for an active and competitive intervention in the different companies that are part of GEB.”</i></p> <p>On August 31, the Board of Directors of GEB approved the "Business Group Agreement" pursuant to which the governance structure of the Group is based, regulates the model of interaction and general framework of the action for the relationship with the Parent Company and the subordinated companies in order to facilitate the compliance of the corporate strategy and accomplishment of GEB's objectives, within the framework of unity of purpose and direction. This agreement details the manner in which GEB is organized, the Model for Intervention and the interaction between its governance bodies. The agreements subscribed with each one of the companies can be found at the following link: <a href="https://www.grupoenergiabogota.com/informacion-corporativa/gobierno-corporativo">https://www.grupoenergiabogota.com/informacion-corporativa/gobierno-corporativo</a></p>
<b>NO. Explain:</b>

**NA. Specify the rules that prevent you from adopting the recommendation:**

Date of Implementation	November 29, 2016
Date of Modification	August 31, 2017:

**6.2. The Parent Company and its most important Subordinates have defined a reference framework related to institutional relations** by signing a public agreement approved by the Board of Directors of each of said companies, which regulates the issues stated in recommendation 6.2.

6.2 Measure Implemented                      YES                       NO                       N/A

<p><b>YES. Briefly explain:</b></p> <p>On August 31, the Board of Directors of GEB approved the "Business Group Agreement" pursuant to which the governance structure of the Group is based, regulates the model of interaction and general framework of the action for the relationship with the Parent Company and the subordinated companies in order to facilitate the compliance of the corporate strategy and accomplishment of GEB's objectives, within the framework of unity of purpose and direction. This agreement details the manner in which GEB is organized, the Model for Intervention and the interaction between its governance bodies. The agreements approved by the Board of Directors and subscribed with each one of the companies can be found at the following link: <a href="https://www.grupoenergiabogota.com/informacion-corporativa/gobierno-corporativo">https://www.grupoenergiabogota.com/informacion-corporativa/gobierno-corporativo</a></p>
<p><b>NO. Explain:</b></p>
<p><b>NA. Specify the rules that prevent you from adopting the recommendation:</b></p>

Date of Implementation	August 31, 2017:
Date of Modification	Not applicable

**Measure No. 7: Resolution of conflicts.**

**7.1. Except for those conflicts between shareholders, or between shareholders and the Company or its Board of Directors, which as a result of an express legal attribution must be settled before ordinary courts, the Company Bylaws include mechanisms for conflict settlement such as a direct agreement, amicable composition, conciliation or arbitration.**

7.1 Measure Implemented                      YES                       NO                       N/A

<p><b>YES. Briefly explain:</b></p>
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GEB has included in its Bylaws (article 88) the following provisions for the resolution of conflicts:

*“Arbitration: Except for any disputes that by express legal provision must be resolved through the ordinary jurisdiction, any dispute between shareholders or between shareholders and the Company or its Board of Directors, as long as the Company is in existence and during its liquidation period, may be submitted to an arbitration process, by means of a tribunal comprised by three (3) arbitrators jointly appointed by the parties, or otherwise by the Center for Arbitration and Reconciliation of the Chamber of Commerce of Bogotá, which shall rule by law. The tribunal shall operate according to regulations on this matter. The tribunal shall operate in Bogotá D.C., at the offices of the Arbitration and Conciliation Center of the Chamber of Commerce in Bogotá. The arbitrators’ decisions shall be subject to appeals by means of a motion to overturn the ruling, and/or by means of a motion for extraordinary review, in the cases and according to the procedures foreseen by Law.”*

**NO. Explain:**

**NA. Specify the rules that prevent you from adopting the recommendation:**

<b>Date of Implementation</b>	June 3, 1996
<b>Date of Modification</b>	March 31, 2016

I. GENERAL SHAREHOLDERS

MEETING Measure No. 8: Functions and Competence.

8.1. In addition to other functions attributed to the General Shareholders' Meeting by the legal framework, **the Bylaws expressly describe the General Shareholders' Meeting functions stated in recommendation 8.1.** and emphasize that they are exclusive and cannot be delegated.

8.1 Measure Implemented YES  NO  N/A

YES. Briefly explain:

Article 58 of the Bylaws of GEB S.A. ESP, establish as functions of the General Shareholders Meetings:

1. Study and approve reforms to the bylaws.
2. Freely appoint and remove members of the Board of Directors and the Statutory Auditor, and set their respective remuneration based on the recommendation of the Board of Directors and the studies of the respective committees, and approve the Policy Nomination, Succession and Remuneration of the Board of Directors.
3. Review, approve or disapprove the end-of-year financial statements, the accounts rendered by management, the reports of the Board of Directors and the CEO on the situation of the business, as well as the report by the Statutory Auditor.
4. Order that appropriate action be taken against managers and the Statutory Auditor.
5. Decide on the distribution of corporate profits, set the dividend amount and the form and terms of payment, in accordance with these Bylaws and the law.
6. Declare the absorption of losses and the establishment of reserves.
7. Decide on share capital increases, without prejudice for the power of the Board of Directors to increase authorized capital in the cases set forth in Law 142/1994, article 19, section 19.4
8. Authorize the Company's transformation, merger, spin-off or separation of activities in accordance with legal provisions.
9. Oversee fulfillment of the corporate purpose in abidance of these Bylaws.
10. Decide on early dissolution of the Company.
11. Order the buyback of own shares and their subsequent sale.
12. Delegate certain duties in specific special cases to the Board of Directors or the CEO, with the exception of those duties listed in the first paragraph of this article.
13. Approve the rules for issuance and placement of privileged shares, the manner in which they are to be registered, and decide on the issuance of bonds convertible into shares and any waiver of the right to preference on share placement.
14. Declare issues of bonds and other securities.
15. Exercise any power it is entitled to by the legal nature of the Company or that is assigned to it by law and the bylaws, as well as any that are not assigned to any other corporate governance body.
16. Elect one of the shareholders to preside over the meetings of the General Shareholders Assembly.
17. Approve relevant transactions with related parties, in accordance with the Company's Corporate Governance Code, except in the following circumstances: a) that they are made at fixed general market prices by the party acting as provider of the goods or services, and b) that the transaction is part of the Company's ordinary course of business.
18. The following matters shall be addressed and voted on by the General Shareholders Assembly, only when they have been expressly included in the summons to the meeting: 1) Change in the corporate purpose. 2) Waiver of the right of preference in subscribing shares. 3) Change of the principal domicile. 4) Early dissolution 5) Corporate transformation

and 6) Segregation of assets or spin-off.

19. Give an express authorization enabling the company to offer guarantee or security on obligations of third parties or of its shareholders, as long as they are related to fulfilling the corporate purpose.

20. Establish its own Rules.

Paragraph one: The following functions shall be performed exclusively by the General Shareholders Assembly and shall not be subject to delegation.

1. Those listed in sections 2, and 18 of this article.

2. The acquisition, sale or encumbrance of strategic assets which the Board of Directors deems essential for the Company's business, or when such transaction or operation may effectively change the corporate purpose."

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NO. Explain:

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NA. Specify the rules that prevent you from adopting the recommendation:

Date of Implementation	March 31, 2016
Date of Modification	December 6, 2017

**Measure No. 9: Rules and Regulations of the General Shareholders' Meeting**

**9.1. The Company has in place the Rules and Regulations of the General Shareholders' Meeting** that regulate all issues that concern such body, from its summons to the preparation of the information that shareholders shall receive, attendance, and performance and exercise of the shareholders' political rights, in such a manner that they are perfectly informed of all policies for carrying out the Meeting sessions.

9.1 Measure Implemented                      YES                       NO                       N/A

YES. Briefly explain:

GEB S.A. ESP., has a regulations of the General Shareholders Meeting, approved at is ordinary meeting of the General Shareholders Meeting held in 2016.

The regulations has the purpose of regulated all matters inherent therein, from its call, to the preparation of the information that the shareholders shall receive, assistance, development and exercise of all political rights of the shareholders.

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NO. Explain:

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NA. Specify the rules that prevent you from adopting the recommendation:

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Date of Implementation	March 31, 2016
Date of Modification	December 6, 2017

**Measure No. 10: Summons of the Meeting.**

**10.1.** To facilitate the exercise of the shareholders' right to information, **the Bylaws provide for that the ordinary General Shareholders' Meeting must be summoned minimum thirty (30) calendar days in advance** and the extraordinary meetings **must be summoned minimum fifteen (15) calendar days in advance.** The above without prejudice to the legal terms sets forth for company reorganizations (for example, merger, spin-off or transformation).

10.1 Measure Implemented                      YES       NO       N/A

<p><b>YES. Briefly explain:</b></p> <p>Articles 45, 46 and 75 of the Bylaws of GEB S.A. ESP, establish that the summons for the Meeting of ordinary sessions will be made by the President or the Board of Directors of the Company, with advance notice of no less than thirty (30) calendar days until the date of the meeting and the special meetings will be summoned with no less than fifteen (15) calendar days in advance.</p>
<p><b>NO. Explain:</b></p>
<p><b>NA. Specify the rules that prevent you from adopting the recommendation:</b></p>

Date of Implementation	December 6, 2017
Date of Modification	Not applicable

**10.2.** In addition to the traditional, mandatory means provided for in the legal framework, **the Company ensures maximum dissemination and publicity of the summons** by using electronic means such as the corporate web page, alert messages through the individualized e-mail and, even, if it so deems convenient, through social networks.

10.2 Measure Implemented                      YES       NO       N/A

<p><b>YES. Briefly explain:</b></p> <p>GEB ensures the maximum dissemination and publicity for the summons to the General Shareholders Meeting, through mechanisms established in the following corporate documents</p> <ul style="list-style-type: none"> <li>Bylaws (article 46): <i>“Call to meetings: Calls to ordinary sessions of the Meeting shall be made by the CEO or the Board of Directors of the Company, at least thirty (30) common days prior to the meeting. Calls to extraordinary meetings shall be made at least fifteen (15) common days prior to the meeting. Paragraph one: In all cases, summons to shareholders shall be made by written notice addressed</i></li> </ul>
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*to each shareholders at the address registered in the central securities depository, or by means of an ad published in a newspaper of the Capital District and with widespread circulation throughout the country, and any of the two forms shall be equally valid.*

*The minutes of the respective meeting shall expressly indicate the manner in which the call to the meeting was made.”*

- Rules and Regulations of the General Shareholders’ Meeting (article 8: *“Form of notice: The following rules shall be followed with regard to the notice of ordinary as well as extraordinary meetings: a) In every case, the shareholders shall be convened through written notice sent to each of them to the address registered at the Centralized Securities Deposit or through notice published in a newspaper of wide circulation in the national territory and edited in the Capital District, both of which are valid. When technologically possible, the notice shall also be sent and disclosed through electronic means, but the fulfillment of this measure shall not constitute a requirement for the validity of the notice. Likewise, the Company shall publish the Assembly’s notice at its website [www.geb.com.co](http://www.geb.com.co).”*

NO. Explain:

NA. Specify the rules that prevent you from adopting the recommendation:

Date of Implementation	December 31, 2011
Date of Modification	March 31, 2016

**10.3.** For the purpose of increasing the transparency of the decision-making process during the General Meeting, in addition to the Agenda for the meeting including each and every issue to be considered, **the Company has provided for that, simultaneously with the summons or minimum fifteen (15) calendar days before the meeting, the Proposals for Agreement** that the Board of Directors shall submit to the General Shareholders’ Meeting for each issue in the Agenda are made available to shareholders.

10.3 Measure Implemented                      YES                       NO                       N/A

YES. Briefly explain:

The Regulations of the General Shareholders Meeting of GEB, in its article 22 about the publication of the information, provides: *“The Company shall make available to the shareholders the information described in the different sections of the notice for the entire term of said notice at the Company’s registered office and at the Company’s website [www.eeb.com.co](http://www.eeb.com.co), as well as the calls to the General Assembly of Shareholders and every additional document that should be disclosed to the shareholders prior to the meeting for the corresponding decision-making.”*

NO. Explain:

NA. Specify the rules that prevent you from adopting the recommendation:

Date of Implementation	December 31, 2011
Date of Modification	March 31, 2016

**10.4. 10.4. The improper spin-off may only be analyzed and approved by the General Shareholders’ Meeting when** said issue has been expressly included in the summons for the corresponding meeting.

10.4 Measure Implemented                      YES       NO                       N/A

<p><b>YES. Briefly explain:</b></p> <p>Article 58, section 18 of the Bylaws of GEB S.A. ESP, establish as functions of the General Shareholders Meetings: <i>The following matters shall be addressed and voted on by the General Shareholders Assembly, only when they have been expressly included in the summons to the meeting: 1) Change in the corporate purpose. 2) Waiver of the right of preference in subscribing shares. 3) Change of the principal domicile. 4) Early dissolution. 5) Business transformation. 6) Asset segregation or separation.</i></p>
<p><b>NO. Explain:</b></p>
<p><b>NA. Specify the rules that prevent you from adopting the recommendation:</b></p>

Date of Implementation	March 31, 2016
Date of Modification	

**10.5. 10.5. EI The Agenda proposed by the Board of Directors includes exactly the contents of the issues to be considered,** avoiding that significant issues are hidden or masked using ambiguous, generic, too general or broad mentions such as “others” or “proposals and miscellaneous”.

10.5 Measure Implemented                      YES       NO                       N/A

<p><b>YES. Briefly explain:</b></p> <p>The Regulations of the General Shareholders Meeting of GEB, in its article 8 about the manner of the call, provides: <i>“The following rules shall apply, both with regard to the notice of ordinary as well as extraordinary meetings: (...) c) c) The meeting’s agenda shall divide the different issues to be discussed, avoiding that relevant matters are hidden or masked under imprecise, generic, too-wide or general mentions, such as “others” or “proposals” and “various”, as to prevent confusion between topics and to give the agenda a logical sequence of subjects, except for the points that require joint discussion due to their connection, which shall be previously informed. The following matters shall be addressed and voted on by the General Shareholders Assembly, only when they have been expressly included in the summons to the meeting: 1) Change in the corporate purpose. 2) Waiver of the right of preference in subscribing shares. 3) Change of the principal domicile. 4) Early dissolution. 5) Business transformation. 6) Asset segregation or separation.”</i></p>
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In the ordinary meeting an item called "Propositions and miscellaneous" is included only for purposes of providing answers to the inquiries or propositions presented by the shareholders on the day of the Meeting. All items proposed by the Board of Directors and the Management are specified in the agenda.
NO. Explain:
NA. Specify the rules that prevent you from adopting the recommendation:

Date of Implementation	December 13, 2007
Date of Modification	March 31, 2016

**10.6. 10.6. In the case of modifications to the Bylaws, each article or group of articles** that are substantially independent is voted separately. In every case, one article is voted separately if any shareholder or group of shareholders, representing minimum five percent (5%) of the capital stock, so requests during the Meeting, which right is previously informed to shareholders.

10.6 Measure Implemented                      YES       NO       N/A

YES. Briefly explain:  The Regulations of the General Shareholders Meeting of GEB, in its article 8 about the manner of the call, provides: <i>"In the case of modifications to the Bylaws, each article or group of articles that are substantially independent is voted separately. In every case, one article is voted separately if any shareholder or group of shareholders, representing minimum five percent (5%) of the capital stock, so requests during the Meeting, which right is previously informed to shareholders."</i>
NO. Explain:
NA. Specify the rules that prevent you from adopting the recommendation:

Date of Implementation	March 31, 2016
Date of Modification	

**10.7. 10.7.** Without prejudice to the provisions in the Commercial Code Article 182, for the purpose of reinforcing and ensuring the shareholders' right to inspection and information before the Meeting, the Bylaws acknowledge the shareholders' right, regardless of their shareholding, to propose the introduction of one or more issues to be discussed in the Agenda of the General Shareholders' Meeting, within a reasonable limit and provided that the request for new issues is justified. The request by shareholders must be made within five (5) calendar days of publication of the summons.

10.7 Measure Implemented YES  NO  N/A

YES. Briefly explain:
NO. Explain:  The decision to adopt the recommendation is currently being studied. If approved, it will be developed as part of the strengthening of GEB's Corporate Governance.
NA. Specify the rules that prevent you from adopting the recommendation:

Date of Implementation	Not applicable
Date of Modification	Not applicable

**10.8.** If the request is rejected by the Board of Directors, it must respond in writing the requests supported by minimum five percent (5%) of the capital stock, or a lower percentage set forth by the Company based on the degree of concentration of ownership, explaining the reasons for its decision and informing shareholders that they are entitled to submit their proposals during the Meeting pursuant to the provisions in the above-mentioned Commercial Code Article 182.

10.8 Measure Implemented YES  NO  N/A

YES. Briefly explain:
NO. Explain:  The decision to adopt the recommendation is currently being studied. If approved, it will be developed as part of the strengthening of GEB's Corporate Governance.
NA. Specify the rules that prevent you from adopting the recommendation:

Date of Implementation	Not applicable
Date of Modification	Not applicable

**10.9.** In the event that the Board of Directors accepts the request, once the time for shareholders to propose issues according to the above recommendations has expired, a supplement to the summons to the General Shareholders' Meeting is published minimum fifteen (15) calendar days before the meeting.

10.9 Measure Implemented YES  NO  N/A

YES. Briefly explain:
NO. Explain: The decision to adopt the recommendation is currently being studied. If approved, it will be developed as part of the strengthening of GEB's Corporate Governance.
NA. Specify the rules that prevent you from adopting the recommendation:

Date of Implementation	Not applicable
Date of Modification	Not applicable

**10.10.** Within the same term stated in number 10.7., shareholders may also submit new supported Proposals for Agreement regarding issues already previously included in the Agenda. As to such requests, the Board of Directors acts in a similar manner as foreseen in numbers 10.8 and 10.9 above.

10.10 Measure Implemented                      YES                         NO                         N/A  

YES. Briefly explain:
NO. Explain: The decision to adopt the recommendation is currently being studied. If approved, it will be developed as part of the strengthening of GEB's Corporate Governance.
NA. Specify the rules that prevent you from adopting the recommendation:

Date of Implementation	Not applicable
Date of Modification	Not applicable

**10.11.** The Company undertakes to use the electronic communication means, mainly the corporate web page with exclusive access to shareholders, **to deliver shareholders** the documents and information associated with each of the items in the Agenda for the meeting.

10.11 Measure Implemented                      YES                         NO                         N/A  

YES. Briefly explain: GEB applies the recommendation through the provisions contained in article 8 of the Regulations of the General Shareholders Meeting: <i>The following rules shall be followed with regard to the notice of ordinary as well as extraordinary meetings:</i>
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a) *In every case, the shareholders shall be convened through written notice sent to each of them to the address registered at the Centralized Securities Deposit or through notice published in a newspaper of wide circulation in the national territory and edited in the Capital District, both of which are valid. When technologically possible, the notice shall also be sent and disclosed through electronic means, but the fulfillment of this measure shall not constitute a requirement for the validity of the notice. Likewise, the Company shall publish the Assembly's notice at its website [www.geb.com.co](http://www.geb.com.co).*

Further to the above, GEB has the following link <https://www.grupoenergiabogota.com/informacion-corporativa/gobierno-corporativo/asamblea-general-de-accionistas> through which it provides to the shareholders, the necessary information, within the framework of the General Shareholders Assembly.

NO. Explain:

NA. Specify the rules that prevent you from adopting the recommendation:

Date of Implementation	December 31, 2011
Date of Modification	December 31, 2017

**10.12. The Company Bylaws recognize the shareholders' right to request sufficiently in advance information or clarifications they deem relevant,** using the traditional channels and/or, when applicable, new technologies, or to submit the questions they deem necessary in writing regarding the issues included in the Agenda, the documentation received, or the public information facilitated by the Company. Regarding the term chosen by the Company to summons the General Shareholders' Meeting, the Company determines the period within which shareholders may exercise such right.

10.12 Measure Implemented                      YES                       NO                       N/A

**YES. Briefly explain:**

Paragraph two of article 46 of the Bylaws and literal a) of article 23 of the Regulations of the General Shareholders Meeting establish: *“During the notice term and up to 5 business days prior to the date provided for the holding of the Assembly,. the shareholders shall have the right to request additional information or clarification regarding the points established in the meeting’s agenda, the documents received or about the public information provided by the company.”*

The procedure for the shareholders to request information with respect to the matters included in the Meeting’s agenda, the documentation received or about the public information facilitated by the company in advance to the Meeting, is established in article 23 of the Regulations of the Shareholders Meeting, in the following terms:

*“Procedure to exercise certain shareholder's rights:*

a) *During the notice term and up to 5 business days prior to the date provided for the holding of the Assembly, the shareholders shall have the right to request additional information or clarification regarding the points established in the meeting’s agenda, the documents received or about the public information provided by the company.”*

- b) *Regardless of the request made by the shareholders based upon the provisions of the previous item, this request shall be submitted whether through the Investor Center Internet service or directly at the Investor Center office. The requests shall include a justification of the reasons thereof.*
- c) *The requests submitted in a timely fashion and duly supported shall be studied for a period not to exceed two (2) calendar days, after which a decision shall be made.  
The shareholder making the request shall provide an email address to send the response to said request.*
- d) *When the Company decides to provide additional information or a clarification regarding the points included in the meeting's agenda, such information or clarification shall be made available to all shareholders through the Company's website.*
- e) *The Company may refuse to provide the information requested by any given shareholder when this can be classified as i) unreasonable;*
  - ii) *irrelevant to obtain knowledge regarding the Company's progress or interests;*
  - iii) *confidential, which includes privileged information in the stock market domain, industrial secrets, ongoing operations, the good results of which depend considerably on the secret of their negotiation; and iv) others, the disclosure of which puts the Company's competitiveness in imminent and serious danger.*
- f) *The Company's refusal to provide information or clarification shall be duly reasoned.."*

NO. Explain:

NA. Specify the rules that prevent you from adopting the recommendation:

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Date of Implementation	March 31, 2016
Date of Modification	December 6, 2017

**10.13. The Company has foreseen that the requests for information can be rejected if,** pursuant to internal procedures, such information may be qualified as: i) unreasonable; ii) irrelevant in order to become familiar with the course or the interests of the Company; iii) confidential, which shall include privileged information in the context of the securities market, trade secrets, the operations in course which good end for the company depends substantially on the secret of its negotiation; and iv) other kinds of information whose disclosure may jeopardize the Company's competitiveness.

10.13 Measure Implemented                      YES                       NO                       N/A

YES. Briefly explain:

Article 23 of the Regulations of the General Shareholders' Meeting, provide:

"Procedure to exercise certain shareholder's rights:

(...)

- e) *The Company may refuse to provide the information requested by any given shareholder when this can be classified as i) unreasonable; ii) irrelevant to obtain knowledge regarding the Company's progress or interests; iii) confidential,*

<i>industrial secrets, ongoing operations, the good results of which depend considerably on the secret of their negotiation; and iv) others, the disclosure of which puts the Company's competitiveness in imminent and serious danger."</i>
NO. Explain:
NA. Specify the rules that prevent you from adopting the recommendation:

Date of Implementation	March 31, 2016
Date of Modification	

**10.14.** Whenever the response given to a shareholder can give the same an advantage, the **Company ensures access to such response to the other** shareholders simultaneously according to the mechanisms established for such purpose and under the same conditions.

10.14 Measure Implemented                      YES                       NO                       N/A

<p><b>YES. Briefly explain:</b></p> <p>Article 23 of the Regulations of the General Shareholders' Meeting, provide:</p> <p><i>"Procedure to exercise certain shareholder's rights:</i>  <i>(...)</i>  <i>d. When the Company decides to provide additional information or a clarification regarding the points included in the meeting's agenda, such information or clarification shall be made available to all shareholders through the Company's website."</i></p> <p>Likewise, the Corporate Governance Code in sections ii) of literal a) of Title I. Shareholders, establishes:</p> <p><i>"ii. To receive timely and sufficient information. The shareholders have the right to receive due and effective responses to their information requests, in accordance with the provisions of the present Code and other internal rules of GEB S.A. ESP. Nevertheless, All information that is of interest for other investors or that must be disseminated as relevant information shall be made available via the website and in compliance with regulations applicable to securities issuers.."</i></p>
NO. Explain:
NA. Specify the rules that prevent you from adopting the recommendation:

Date of Implementation	March 31, 2016
Date of Modification	

**Measure No. 11: Regulation of Representation**

**11.1.** Without prejudice to the limitations set forth in Commercial Code Article 185, External Circular 24 of 2010, and the rules that modify,

supplement or substitute the same, the Company does not limit the shareholder's right to be represented at the General Shareholders' Meeting, being able to delegate his/her vote to any person, whether such person is a shareholder or not.

11.1 Measure Implemented YES  NO  N/A

**YES. Briefly explain:**

The right of shareholders to represent themselves at the Meeting is established in the following documents:

- Article 53 of the Bylaws: *"Non-applicability of restrictions to voting rights: There will be no restrictions on voting rights, with the exception of those preferred dividends and no voting rights.."*
- Section 1 of Article 29 of the Regulations of the General Shareholders' Meeting: *"Except for the legal restrictions, the shareholders may be represented through powers of attorney granted in writing and conferred legally, indicating the name of the attorney, the alternate, if any, and the date or time of the meeting or meetings for which it is conferred, except for the legal limitations.."*

**NO. Explain:**

**NA. Specify the rules that prevent you from adopting the recommendation:**

Date of Implementation	December 31, 2007
Date of Modification	March 31, 2016

**11.2. The Company minimizes the use of blank vote delegations, without voting instructions**, by actively encouraging the use of a standard model for a representation letter that the Company itself sends to the shareholders or publishes on its web page. The model includes the items in the Agenda and the corresponding Proposals for Agreement determined according to the procedure previously established and which shall be submitted to the consideration of shareholders, for the shareholder, if he/she shall deem convenient, to state his/her vote, in each case, to his/her representative.

11.2 Measure Implemented YES  NO  N/A

**YES. Briefly explain:**

Section 2 of Article 29 of the Regulations of the General Shareholders' Meeting: *"The Company shall not support the use of delegations of blank voting, without voting instructions, and it shall promote the use of a standard model of letter of representation, which shall be supplied to the shareholders along with the notice or will be published in the Company's website. Such model shall include the items on the meeting's agenda and the corresponding proposals of agreement as determined by the Board of Directors which shall be submitted for the consideration of the shareholders with the purpose that said shareholders, if they consider it convenient, indicate for each case, the meaning of their vote to their representative."*

**NO. Explain:**

NA. Specify the rules that prevent you from adopting the recommendation:	
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Date of Implementation	March 31, 2016
Date of Modification	December 6, 2017

**Measure No. 12: Attendance of Persons other than Shareholders.**

**12.1.** For the purpose of revitalizing the role of the General Meeting in the composition of the company's will, and to make the Meeting a more participatory body, the Rules and Regulations of the Meeting of the Company **require that the members of the Board of Directors and, especially, the Chairmen to the Board of Directors Committees, as well as the Company's President,** attend the Meeting to respond to the concerns of shareholders.

12.1 Measure Implemented

YES

NO

N/A

<p><b>YES. Briefly explain:</b></p> <p>The attendance to the General Shareholders Meeting is regulated in section 3 of article 19, of the Regulations of the General Shareholders Meeting, in the following terms: <i>"The members of the Board of Directors, as well as the CEO of the Company, shall be invited to the Assembly to address the concerns of the shareholders regarding matters that directly affect them.."</i></p>
<p><b>NO. Explain:</b></p>
<p><b>NA. Specify the rules that prevent you from adopting the recommendation:</b></p>

Date of Implementation	December 6, 2017
Date of Modification	

II. BOARD OF DIRECTORS

Measure No. 13: Functions of the Board of Directors.

13.1. The Bylaws expressly provide for the functions that cannot be delegated to the Senior Management, including the functions established in recommendation 13.1.

13.1 Measure Implemented YES  NO  N/A

**YES. Briefly explain:**

The functions of the Board of Directors that cannot be delegated to the Senior Management are established in paragraph 1 of article 66 of the Bylaws, as follows:

*“Notwithstanding that the Board may, for its performance, rely on the efforts of the Committees, the Board of Directors shall not delegate to management the functions listed in the following sub-sections of this article: 1, 2, 4, 6, 8, 9, 10, 11, 12, 22, 25, 29, 30, 31, 32, 34, 35, 36, 37, 38 and 39.”*

These functions that cannot be delegated to the Senior Management, are established in recommendation 13.1.

**NO. Explain:**

**NA. Specify the rules that prevent you from adopting the recommendation:**

Date of Implementation	March 31, 2016
Date of Modification	December 6, 2017

13.2. Without prejudice to the autonomy of the governance bodies of the Subordinate Companies, when the Company acts as the parent company of a Conglomerate, such functions of the Board of Directors are focused on the group and are performed through general policies, guidelines or requests for information that respect the balance between the interests of the parent company and the subordinates and the interests of the Conglomerate as a whole.

13.2 Measure Implemented YES  NO  N/A

**YES. Briefly explain:**

The functions of the Board of Directors that have a group scope, are established in article 66 of the Bylaws, as follows:

*“The Board of Directors shall have the following duties and functions:*

4. *Set the administrative and management policies of the corporate businesses of Grupo Energía Bogotá S.A ESP, such as approving investments, disinvestments and all types of operations that may be considered strategic or that fall within the amount set forth in article 71 of these Bylaws, or that affect strategic assets or liabilities of the Company, as well as administrative and management policies for the corporate businesses*

- as the parent company of its Business Group.
22. Approve the governance model of Grupo Energía Bogotá, the Corporate Governance Policy and specific measures on Company governance, conduct and information, in order to ensure that the rights of those who invest in its shares or any other securities are protected, as well as adequately manage their matters and public information on performance, and submit to the General Shareholders Assembly, jointly with the CEO, a report on the above matters.
  29. Approve the Business Group Agreement to be entered into by Grupo Energía Bogotá S.A ESP and its subsidiaries, and any amendments thereof.
  30. Make decisions based on a group policy, taking into consideration the interests of the Company and its subsidiaries."
  34. Review and approve the operations carried out by the Company with affiliated parties or with persons related thereto as well as to Companies of the Conglomerate to which it belongs (according to the definition of affiliated parties adopted by the Corporate Governance Code)"

Likewise, the Business Group Agreement, issued in 2017, indicates that: "Regarding Board of Directors, GEB is committed with the adoption and continuous update of good practices and ensures that these are applied harmoniously throughout all of the Companies of the Group. In this sense:

- Joint meetings of the Board of Directors and Committees of the Boards of the Companies can be held, when required, without implying a transfer of responsibilities.
- The company expects there to be monthly meetings of the Board of Directors of GEB, in order to obtain consolidated and updated information that allows for it to have an effective strategic direction of the Group".

NO. Explain: \_\_\_\_\_

NA. Specify the rules that prevent you from adopting the recommendation:

Date of Implementation	Abril 28, 2016
Date of Modification	August 31, 2017:

**Measure No. 14: Rules and Regulations of the Board of Directors.**

**14.1. The Board of Directors has approved the internal rules and regulations** that regulates its organization and operation, as well as the functions and responsibilities of its members, of the Chairman and the Secretary of the Board of Directors, and their duties and rights. Such rules and regulations shall be disseminated among shareholders and are binding on the members of the Board of Directors

14.1 Measure Implemented

YES

NO

N/A

YES. Briefly explain:

The Board of Directors of GEB, has operating regulations, approved by the Board of Directors at its ordinary meeting held on April 28, 2016.

The regulations are published at the company's website at

<https://www.grupoenergiabogota.com/informacion-corporativa/gobierno-corporativo/junta-directiva>

NO. Explain: _____	
NA. Specify the rules that prevent you from adopting the recommendation:	

Date of Implementation	Abril 28, 2016
Date of Modification	December 6, 2017

**Measure No. 15: Size of the Board of Directors.**

**15.1.** The Company has made the statutory decision to not designate Deputy Members for the Board of Directors.

15.1 Measure Implemented                      YES                         NO                         N/A  

YES. Briefly explain:	
NO. Explain: The decision to adopt the recommendation is currently being studied. If approved, it will be developed as part of the strengthening of GEB's Corporate Governance.	
NA. Specify the rules that prevent you from adopting the recommendation:	
Date of Implementation	Not applicable
Date of Modification	Not applicable

**Measure No. 16: Composition of the Board of Directors**

**16.1.** Based on the premise that, after they have been elected, all of the members of the Board of Directors act for the benefit of the Company while exercising maximum transparency, **the Company identifies the origin of the different members of the Board of Directors according to the scheme defined in recommendation 16.1.**

16.1 Measure Implemented                      YES                         NO                         N/A  

YES. Briefly explain:  GEB has incorporated in article 2 of the Regulations of the Board of Directors, the composition of its Board of Directors, including the origin of its members:  <i>“Composition of the Board of Directors: The Board of Directors shall be integrated by the following members: 1. Independent Members: Those who fulfill the conditions indicated by the Law and these Regulations. 2. Proprietary Members: Those who are not independent and have been expressly nominated by a shareholder (natural or legal person) or a group of shareholders, to integrate the Board of Directors. 3. Executive Members: Those who also have the condition of legal representatives or members of the top management, who participate in the Company’s daily activities. Paragraph: The Independent and Proprietary Members shall always represent a majority with respect to the Executive Members</i> ”
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<i>the number of which, in the case of integrating the Board of Directors, is the minimum necessary to meet the needs of information and coordination between the Board of Directors and the Company's top management. In no case shall the Executive Members become members of the Board's Committees.."</i>	
NO. Explain:	
NA. Specify the rules that prevent you from adopting the recommendation:	
Date of Implementation	Abril 28, 2016
Date of Modification	

**16.2. The Company has established a procedure** that is coordinated through the Appointment and Remuneration Committee or any other that fulfills its functions, which, through its own dynamics and the conclusions of the annual evaluations, enables the Board of Directors to achieve the objectives stated in recommendation 16.2.

16.2 Measure Implemented                      YES       NO                       N/A

<p><b>YES. Briefly explain:</b></p> <p>GEB has a procedure for the formation of the Board of Directors, enshrined through its Compensations Committee and regulated through the following corporate documents:</p> <ul style="list-style-type: none"> <li>Rules and Regulations of the Board of Directors (article 3): <i>"Election: The Board of Directors is elected through the electoral quotient procedure by the General Assembly of Shareholders. The Board of Directors, according to Article 19, numeral 16, Act 142 of 1994, shall be integrated by expressing proportionally the share ownership. The Board of Directors shall be integrated by people with the finest professional and personal qualities. For their election, the General Assembly of Shareholders shall consider different criteria such as: (i) their experience in the finances sector, law or similar sciences and/or activities related to the public service sector and/or the operations performed by the Company, (ii) their profile, including track record, recognition, prestige, availability, leadership, their professional suitability and integrity. The evaluation of the suitability of the candidates to integrate the Board of Directors and the fulfillment of the applicable requirements shall be performed prior to their election, in the terms indicated in the Regulations of the General Assembly of Shareholders. Pursuant to Articles 379, numeral 1 of the Code of Commerce, and 18 of the Assembly Regulations, in order to facilitate their legal right to nominate candidates, the shareholders may subject the Board of Directors' candidates to the verification of the requirements by a Compensation Committee, which shall submit a report to the Assembly regarding the fulfillment of said requirements, prior to the election. In case there was no procedure performed by the Compensation Committee, the shareholder proposing the candidate shall have to carry out the corresponding analysis and submit it to the Shareholders' Assembly before the voting process. When a member of the Board of Directors is appointed for the first time, he/she must undergo an induction process, which includes the provision of the information necessary to acquire sufficient knowledge regarding the Company and the sector, as well as information related to the responsibilities, obligations and roles of the</i></li> </ul>
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position.”

- Regulations of the Compensation Committee (article 9):  
*“Paragraph two: The evaluation of the suitability of the candidates to integrate the Board of Directors and the fulfillment of the applicable requirements shall be performed prior to their election, in the terms indicated in the Regulations of the General Assembly of Shareholders.  
 Paragraph three: Pursuant to Articles 379, numeral 1 of the Code of Commerce, and 18 of the Assembly Regulations, in order to facilitate their legal right to nominate candidates, the shareholders may subject the Board of Directors’ candidates to the verification of the requirements by a Compensation Committee, which shall submit a report to the Assembly regarding the fulfillment of said requirements, prior to the election.  
 In case there was no procedure performed by the Compensation Committee, the shareholder proposing the candidate shall have to carry out the corresponding analysis and submit it to the Shareholders’ Assembly before the voting process.*
- Rules and Regulations of the General Shareholders’ Meeting (article 18):  
*“Accreditation of quality to become a member of the board of directors. Candidates to the membership of the Board of Directors, whether independent or remaining, shall submit the documents allowing the Board of Directors’ Compensation and Corporate Governance Committees to verify the qualities and requirements applicable to each member category. During the respective meeting of the Shareholders’ Assembly, a report of the Compensation and Corporate Governance Committees shall be submitted, which shall inform the shareholders regarding the fulfillment of the conditions and requirements by the candidates.”*

NO. Explain: \_\_\_\_\_

NA. Specify the rules that prevent you from adopting the recommendation:

Date of Implementation	June 20, 2016
Date of Modification	

**16.3. The Board of Directors inform shareholders of the professional profiles identified as necessary,** in such a manner that the different actors, mainly controlling, significant shareholders; families, groups of shareholders, and institutional shareholders, if any, and the Board of Directors itself, are able to identify the most suitable candidates.

16.3 Measure Implemented                      YES                       NO                       N/A

YES. Briefly explain:

The professional profile required for the candidates to be members of the Board of Directors is established in article 3 of the Rules and Regulations of the Board of Directors, as follows: *“Election: The Board of Directors, according to Article 19, numeral 16, Act 142 of 1994, shall be integrated by expressing proportionally the share ownership.*

*The Board of Directors shall be integrated by people with the finest professional and personal qualities. For their election, the General Assembly of Shareholders shall consider different criteria such as: (i) their experience in the finances sector, law or similar sciences and/or*

*activities related to the public service sector and/or the operations performed by the Company, (ii) their profile, including track record, recognition, prestige, availability, leadership,*

*their professional suitability and integrity."*

Likewise, the Business Group Agreement, issued in 2017, indicates that: *"It shall be ensured that the majority of persons that GEB S.A. ESP has the right to nominate for members of the Board of Directors of the GEB companies, shall be collaborators of GEB S.A. ESP. The boards shall be integrated by persons with the highest professional and personal standards for which it shall be observed the provisions in the Succession Policy of the Board of Directives with the following general criteria? (i) their experience in the finances sector, law or similar sciences and/or activities related to the public service sector and/or the operations performed by the Company, (ii) their profile, including track record, recognition, prestige, availability, leadership, their professional suitability and integrity. Likewise, the aim is that the Presidency of the Boards of Directors of the Subsidiaries is led by the Presidency of GEB S.A. ESP and/or the Vice Presidency of the respective GEN".*

NO. Explain:

NA. Specify the rules that prevent you from adopting the recommendation:

Date of Implementation	September 15, 2005.
Date of Modification	August 31, 2017:

**16.4. The Company considers that the sole evaluation of the resumes by** shareholders is not sufficient to determine the suitability of candidates. As a result, the Company has an internal procedure to evaluate legal incompatibilities and inabilities and the candidate's suitability to the needs of the Board of Directors, by evaluating a set of criteria that the operational, personal candidates' profiles must meet, and by verifying compliance with some objective requirements to be a Board of Directors and other additional requirements to be an Independent Member.

16.4 Measure Implemented

YES

NO

N/A

YES. Briefly explain:

According to the provisions in section 2 of article 58 of the Bylaws, a function of the General Shareholders Meeting is to *"Freely appoint and remove members of the Board of Directors and the Statutory Auditor, and set their respective remuneration based on the recommendation of the Board of Directors and the studies of the respective committees, and approve the Policy Nomination, Succession and Remuneration of the Board of Directors."*

Article 18 of the Regulations of the General Shareholders Meeting, states that, *"Candidates to the membership of the Board of Directors, whether independent or remaining, shall submit the documents allowing the Board of Directors' Compensation and Corporate Governance Committees to verify the qualities and requirements applicable to each member category. During the respective meeting of the Shareholders' Assembly, a report of the Compensation and Corporate Governance Committees shall be submitted, which shall inform the shareholders regarding the fulfillment of the conditions and requirements by the candidates."*

On its part, article 3 of the Regulations of the Board of Directors states that:

*"ARTICLE 3.- ELECTION: The Board of Directors is elected through the electoral quotient procedure by the General Assembly of Shareholders.*

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*The Board of Directors, according to Article 19, numeral 16, Act 142 of 1994, shall be integrated by expressing proportionally the share ownership.*

*The Board of Directors shall be integrated by people with the finest professional and personal qualities. For their election, the General Assembly of Shareholders shall consider different criteria such as: (i) their experience in the finances sector, law or similar sciences and/or activities related to the public service sector and/or the operations performed by the Company, (ii) their profile, including track record, recognition, prestige, availability, leadership, their professional suitability and integrity.*

*The evaluation of the suitability of the candidates to integrate the Board of Directors and the fulfillment of the applicable requirements shall be performed prior to their election, in the terms indicated in the Regulations of the General Assembly of Shareholders.*

*Pursuant to Articles 379, numeral 1 of the Code of Commerce, and 18 of the Assembly Regulations, in order to facilitate their legal right to nominate candidates, the shareholders may subject the Board of Directors' candidates to the verification of the requirements by a Compensation Committee, which shall submit a report to the Assembly regarding the fulfillment of said requirements, prior to the election. In case there was no procedure performed by the Compensation Committee, the shareholder proposing the candidate shall have to carry out the corresponding analysis and submit it to the Shareholders' Assembly before the voting process."*

Likewise, sections 9 and 10 of article 9 of the Regulations of the Compensations Committee establishes as its functions: "Propose and review the criteria that will be set forth for shareholders' consideration for the assessment of the candidates' suitability to become a Board member, as and when required by the shareholder." and "Recommend the profiles and competencies required of its members to the Board of Directors so that in turn they inform the Shareholders' Assembly of them."

Article 24 of the General Shareholders Meeting, regulates the "Special Information About the Election of the Members of the Board of Directors", as follows: "When the agenda for the respective meeting includes the appointment of the members of the Board of Directors, the Company shall make available to the shareholders the list of candidates with their respective résumé, in order to verify their compliance with the applicable requirements, depending on their condition of independent or remaining members, at the Company's main registered address and the website [www.eeb.com.co](http://www.eeb.com.co). For such purpose, the shareholders shall submit their proposals within the term established in these regulations."

Likewise, article 21 of the Regulations of the Board of Directors establish the measures to evaluate the incompatibilities and inabilities of legal nature for the candidates to the Board of Directors:

*"Notwithstanding the inabilities and incompatibilities provided by the law, those involved in any of the following situations shall not be able to become members of the Board of Directors:*

1. *The Board of Directors shall not be integrated by*

people connected by marriage or de facto marital union, or linked by kinship with each other, or with the President, or with any other Management employee in a position of trust, within the fourth degree of consanguinity or second of affinity or first civil.

2. The Board of Directors shall not be integrated by people in positions or functions of representation, management or consulting in competing companies or those in the aforementioned positions or functions in companies that hold a dominant or controlling position over competing companies.
3. The Board of Directors shall not be integrated by those who, either directly or through third parties, fulfill positions or are representatives or are linked to entities which are clients or regular suppliers of goods and services for the Company, as long as this condition may create a conflict or collision of interest with the Company.
4. No person shall be appointed or shall be able to exercise simultaneously, a managing position in more than five (5) boards of directors.
5. The Board of Directors shall not be integrated by those who have any kind of pending litigation with the Company.
6. The Board of Directors shall not be integrated by those who have provided services to the regulatory commissions or the Superintendence of Public Services within the last year prior to their appointment as members of the Board of Directors, nor those whose spouse, life-partner or relatives within the third degree of consanguinity, second of affinity or first civil have provided services to the aforementioned entities.
7. The Board of Directors shall not be integrated by those who own, either directly or through intermediaries, more than one percent (1%) of the shares of a public service Company.
8. The Board of Directors shall not be integrated by those who have been convicted for crimes against the public administration, the administration of justice or the public trust, or those sentenced to custodial penalties for any crime, except for negligent and political offenses.
9. The Board of Directors shall not be integrated by those who are suspended from the exercise of their professional duties or would have been suspended due to a serious fault or are excluded from the practice thereof.
10. The Board of Directors shall not be integrated by those who as public employees of any order would have been suspended twice or otherwise dismissed..”

The qualities of the independent members of the Board of Directors are verified in accordance with the provisions in paragraph 2 of article 44 of Law 964 of 2005 and article 8 of the Regulations of the Board of Directors about independent members.

NO. Explain:

NA. Specify the rules that prevent you from adopting the recommendation:

Date of Implementation	Abril 28, 2016
Date of Modification	December 6, 2017

**16.5.** 16.5. In addition to the Independence requirements already provided for in Law 964 of 2005, the Company has voluntarily adopted a definition of independence that is more rigorous Such definition has been adopted as reference framework through the Rules and Regulations of the Board of Directors, and includes, among other

requirements that must be assessed, any type of relations or ties of the candidate to be an Independent Member



among the different member categories, present their candidates, and accept that the expertise of their candidates be evaluated by the Appointment and Remuneration Committee before voting at the General Shareholders' Meeting

16.6 Measure Implemented YES  NO  N/A

**YES. Briefly explain:**

The centralization and coordination of the process of conformation of the Board of Directors of GEB S.A. ESP., is established in the following corporate documents:

- Rules and Regulations of the Board of Directors (article 3): *"The evaluation of the suitability of the candidates to integrate the Board of Directors and the fulfillment of the applicable requirements shall be performed prior to their election, in the terms indicated in the Regulations of the General Assembly of Shareholders. Pursuant to Articles 379, numeral 1 of the Code of Commerce, and 18 of the Assembly Regulations, in order to facilitate their legal right to nominate candidates, the shareholders may subject the Board of Directors' candidates to the verification of the requirements by a Compensation Committee, which shall submit a report to the Assembly regarding the fulfillment of said requirements, prior to the election. In case there was no procedure performed by the Compensation Committee, the shareholder proposing the candidate shall have to carry out the corresponding analysis and submit it to the Shareholders' Assembly before the voting process."*
- Regulations of the Compensation Committee (article 9): 10): *"It is a function of the committee to recommend to the Board of Directors the profiles and competencies required of its members to the Board of Directors so that in turn they inform the Shareholders' Assembly of them."*

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**NO. Explain:**

**NA. Specify the rules that prevent you from adopting the recommendation:**

Date of Implementation	June 20, 2016
Date of Modification	

**16.7. The Rules and Regulations of the Board of Directors provide that the evaluation of the candidates suitability is to be carried out before holding the General Shareholders' Meeting, in such a manner that shareholders have sufficient information available (personal qualities, suitability, trajectory, experience, honesty, etc.) regarding the proposed candidates and sufficiently in advance to enable proper evaluation.**

16.7 Measure Implemented YES  NO  N/A

**YES. Briefly explain:**

The Rules and Regulations of the Board of Directors of GEB S.A. ESP., in its article 3, provides that: *"The Board of Directors, according to Article 19, numeral 16, Act 142 of 1994, shall be integrated by expressing proportionally the share ownership. The Board of Directors shall be integrated by people with the finest professional and personal qualities. For their election, the General Assembly of Shareholders shall consider different criteria such as: (i) their experience in the finances sector, law or similar sciences and/or activities related to the public service sector and/or the operations performed by the Company, (ii) their profile, including track record, recognition, prestige, availability, leadership, their professional suitability and integrity. The evaluation of the suitability of the candidates to integrate the Board of Directors and the fulfillment of the applicable requirements shall be performed prior to their election, in the terms indicated in the Regulations of the General Assembly of Shareholders.*

*Pursuant to Articles 379, numeral 1 of the Code of Commerce, and 18 of the Assembly Regulations, in order to facilitate their legal right to nominate candidates, the shareholders may subject the Board of Directors' candidates to the verification of the requirements by a Compensation Committee, which shall submit a report to the Assembly regarding the fulfillment of said requirements, prior to the election. In case there was no procedure performed by the Compensation Committee, the shareholder proposing the candidate shall have to carry out the corresponding analysis and submit it to the Shareholders' Assembly before the voting process. When a member of the Board of Directors is appointed for the first time, he/she must undergo an induction process, which includes the provision of the information necessary to acquire sufficient knowledge regarding the Company and the sector, as well as information related to the responsibilities, obligations and roles of the position."*

Likewise, article 18 of the Regulations of the General Shareholders Meeting, states that, *"Candidates to the membership of the Board of Directors, whether independent or remaining, shall submit the documents allowing the Board of Directors' Compensation and Corporate Governance Committees to verify the qualities and requirements applicable to each member category. During the respective meeting of the Shareholders' Assembly, a report of the Compensation and Corporate Governance Committees shall be submitted, which shall inform the shareholders regarding the fulfillment of the conditions and requirements by the candidates."*

On its part, article 22 of the Regulations of the General Shareholders Meeting, state that, *"The Company shall make available to the shareholders the information described in the different sections of the notice for the entire term of said notice at the Company's registered office and at the Company's website [www.eeb.com.co](http://www.eeb.com.co), as well as the calls to the General Assembly of Shareholders and every additional document that should be disclosed to the shareholders prior to the meeting for the corresponding decision-making."*

NO. Explain:

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NA. Specify the rules that prevent you from adopting the recommendation:

Date of Implementation	Abril 28, 2016
Date of Modification	December 6, 2017

**Measure No. 17: Functional structure of the Board of Directors.**

**17.1. 17.1.** The Rules and Regulations of the Board of Directors provide for that Independent Members and Equity Members must always be majority as compared to Executive Members, whose number,



*electoral quotient system, of which 25% of its members must be independent, as defined*

by law and the Company's Corporate Governance Code.”
NO. Explain: _____
NA. Specify the rules that prevent you from adopting the recommendation:

Date of Implementation	December 31, 2005
Date of Modification	

**Measure No. 18: Organization of the Board of Directors.**

**18.1. The Bylaws provide for the functions of the Board of Directors Chairman and his/her main responsibilities are established in recommendation 18.1.**

18.1 Measure Implemented                      YES        NO        N/A   

<p><b>YES. Briefly explain:</b></p> <p>The functions of the Chairman of the Board of Directors are described in the paragraph of article 63 of the Bylaws, as follows:</p> <p><i>“Paragraph: The following are the functions and main duties of the Chairman of the Board of Directors:</i></p> <ul style="list-style-type: none"> <li><i>i. Ensure that the Board of Directors sets and effectively implements the strategic direction of the Company.</i></li> <li><i>ii. Promote governance action at the Company, acting as a liaison between shareholders and the Board of Directors.</i></li> <li><i>iii. Plan the operations of the Board of Directors by establishing an annual work plan.</i></li> <li><i>iv. Preside over the meetings and moderate debates.</i></li> <li><i>v. Ensure execution of the agreements of the Board of Directors and follow up on its duties and decisions.</i></li> </ul> <p>Likewise, article 7 of the Rules and Regulations of the Board of Directors, state the following as function and main responsibilities of the Chairman of the Board of Directors:</p> <ul style="list-style-type: none"> <li><i>“1. Ensure that the Board of Directors sets and effectively implements the strategic direction of the Company.</i></li> <li><i>2. Promote governance action at the Company, acting as a liaison between shareholders and the Board of Directors.</i></li> <li><i>3. Plan the actions of the Board of Directors through the establishment of an annual work plan, based upon the Management proposal.</i></li> <li><i>4. Preside over the meetings and moderate debates.</i></li> <li><i>5. Ensure execution of the agreements of the Board of Directors and follow up on its duties and decisions.</i></li> <li><i>6. Supervise the active participation of the Board of Directors’ members.</i></li> <li><i>7. Authorize the presence of Company’s officials or special guests at the sessions for the deliberation of specific issues.</i></li> <li><i>8. Maintain constant communication with the Company’s Presidency in order to monitor the fulfillment of the commitments and agreements acquired.</i></li> </ul>
NO. Explain:

NA. Specify the rules that prevent you from adopting the recommendation:

Date of Implementation	Abril 28, 2016
Date of Modification	

**18.2.** The internal regulations of the Company provide for the possibility that the Board of Directors Chairman receives a differentiated treatment as compared to other members regarding both his/her obligations and remuneration as a result of the scope of his/her specific functions and his/her greater devotion of time.

18.2 Measure Implemented                      YES       NO       N/A

YES. Briefly explain:
NO. Explain:  The Chairman of the Board of Directors of GEB S.A. ESP., has a different treatment with respect to the other members in terms of functions, but not in terms of remuneration.  The functions of the chairman of the Board of Directors are developed in the paragraph of article 63 of the Bylaws and in article 7 of the Rules and Regulations of the Board of Directors of GEB.
NA. Specify the rules that prevent you from adopting the recommendation:

Date of Implementation	Not applicable
Date of Modification	Not applicable

**18.3. The Bylaws include the rules for the appointment of the Board of Directors Secretary among which those stated in recommendation 18.3.**

18.3 Measure Implemented                      YES       NO       N/A

YES. Briefly explain:
NO. Explain:  The position of the Secretary of the Board of Directors coincides with other executive positions within the company. In this case, the secretariat of the Board of Directors is exercised by the Legal, Regulatory and Compliance Vice President, his/her appointment and removal is a power of the CEO of GEB and not of the Board of Directors.  In article 70, section 20, the Bylaws establish as function of the CEO of GEB S.A. ESP., “Appoint the Legal Vice President of the company.”

<b>NA. Specify the rules that prevent you from adopting the recommendation:</b>

<b>Date of Implementation</b>	Not applicable
<b>Date of Modification</b>	Not applicable

**18.4.** The Rules and Regulations of the Board of Directors provide for the Secretary's functions, among which those stated in recommendation 18.4.

18.4 Measure Implemented      YES       NO       N/A

<p><b>YES. Briefly explain:</b></p> <p>The functions of the Secretary of the Board of Directors are established in article 9 of the Rules and Regulations of the Board of Directors:</p> <ol style="list-style-type: none"> <li>1. <i>“Convene the meetings, according to the Board of Directors’ annual schedule and the corresponding annual work plan.</i></li> <li>2. <i>Prepare the agenda with the subjects to be discussed in the session, and submit it along with the meeting’s notice and the documents supporting the various points included therein, not less than five (5) days prior to the date of the meeting.</i></li> <li>3. <i>Verify the quorum of each session.</i></li> <li>4. <i>Keep the minutes of the Board’s sessions, submit them for approval in the following session, in case they are approved sign them along with the President and record them in the respective book, which shall be under his/her responsibility. This provision shall be understood without prejudice to the power of the Board of Directors of appointing a commission for the approval of the minutes with regards to matters the procedure of which needs to be expedited.</i></li> <li>5. <i>Following up the agreements and commitments acquired in the sessions of the Board of Directors.</i></li> <li>6. <i>Keep the corporate documents, duly record in the book of minutes the events occurring in each of the sessions and attest to the agreements of the corporate bodies.</i></li> <li>7. <i>Ensure the formal legality of the Board of Directors’ actions and guarantee that the procedures and governance rules thereof are respected and revised regularly, according to the provisions of the Corporate Bylaws and other regulations of the Company.”</i></li> </ol>
<p><b>NO. Explain:</b></p>

**NA. Specify the rules that prevent you from adopting the recommendation:**

<b>Date of Implementation</b>	Abril 28, 2016
<b>Date of Modification</b>	

**18.5. The Board of Directors has constituted an Appointment and Remuneration**

18.5 Measure Implemented                      YES                       NO                       N/A

<p><b>YES. Briefly explain:</b></p> <p>The Board of Directors of GEB S.A. ESP., approved at its ordinary meeting held on April 28, 2016, the formation of a Compensations Committee.</p>
<p><b>NO. Explain:</b></p>
<p><b>NA. Specify the rules that prevent you from adopting the recommendation:</b></p>

Date of Implementation	Abril 28, 2016
Date of Modification	November 29, 2016

**18.6. The Board of Directors has constituted a Committee of Risks.**

18.6 Measure Implemented                      YES                       NO                       N/A

<p><b>YES. Briefly explain:</b></p> <p>The Board of Directors of GEB S.A. ESP., approved at its ordinary meeting held on April 28, 2016, the formation of an Audit and Risks Committee.</p> <p>Previously, the functions attributed by Código País to the Risks Committee were exercised by the Audit Committee of GEB.</p>
<p><b>NO. Explain:</b></p>
<p><b>NA. Specify the rules that prevent you from adopting the recommendation:</b></p>

Date of Implementation	September 29, 2005.
Date of Modification	December 14, 2017

**18.7. The Board of Directors has constituted a Corporate Government Committee.**

18.7 Measure Implemented                      YES                       NO                       N/A

<p><b>YES. Briefly explain:</b></p> <p>The Board of Directors of GEB has a Corporate Governance Committee since the year 2007. At its ordinary meeting held on April 28, 2016, it approved some amendments to its functions.</p>
<p><b>NO. Explain:</b></p>

NA. Specify the rules that prevent you from adopting the recommendation:	
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Date of Implementation	December 13, 2007
Date of Modification	November 15, 2017

**18.8.** If the Company has considered that it is not necessary to constitute all of the Committees, their functions have been allocated among the existing committees or have been borne by the whole Board of Directors.

18.8 Measure Implemented                      YES       NO                       N/A

<p><b>YES. Briefly explain:</b></p> <p>Currently, the Board of Directors of GEB S.A. ESP, has formed the totality of committees to which recommendations 18.5, 18.6, 18.7. refer to, as follows: Audit and Risks Committee, Corporate Governance Committee, Compensations Committee and Finance and Investments Committee.</p>
NO. Explain:
NA. Specify the rules that prevent you from adopting the recommendation:

Date of Implementation	Abril 28, 2016
Date of Modification	

**18.9. Each of the Board of Directors Committees has Internal Rules and Regulations that regulate the details of its conformation, and the issues and functions on which the Committee must work, as well as its operation, paying special attention to the communication channels between the Committees and the Board of Directors and, in the case of Conglomerates, to the mechanisms used to relate and coordinate between the Parent Company Board of Directors Committees and the Subordinate Companies Boards of Directors, if any.**

18.9 Measure Implemented                      YES       NO                       N/A

<p><b>YES. Briefly explain:</b></p> <p>All of the Committees of the Board of Directors, that is, the Audit and Risks Committee, the Finance and Investments Committee, the Compensations Committee and the Corporate Governance Committee, have their corresponding regulations, in which the elements described in recommendation 18.9 are stated.</p> <p>The regulations were approved as follows:</p> <ul style="list-style-type: none"> <li>• Regulations of the Compensation Committee, approved by the same committee at its meeting held in June 2016.</li> <li>• Corporate Governance Committee, approved by the same committee at its meeting held in August 2016.</li> <li>• Finance and Investment Committee, approved by the same committee at its meeting held in July 2016.</li> <li>• Audit and Risks Committee, approved by the same committee at</li> </ul>
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*line of independent members without prejudice that the Board of Directors of GEB S.A. ESP shall have at least three lines of independent members in order to ensure the respect of the rights of minority shareholders. The definition of independence of the members of the Board of Directors of the Subsidiaries, shall be that with the applicable laws indicate for each country, without prejudice to the general guidelines that the Board of Directors recommends to the Parent Company. On the other part, the profiles required for the composition of these collegiate bodies, are defined by the Board of Directors of GEB S.A. ESP as Parent company and will be reflected in the corresponding corporate documents”.*

NO. Explain:

NA. Specify the rules that prevent you from adopting the recommendation:

Date of Implementation	Abril 28, 2016
Date of Modification	August 31, 2017:

**18.11. The Board of Directors Committees can obtain specific or permanent support from Senior Management** members with experience regarding the issues of their competence and/or from external experts.

18.11 Measure Implemented                      YES       NO                       N/A

YES. Briefly explain:

The Committees of the Board of Directors can obtain the support of the members of the Senior Management or external experts in accordance with the terms described in articles 8 and 15 of the Regulations of each Committee:

Regulations of the Corporate Governance Committee:

Article 8.- Committee guests: *“The Director of Corporate and Subsidiaries’ Affairs, who shall have voice but no vote, in coordination with the Vice-president for Legal and Regulatory, will be in charge of organizing all the activities and tasks that the Committee undertakes. Likewise, collaborators of the Company and independent advisors whom the Committee has assigned the undertaking of specific activities may attend as guests or participants, so that they may present the corresponding report and any clarification that the Committee deems necessary.”*

Article 15.- Contracting of independent advisors. *“In order to fulfill its functions, the Committee may request the contracting of independent specialists to management, in the specific cases where it deems it convenient, in accordance with the Company’s Procurement Handbook..”*

NO. Explain:

NA. Specify the rules that prevent you from adopting the recommendation:

Date of Implementation

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Between June 20 and  
August 23 of  
2016

Date of Modification	
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**18.12. To conform its Committees, the Board of Directors takes into account the profiles, knowledge and professional experience of the members regarding the matter of the Committee.**

18.12 Measure Implemented      YES       NO       N/A

<p><b>YES. Briefly explain:</b></p> <p>Article 3 of the Rules and Regulations of the Board of Directors establish the following criteria for the composition of the Board of Directors: <i>The Board of Directors shall be integrated by people with the finest professional and personal qualities. For their election, the General Assembly of Shareholders shall consider different criteria such as: (i) their experience in the finances sector, law or similar sciences and/or activities related to the public service sector and/or the operations performed by the Company, (ii) their profile, including track record, recognition, prestige, availability, leadership, their professional suitability and integrity.</i></p> <p>In practice, the Board of Directors of GEB takes into consideration the profiles, knowledge and professional experience of the members for the composition of the Committees.</p> <p>Nevertheless, at a formal level, there are no specific provisions to establish, for the composition of the committees, the requirements that the members have the knowledge and experience in relation to the purpose of the Committee, except the Audit and Risks Committee, for which it is required that at least one of its members is to be expert in financial matters (see article 3. "Composition of the Committee" of the Regulations of the Audit and Risk Committee).</p>
<p><b>NO. Explain:</b></p>
<p><b>NA. Specify the rules that prevent you from adopting the recommendation:</b></p>

Date of Implementation	Abril 28, 2016
Date of Modification	

**18.13. Minutes are prepared of the meetings of the Committee, which copy is submitted to every member of the Board of Directors of the Company. If the Committees are empowered to make decisions, the minutes adapt to what is demanded in articles 189 and 431 of the Commercial Code.**

18.13 Measure Implemented      YES       NO       N/A

<p><b>YES. Briefly explain:</b></p> <p>Of all the sessions of the Committees, a minutes is prepared with the main subjects and agreements, to which the members of the Board of Directors have access to.</p>
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<b>YES. Briefly explain:</b>  According to article 1 of the Regulations of the Audit and Risks Committee: <i>“The purpose of the Audit and Risk Committee of the Board of Directors is to supervise and evaluate the compliance of the yearly internal audit plan that includes the risks of the business and the processes of the Company. It also oversees and assesses the Company’s Internal Control System, including risk analysis, to recommend and issue opinions to the Board of Directors, and also performs other duties assigned by law, the By-Laws and these Rules..”</i>	
<b>NO. Explain:</b>	
<b>NA. Specify the rules that prevent you from adopting the recommendation:</b>	

  

<b>Date of Implementation</b>	September 29, 2005.
<b>Date of Modification</b>	August 25, 2016

**18.16. Members of the Audit Committee have knowledge of accounting** and finance as well as of other related issues, which enables them to pronounce on the subjects that are the competence of the Committee with a sufficient level to understand their scope and complexity.

18.16 Measure Implemented                      YES        NO        N/A   

<b>YES. Briefly explain:</b>  Pursuant to article 3 of the Regulations of the Audit and Risk Committee, at least one of the members of that committee shall be an expert in financial matters.	
<b>NO. Explain:</b>	
<b>NA. Specify the rules that prevent you from adopting the recommendation:</b>	

  

<b>Date of Implementation</b>	September 29, 2005.
<b>Date of Modification</b>	August 25, 2016

**18.17. At the request of the Meeting Chairman, the Audit Committee Chairman reports to the General Shareholders’ Meeting regarding specific aspects of the work performed by the Committee, such as, for example, the analysis of the scope and content of the Fiscal Audit Report.**

18.17 Measure Implemented                      YES        NO        N/A   

<b>YES. Briefly explain:</b>
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In accordance with the provisions in section 21 of article 9 of the Regulations of the Audit and Risk Committee, its function is to: *“21. Inform to the General Shareholders Meeting about the issues therein presented by the shareholders regarding its competence”.*

Regarding the information that is to be provided by the Audit and Risk Committee to the Meeting about the matters mentioned in the recommendation, the Regulations of the Shareholders General Meeting of GEB S.A. ESP., provide the following:

*“Article 21.- The Corporate Governance report, the Board of Directors’ Committees reports, the Board of Directors self-evaluation report and related documents, shall be submitted to the Ordinary General Assembly of Shareholders corresponding to the cut-off of December 31st of the respective year..”*

NO. Explain:

NA. Specify the rules that prevent you from adopting the recommendation:

Date of Implementation	March 31, 2016
Date of Modification	December 14, 2017

**18.18. Internal Regulations of the Audit Committee grants it the functions indicated in recommendation 18.18.**

18.18 Measure Implemented                      YES                       NO                       N/A

YES. Briefly explain:

Article 9 of the Regulations of the Audit and Risk Committee, provides as functions of this body, the following:

*“The Committee shall have the following duties:*

1. *Establish its own Rules.*
2. *Review and approve the internal auditing Annual Work Plan and activities report, which must take into consideration the business’s risks and fully evaluate all Company areas, and the priorities to be assigned to the most significant risks.*
3. *Ensure that the financial information is prepared, presented and disclosed in accordance with legal requirements.*
4. *Review the end-of-year financial statements before submitting them to the consideration of the Board of Directors and the General Shareholders Assembly.*
5. *Review the financial information control and disclosure procedures and ensure that it is adequately presented, as submitted by Management or the General Auditor.*
6. *Review any significant shortcomings that may arise in the design and operation of internal controls that prevent the Company from recording, processing, summarizing and adequately presenting the financial information, as reported by Management, the General Auditor or the statutory auditor.*
7. *Review any cases of fraud that may have affected the quality of the financial information, as reported by Management, the General Auditor or third parties who use the appropriate channels to this end.*
8. *Recommend auditing and Internal Control procedures and any required amendments or replacements.*

9. *Recommend policies relating to the prevention and control of asset laundering and financing of terrorism, and review the biannual report*

- submitted by the Compliance Officer on this matter.*
10. *Review, prior to submitting them to the board, proposals for the selection of the Statutory Auditor submitted by Management, prior to submitting a proposal for approval by the General Shareholders Assembly.*
  11. *Act as liaison between the Board of Directors and the Statutory Auditor and report any situations that may limit the auditor's access to information and put its independence at risk during performance of the financial audit, as well as evaluate the quality and effectiveness of its services.*
  12. *Oversee and ensure that accounting and financial procedures are in line with the policies recommended by Management and the Board of Directors.*
  13. *Submit to the Board of Directors the risk matrix of the Company and its subsidiaries.*
  14. *Oversee and periodically report to the Board of Directors on the affective application of the risk matrix at the Company and its subsidiaries, to ensure that the main financial and non-financial risks, both on- and off-balance sheet, are identified, managed and adequately communicated to the Board.*
  15. *Evaluate and report to the Board of Directors of the Company any potential conflicts of interest that may arise between the Company and its subsidiaries or between the subsidiaries, or with their Managers and related parties, and recommend actions to be taken to manage and handle them.*
  16. *Propose to the Board of Directors the structure, procedures and methodologies required for the operation of the Internal Control System of GEB S.A. ESP and the member companies of Grupo Energía Bogotá, and monitor its implementation in order to determine whether the designed procedures reasonably protect the assets and interests of the Company and the Group.*
  17. *Approve the Internal Auditing Statute.*
  18. *Consider and review jointly with Management, the Statutory Auditor and the General Auditor of the Group, the following:*
    - a) *Significant findings of the period, including the status of the recommendations made during the previous audit.*
    - b) *Any difficulties or restrictions found during performance of auditing work, including limits to the scope of the activities or access to the required information.*
  19. *Periodically monitor compliance with the Code of Ethics and the effectiveness of the system of anonymous reports received through the Ethical Channel, as well as verify the reports received, evaluating any unethical acts that were reported and the contents of the reports filed, and submit to the Board of Directors relevant recommendations.*
  20. *Ensure that Management has addressed the suggestions and recommendations made by the internal and external auditors, the Statutory Auditor and other internal and external control entities.*
  21. *Informar en la Asamblea General de Accionistas sobre las cuestiones que en ella planteen los accionistas en materia de su competencia.*
  22. *During meetings of the General Shareholders Assembly, field any shareholder inquiries on matters within its area of responsibility.*
  23. *Oversee the independence and effectiveness of the internal auditing area, receive periodic information on its activities, set performance objectives for the Compliance Officer and the General Auditor of the Group, and assess their performance and ensure that Senior Management takes into consideration the conclusions and recommendations of their reports.*
  24. *Prior to their authorization by the Board of Directors, examine and report on the transactions performed directly or indirectly by the Company with members of the Board of Directors, Shareholders, Controlling and Significant Parties, and members of Senior Management.*
  25. *Others assigned to it by law or the Board of Directors"*

According to section 4 of Article 9 of the Regulations of the Finance and Investment Committee, its function is to: "Give its opinion regarding the

*possible operations that plan to be celebrated with economic associates, to which end they must verify that these are carried out under market conditions and do not affect the equality of treatment among shareholders.*

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NO. Explain:
NA. Specify the rules that prevent you from adopting the recommendation:

Date of Implementation	September 29, 2005.
Date of Modification	December 14, 2017

**18.19. The main purpose of the Appointment and Remuneration Committee is to support the Board of Directors in the exercise of its decision-making and advisory functions regarding appointment and remuneration issues associated with the Board of Directors and Senior Management members, and supervise compliance with the Corporate Governance rules, by periodically reviewing compliance, recommendations, and principles (in those cases in which such function is not expressly conferred upon another Company committee).**

18.19 Measure Implemented                      YES                       NO                       N/A

YES. Briefly explain:  According to article 1 of the Regulations of the Compensation Committee: <i>“The purpose of the Board of Directors’ Compensation Committee is to analyze and discuss all the issues regarding employees’ compensation, such as fixed, variable, incentives and benefits, labor management relations and industrial relations, in order to make specialized recommendations to the Board of Directors on such issues; as well as to support the Board of Directors in the exercising of its decision-making or advisory functions, associated to the appointment and remuneration of the members of the Board of Directors and Senior Management.”</i>
NO. Explain:
NA. Specify the rules that prevent you from adopting the recommendation:

Date of Implementation	June 20, 2016
Date of Modification	August 24, 2016

**18.20. Some members of the Appointment and Remuneration Committee have knowledge of strategy, human resources (recruitment and selection, contracting, training, administration or personnel management), wage policy, and similar issues, with a level sufficient to understand the scope and complexity of such issues regarding the Company.**

18.20 Measure Implemented                      YES                       NO                       N/A

<b>YES. Briefly explain:</b> Gisele Manrique Vaca has knowledge in strategy, human resources (recruiting and selection, contracting, training, administration or human resources), wage policy and similar matters. In the year 2018, through the Succession and Nomination Policy of the Members of the Board of Directors in the year 2018, the measure will be made explicit.	
<b>NO. Explain:</b>	
<b>NA. Specify the rules that prevent you from adopting the recommendation:</b>	
<b>Date of Implementation</b>	March 30, 2017
<b>Date of Modification</b>	

**18.21.** At the request of the Meeting Chairman, the Appointment and Remuneration Committee Chairman may inform the General Shareholders' Meeting of specific aspects of the work carried out by the Committee, such as for example follow-up on the remuneration policies of the Board of Directors and the Senior Management.

18.21 Measure Implemented                      YES       NO       N/A

<b>YES. Briefly explain:</b>  According to what is established in section 12 of article 9 of the Regulations of the Compensation Committee, it is a function of that Committee, the following: <i>“Inform the General Assembly of Shareholders of their proceedings, and address issues put forward by shareholders within their competence.”</i>  Regarding the information that is to be provided by the Compensations Committee to the Meeting about the aspects that are mentioned in the recommendation, the Regulations of the General Shareholders meeting of GEB provides the following:  <i>“Article 21.- The Corporate Governance report, the Board of Directors’ Committees reports, the Board of Directors self-evaluation report and related documents, shall be submitted to the Ordinary General Assembly of Shareholders corresponding to the cut-off of December 31st of the respective year..”</i>	
<b>NO. Explain:</b>	
<b>NA. Specify the rules that prevent you from adopting the recommendation:</b>	
<b>Date of Implementation</b>	March 31, 2016
<b>Date of Modification</b>	

**18.22.** The Internal Rules and Regulations of the Appointment and Remuneration Committee Rules confer upon the same the functions stated in recommendation 18.22

1822 Measure Implemented

YES

NO

N/A

**YES. Briefly explain:**

Article 9 of the Regulations of the Compensation Committee, provides as functions of that body, the following:

*“The Committee shall have the following duties:*

1. *Establish its own Rules*
2. *Review and implement recommendations given for personnel policies and remuneration parameters.*
3. *Review the organizational structure on a regular basis, in order to ensure its consistency with internal needs and its alignment with the corporate strategy.*
4. *Analyze the scope of development programs and the results achieved by human resources' processes on a regular basis.*
5. *Review and make recommendations to the performance management process.*
6. *Annually review the organizational development process.*
7. *Review and make recommendations to the organizational climate management process and the wellness plan.*
8. *Propose the Company's compensation and benefits policy.*  
*The following is derived from this function:*
  - a. *Assess and recommend compensation policies, plans and programs, whether this may be fixed, variable, incentives and benefits, including performance bonuses, presented by Management for the consideration of the Board of Directors.*
  - b. *Follow-up the compensation policies, plans and programs permanently, to determine their effectiveness.*
  - c. *Recommend, when deemed necessary, amendments or replacements to the compensation policies, plans and programs.*
  - d. *Recommend the type, form, mechanism, amount and other terms and conditions of incentives given according to the levels of each job title.*
9. *Propose and review the criteria that will be set forth for shareholders' consideration for the assessment of the candidates' suitability to become a Board member, as and when required by the shareholder.*
10. *Recommend the profiles and competencies required of its members to the Board of Directors so that in turn they inform the Shareholders' Assembly of them.*
11. *Prepare and present regular and extraordinary reports unto the Board of Directors that may be requested.*
12. *Inform the General Assembly of Shareholders of their proceedings, and address issues put forward by shareholders within their competence.*
13. *Any others assigned by Law, EEB Articles of Association, the Corporate Governance Code and the Board of Directors.”*

On its part, article 9 of the Regulations of the Corporate Governance Committee, establish as functions of this body, the following:

*“The Committee shall have the following duties:*

*(...)*

14. *Recommend the remuneration policy of the members of the Board of Directors and its Committees.*

*15. Support the Chairperson of the Board of Directors in conducting a yearly assessment and self-assessment of the Board of Directors and*

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<i>its Committees, review the process' results and make suggestions for the improved performance of the same."</i>	
NO. Explain:	
NA. Specify the rules that prevent you from adopting the recommendation:	

Date of Implementation	June 20, 2016
Date of Modification	August 24, 2016

**18.23.** The main purpose of the Risk Committee is to assist the Board of Directors in complying with its supervision responsibilities regarding risk management.

18.23 Measure Implemented                      YES       NO                       N/A

<p>YES. Briefly explain:</p> <p>According to article 1 of the Regulations of the Audit and Risks Committee: <i>"The purpose of the Audit and Risk Committee of the Board of Directors is to supervise and evaluate the compliance of the yearly internal audit plan that includes the risks of the business and the processes of the Company. It also oversees and assesses the Company's Internal Control System, including risk analysis, to recommend and issue opinions to the Board of Directors, and also performs other duties assigned by law, the By-Laws and these Rules.."</i></p>
NO. Explain:
NA. Specify the rules that prevent you from adopting the recommendation:

Date of Implementation	February 16, 2006
Date of Modification	August 25, 2016

**18.24.** At the request of the Meeting's Chairman, the Risk Committee Chairman may inform the General Shareholders' Meeting of the specific aspects of the work carried out by the Committee.

18.24 Measure Implemented                      YES       NO                       N/A

YES. Briefly explain:
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In accordance with the provisions in section 21 of article 9 of the Regulations of the Audit and Risk Committee, its function is to: *“21. Inform to the General Shareholders Meeting about the issues therein presented by the shareholders regarding its competence”.*

Regarding the information that is to be provided by the Audit and Risk Committee to the Meeting about the matters mentioned in the recommendation, the Regulations of the Shareholders General Meeting of GEB S.A. ESP., provide the following:

*“Article 21.- The Corporate Governance report, the Board of Directors’ Committees reports, the Board of Directors self-evaluation report and related documents, shall be submitted to the Ordinary General Assembly of Shareholders corresponding to the cut-off of December 31st of the respective year..”*

NO. Explain:

NA. Specify the rules that prevent you from adopting the recommendation:

Date of Implementation	March 31, 2016
Date of Modification	December 14, 2017

**18.25.** With the adjustments that are necessary to distinguish between companies that belong to the financial sector or to the real sector of the economy, and without prejudice to the functions assigned to said committee by effective rules, the Internal Risk Committee Rules and Regulations confer upon the same the functions provided for in recommendation 18.25.

18.25 Measure Implemented                      YES                       NO                       N/A

**YES. Briefly explain:**

Article 9 of the Regulations of the Audit and Risk Committee, provides as functions of this body, the following:

*“The Committee shall have the following duties:*

1. *Establish its own Rules.*
2. *Review and approve the internal auditing Annual Work Plan and activities report, which must take into consideration the business’s risks and fully evaluate all Company areas, and the priorities to be assigned to the most significant risks.*
3. *Ensure that the financial information is prepared, presented and disclosed in accordance with legal requirements.*
4. *Review the end-of-year financial statements before submitting them to the consideration of the Board of Directors and the General Shareholders Assembly.*
5. *Review the financial information control and disclosure procedures and ensure that it is adequately presented, as submitted by Management or the General Auditor.*
6. *Review any significant shortcomings that may arise in the design and operation of internal controls that prevent the Company from recording, processing, summarizing and adequately presenting the financial information, as reported by Management, the General Auditor or the statutory auditor.*
7. *Review any cases of fraud that may have affected the quality of the financial information, as reported by Management, the General Auditor or third parties who use the appropriate channels to this end.*
8. *Recommend auditing and Internal Control procedures and any*

- required amendments or replacements.*
9. *Recommend policies relating to the prevention and control of asset laundering and financing of terrorism, and review the biannual report submitted by the Compliance Officer on this matter.*
  10. *Review, prior to submitting them to the board, proposals for the selection of the Statutory Auditor submitted by Management, prior to submitting a proposal for approval by the General Shareholders Assembly.*
  11. *Act as liaison between the Board of Directors and the Statutory Auditor and report any situations that may limit the auditor's access to information and put its independence at risk during performance of the financial audit, as well as evaluate the quality and effectiveness of its services.*
  12. *Oversee and ensure that accounting and financial procedures are in line with the policies recommended by Management and the Board of Directors.*
  13. *Submit to the Board of Directors the risk matrix of the Company and its subsidiaries.*
  14. *Oversee and periodically report to the Board of Directors on the affective application of the risk matrix at the Company and its subsidiaries, to ensure that the main financial and non-financial risks, both on- and off-balance sheet, are identified, managed and adequately communicated to the Board.*
  15. *Evaluate and report to the Board of Directors of the Company any potential conflicts of interest that may arise between the Company and its subsidiaries or between the subsidiaries, or with their Managers and related parties, and recommend actions to be taken to manage and handle them.*
  16. *Propose to the Board of Directors the structure, procedures and methodologies required for the operation of the Internal Control System and monitor its implementation in order to determine whether the designed procedures reasonably protect the assets and interests of the Company and the Group.*
  17. *Approve the Internal Auditing Statute.*
  18. *Consider and review jointly with Management, the Statutory Auditor and the General Auditor of the Group, the following:*
    - a) *Significant findings of the period, including the status of the recommendations made during the previous audit.*
    - b) *Any difficulties or restrictions found during performance of auditing work, including limits to the scope of the activities or access to the required information.*
  19. *Periodically monitor compliance with the Code of Ethics and the effectiveness of the system of anonymous reports received through the Ethical Channel, as well as verify the reports received, evaluating any unethical acts that were reported and the contents of the reports filed, and submit to the Board of Directors relevant recommendations.*
  20. *Ensure that Management has addressed the suggestions and recommendations made by the internal and external auditors, the Statutory Auditor and other internal and external control entities.*
  21. *Informar en la Asamblea General de Accionistas sobre las cuestiones que en ella planteen los accionistas en materia de su competencia.*
  22. *During meetings of the General Shareholders Assembly, field any shareholder inquiries on matters within its area of responsibility.*
  23. *Oversee the independence and effectiveness of the internal auditing area, receive periodic information on its activities, set performance objectives for the Compliance Officer and the General Auditor of the Group, and assess their performance and ensure that Senior Management takes into consideration the conclusions and recommendations of their reports.*
  24. *Prior to their authorization by the Board of Directors, examine and report on the transactions performed directly or indirectly by the Company with members of the Board of Directors,*

*Shareholders, Controlling and Significant Parties, and members of Senior Management.*

25. *Others assigned to it by law or the Board of Directors."*

NO. Explain:	
NA. Specify the rules that prevent you from adopting the recommendation:	
Date of Implementation	August 25, 2016
Date of Modification	December 14, 2017

**18.26.** The main purpose of the Corporate Governance Committee is to assist the Board of Directors in its functions related to proposals and supervision of Corporate Governance measures adopted by the Company.

18.26 Measure Implemented                      YES       NO       N/A

YES. Briefly explain:	
According to article 1 of the Regulations of the Corporate Governance Committee: <i>“The purpose of the Board of Directors’ Corporate Governance Committee is to promote and monitor the compliance with the corporate governance measures adopted by the Company.”</i>	
NO. Explain:	
NA. Specify the rules that prevent you from adopting the recommendation:	
Date of Implementation	December 13, 2007
Date of Modification	August 23, 2016

**18.27.** The Internal Corporate Governance Committee Rules and Regulations confer upon the same the functions stated in recommendation 18.27.

18.27 Measure Implemented                      YES       NO       N/A

YES. Briefly explain:	
According to article 9 of the Regulations of the Corporate Governance Committee, the following are functions of this body:	
<p><i>“The Committee shall have the following duties:</i></p> <ol style="list-style-type: none"> <li><i>1. Establish its own Rules.</i></li> <li><i>2. Recommend any amendments to the Company’s Contracting Handbook to the Board of Directors.</i></li> <li><i>3. Ensure compliance with the Law, the Statutes, the Corporate Governance Code, the decisions of the Shareholders’ Assembly and the commitments undertaken by the Company as it pursues its corporate purpose, as well as to be informed and follow-up investigations related to the conduct of members of the Board of Directors that may be contrary to the foregoing.</i></li> </ol>	

4. *Make recommendations regarding the governance model of Grupo Energia de Bogota, the Company's Corporate Governance policy and the specific measures of the Company's governance, conduct and information, in order to ensure respect for the rights of those who invest in their shares or any other securities they issue, and the adequate administration of their affairs and the public knowledge of their management, and to present a report related to the foregoing to the General Shareholders' Assembly together with the Chairperson.*
5. *Review that the rights of all its shareholders and other investors in securities are respected according to the parameters fixed by regulatory bodies of the stock market.*
6. *Examine any reform proposals to the Articles of Association and the Corporate Governance Code presented by the Chairperson, wherein all rules and current provisions are compiled and ensure their effective compliance.*
7. *Be aware of the claims made by shareholders and investors regarding the enforcement of the Corporate Governance Code.*
8. *Recommend the approval of the Corporate Group Agreement to the Board of Directors, which must be signed between Empresa de Energia S.A ESP., and its subordinate companies, as well as any of its amendments.*
9. *Ensure shareholders and the market in general have accurate, complete and timely access to the company's information that should be disclosed to shareholders and the market in general.*
10. *Regularly follow-up negotiations that members of EEB's Board of Directors and Managers undertake with shares issued by the Company or Companies in the Grupo Energia de Bogota, in accordance with the terms of article 404 C.Co.*
11. *On an annual basis, review and assess the manner in which the Board of Directors and its Committees complied with their duties during the period within the committee's session, prior to the ordinary session of the General Assembly of Shareholders.*
12. *Review the induction process of the new members of the Board of Directors, and promote their training and updating in matters relating to the competencies of the Board of Directors.*
13. *At the end of the financial year, present a report on the work undertaken by the Corporate Governance Committee to the Board of Directors, which in turn will submit it for approval to the General Assembly of Shareholders. This must cover the following subjects, as a minimum:*
  - a. *EEB's structure of ownership.*
  - b. *EEB's management structure.*
  - c. *General Assembly of Shareholders.*
14. *Recommend the remuneration policy of the members of the Board of Directors and its Committees.*
15. *Support the Chairperson of the Board of Directors in conducting a yearly assessment and self-assessment of the Board of Directors and its Committees, review the process' results and make suggestions for the improved performance of the same.*
16. *Any others that are assigned by Law and the Board of Directors.*  
*Paragraph: The above is irrespective that the Board of Directors could know and analyze the matters described in this article without previous review by the Committee.."*

On its part, article 9 of the Regulations of the Compensations Committee, provides as functions of this body, the following:

*"The Committee shall have the following duties:*

(...) <p>9. Propose and review the criteria that will be set forth for shareholders' consideration for the assessment of the candidates' suitability to become a Board member, as and when required by the shareholder.</p> <p>10. Recommend the profiles and competencies required of its members to the Board of Directors so that in turn they inform the Shareholders' Assembly of them."</p>
NO. Explain:
NA. Specify the rules that prevent you from adopting the recommendation:

Date of Implementation	December 13, 2007
Date of Modification	November 15, 2017

**Measure No. 19: Board of Directors Operation**

**19.1 The Board of Directors Chairman**, assisted by the Company's Secretary and CEO, prepares a work plan for the Board of Directors for the evaluated period, a tool that facilitates determining the reasonable number of ordinary meetings per year and their estimated duration.

19.1 Measure Implemented                      YES       NO       N/A

YES. Briefly explain:  According to section 3 of the paragraph of article 63 of the Bylaws: <i>"The following are the functions and main duties of the Chairman of the Board of Directors: iii. Plan the operations of the Board of Directors by establishing an annual work plan."</i>
NO. Explain:
NA. Specify the rules that prevent you from adopting the recommendation:

Date of Implementation	March 31, 2016
Date of Modification	

**19.2.** Except for the entities subject to surveillance which, due to their policy, are bound to hold minimum one (1) meeting per month, the Company Board of Directors holds from eight (8) to twelve (12) ordinary meetings per year.

19.2 Measure Implemented                      YES       NO       N/A

YES. Briefly explain:
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According to article 65. "Meetings" of the Bylaws, the Board of Directors shall hold ordinary meetings once a month, and shall hold special meetings whenever they are summoned by the Chairman, by five (5) principal members, by the CEO or by the Statutory Auditor, at the Company's headquarters.

Article 10 of the Rules and Regulations of the Board of Directors provides: "*The Board of Directors shall hold ordinary meetings once (1) every month on the date and place indicated in the notice.*"

NO. Explain:

NA. Specify the rules that prevent you from adopting the recommendation:

Date of Implementation	June 3, 1996
Date of Modification	Abril 28, 2016

**19.3.** One (1) or two (2) meetings of the Board of Directors per year are clearly focused on defining and following up on the Company strategy.

19.3 Measure Implemented                      YES       NO       N/A

YES. Briefly explain:

The Board of Directors dedicates at least one of its yearly meetings to define and follow-up on the company's strategy. The matters to be discussed by the Board of Directors during the year, are the Annual Work Plan of the Board of Directors.

NO. Explain:

NA. Specify the rules that prevent you from adopting the recommendation:

Date of Implementation	May 1, 2016.
Date of Modification	

**19.4. Board of Directors approves a specific schedule of ordinary sessions,** without prejudice to being able to hold as many extraordinary meetings as required.

19.4 Measure Implemented                      YES       NO       N/A

YES. Briefly explain:

The Board of Directors , in the month of December of each year, approves a specific calendar of ordinary meetings, without prejudice that, with special nature, could meet whenever necessary.

According to section 1 of article 9 of the Regulations of the Board of Directors, the Secretary of the Board of Directors shall "*Convene the meetings, according to the Board of Directors' annual schedule and the corresponding annual work plan..*"

NO. Explain:
NA. Specify the rules that prevent you from adopting the recommendation:

Date of Implementation	December 2007
Date of Modification	Abril 28, 2016

**19.5. Together with the summons for the meeting and minimum five (5) calendar days in advance, the Board of Directors members receive the documents or the information associated with each item in the Agenda, for its members to be able to actively participate and make informed decisions.**

19.5 Measure Implemented                      YES        NO        N/A   

<p><b>YES. Briefly explain:</b></p> <p>The process to provide documents and information to the members of the Board of Directors, related to each item of the agenda of the meetings, is regulated through articles 9 and 12 of the Regulations of the Board of Directors, as follows:</p> <p style="padding-left: 40px;">Art. 9 Secretary of the Board of Directors: <i>“The Company shall have a Legal Vice-President who shall act as Secretary during the meetings of the Board of Directors and the General Assembly, and shall be in charge of the Company’s protocol functions, book-keeping, record-keeping as demanded by the corporate bodies, certification of the internal acts and documents and performance of the tasks assigned by the Board of Directors and the President. In addition, the Secretary shall perform the following functions: 1. Convene the meetings, according to the Board of Directors’ annual schedule and the corresponding annual work plan. 2. Prepare the agenda with the subjects to be discussed in the session, and submit it along with the meeting’s notice and the documents supporting the various points included therein, not less than five (5) days prior to the date of the meeting.”</i></p> <p style="padding-left: 40px;">Art. 12: Notice and Information: <i>“Along with the meeting notice and a minimum of five (5) days in advance, the documents or the information related to every point of the meeting’s agenda shall be submitted to the members of the Board of Directors, so that they actively participate and make informed decisions. The Company’s President, along with the Board of Directors’ Secretary, assumes the responsibility that the information submitted to the members of the Board of Directors is useful and was sent in a timely manner. In the cases in which prior to the Board’s session, any of the committees thereof have held a meeting, the Chairman of the committee shall submit the corresponding report and shall communicate the decisions adopted according to the functions delegated to the committee, and those waiting for the Board of Directors’ approval or ratification..”</i></p>
NO. Explain:

**NA. Specify the rules that prevent you from adopting the recommendation:**

Date of Implementation	Abril 28, 2016
Date of Modification	

**19.6. The Chairman of the Board of Directors**, with the assistance of the Secretary of the Board of Directors, is the ultimate responsible party for the members to receive the information sufficiently in advance and for the information to be useful; therefore, the quality of the set of documents to be delivered (Board of Directors dashboard) must take precedence over quantity.

19.6 Measure Implemented                      YES       NO       N/A

<p>YES. Briefly explain:</p>
<p>NO. Explain:</p> <p>This function is exercised by the President of the Company with the support of the Secretary of the Board of Directors.</p> <p>According to article 12 of the Rules and Regulations of the Board of Directors, about the summons and information, the CEO of the Company is responsible for, together with the Secretary of the Board of Directors, ensuring that the information delivered to the members of the Board of Directors is useful and issued with sufficient prior timing.</p> <p>Article 9 of the same Regulations, establishes that the elaboration of the agenda for the matters to be discussed at the meetings, and its submission together with the summons and the documents that support the different items therein includes, is a function of the Secretary.</p>
<p>NA. Specify the rules that prevent you from adopting the recommendation:</p>

Date of Implementation	Abril 28, 2016
Date of Modification	

**19.7. The Chairman of Board of Directors is ultimately responsible for preparing the Agenda for the meetings of the Board of Directors.** The Company CEO is not responsible for such task. Such Agenda is structured according to certain parameters that enable following a logical order in the presentation of issues and debates.

19.7 Measure Implemented                      YES       NO       N/A

<p>YES. Briefly explain:</p>
<p>NO. Explain:</p> <p>The preparation of the agenda for the meetings of the Board of Directors is the responsibility of the Secretary of the body and the CEO of GEB S.A. ESP.</p>

According to article 9 of the Rules and Regulations of the Board of Directors,



19.8 Measure Implemented YES  NO  N/A

**YES. Briefly explain:**

Article 22 of the Rules and Regulations of the Board of Directors provides: *“Board of Directors Self-Evaluation Report: The Company’s Board of Directors shall submit to the General Assembly of Shareholders on an annual basis a self-evaluation report regarding its functions and work as a collegial body, identifying the degree of compliance therewith. In addition, it shall submit a report including the evaluation of its committees and their members, considered individually. For such purpose, an external advisor may be appointed to contribute in the formulation of the criteria that should be considered for the performance of the evaluation.”*

As a result of this commitment, for the 2017 period all of the Boards of Directors of the Group (parent, subsidiaries and the Foundation) were evaluated, with the support of an external specialized firm (Governance Consultants S.A.). The methodology included the analysis of effectiveness of each collegiate body, its dynamics and operation, the work of its committees, the subjects and deepness with which the agendas are addressed, as well as the interaction with senior management teams from each company. The results of the evaluation will be presented as part of the 2017 management report.

This process is conducted for third consecutive year for the parent company and second consecutive year for the subsidiaries, considered for the first time the methodology of evaluation of the peers for the Board of Directors of GEB (parent company).

**NO. Explain:**

**NA. Specify the rules that prevent you from adopting the recommendation:**

Date of Implementation	Since 2014
Date of Modification	December 2017

**19.10. The Board of Directors alternates the internal self-evaluation technique and the external evaluation carried out by independent advisors.**

19.9 Measure Implemented YES  NO  N/A

**YES. Briefly explain:**

Article 22 of the Rules and Regulations of the Board of Directors provides: *“Board of Directors Self-Evaluation Report: The Company’s Board of Directors shall submit to the General Assembly of Shareholders on an annual basis a self-evaluation report regarding its functions and work as a collegial body, identifying the degree of compliance therewith. In addition, it shall submit a report including the evaluation of its committees and their members, considered individually. For such purpose, an external advisor may be appointed to contribute in the formulation of the criteria that should be considered for the performance of the evaluation.”*

The Board of Directors of GEB carried out an evaluation process of its management during the year 2017 under the self-evaluation methodology with the help of an external consultant. The results will be presented

as part of the 2017 management report.	
NO. Explain:	
NA. Specify the rules that prevent you from adopting the recommendation:	
Date of Implementation	Abril 28, 2016
Date of Modification	

**Measure No. 20: Board of Directors Members’ Duties and Rights.**

**20.1. The Board of Directors Rules and Regulations complement the provisions in the regulation framework regarding the Board of Directors members’ duties and rights.**

20.1 Measure Implemented                      YES       NO       N/A

YES. Briefly explain:	
Article 18 and 19 of the Regulations of the Board of Directors establish Rules and the duties and rights of the members of the Board of Directors.	
NO. Explain:	
NA. Specify the rules that prevent you from adopting the recommendation:	
Date of Implementation	September 15, 2005.
Date of Modification	Abril 28, 2016

**20.2. The Board of Directors Rules and Regulations develop the understanding of the Company regarding the Board of Directors members’ duties referred to in recommendation 20.2.**

20.2 Measure Implemented                      YES       NO       N/A

YES. Briefly explain:	
Article 18 of the Rules and Regulations of the Board of Directors establishes as duties of the members of the body, the following:	
<p><i>“Duties: The duties of the members of the Board of Directors are as follows:</i></p> <ol style="list-style-type: none"> <li><i>1. Duty of diligence or care: making informed decisions and exercising their functions as diligently as any prudent person would consider reasonable in light of the circumstances specific to each decision.</i></li> <li><i>2. Duty of loyalty: fully reporting to the Board of Directors the existence of a real or alleged conflict of interest. The members shall abstain from getting involved, either directly or through related parties, in conflict of interest situations, except with the express authorization of the Shareholders’ Assembly, obtained in the specific cases and in</i></li> </ol>	

*accordance with the provisions established in the Law and the Corporate Governance Code.*

3. *Duty of not-competing: abstaining from performing, either directly or through related parties, any activities which may compete with those of the Company, in the terms established by the applicable laws.*

4. *Duty of secrecy: abstaining from disclosing any information which is not or should not be of public knowledge, and that became known by virtue of the performance of their functions as members of the Board of Directors.* 5. *Duty of not using corporate assets: abstaining from using the corporate assets for any purpose different than the performance of their functions as members of the Board of Directors."*

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NO. Explain:

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NA. Specify the rules that prevent you from adopting the recommendation:

Date of Implementation	September 15, 2005.
Date of Modification	Abril 28, 2016

**20.3. The Board of Directors Rules and Regulations develop the content of the Board of Directors members' rights provided for in recommendation 20.3.**

20.3 Measure Implemented                      YES                       NO                       N/A

YES. Briefly explain:

Article 19 of the Rules and Regulations of the Board of Directors establishes the following rights for the members of the body:

*"Rights: The members of the Company's Board of Directors shall have the following rights:*

1. *Right of information: the members of the Board of Directors shall receive complete and specific information regarding the decisions to be adopted in each meeting. Moreover, they shall have the right to request any additional information considered necessary for the adoption of their decisions to the Company's President, except in the cases in which said information shall remain reserved for the protection of the Company's interests.*
2. *Right to rely on experts: when considered necessary to be adequately informed regarding the decisions corresponding thereto, the Board of Directors may request the recruitment of a suitable and independent expert, to issue the opinions required by the Board with regard to any matter within its competence. For such purpose, the recruitment shall be performed by the management and the regulations established in the entity's Recruitment Manual shall be applied.*
3. *Right of remuneration: the members of the Board of Directors shall have the right to receive remuneration for their attendance to the sessions of the Board and to the committees to which they belong according to the guidelines and limitations indicated in the Board of Directors' remuneration policy as approved by the Shareholders' Assembly.*
4. *Right of induction and permanent training: the Company's President shall submit every year for the approval of the Board of Directors' members, an annual training plan, which shall include matters related to their duties,*

*obligations and responsibilities as the managers of the  
Company,*

<i>as well as matters of possible interest regarding the activities developed by the Company..”</i>
NO. Explain:
NA. Specify the rules that prevent you from adopting the recommendation:

Date of Implementation	September 15, 2005.
Date of Modification	Abril 28, 2016

**Measure No. 21: Conflicts of Interest.**

**21.1. The Company has a policy and procedure that is** defined and formalized in the internal regulation for becoming aware of, and for the administration and settlement of, conflict of interest situations, either direct or indirect through Associated Parties, which may affect the Board of Directors members and other Administrators.

21.1 Measure Implemented      YES       NO       N/A

<p><b>YES. Briefly explain:</b></p> <p>The provisions in matters of administration and resolution of conflicts of interest, directly or through affiliated parties, are contained in the title Conflicts of Interest of the Ethics Code and in Title VII. of the Code of Corporate Governance.</p> <p>According to the Corporate Governance Code:</p> <p><i>“VII. On conflicts of interest and transactions with related parties.</i></p> <p><i>a) General provisions: The rules for handling conflicts of interest have been compiled in the Company’s Code of Ethics and include, among other aspects, the definition of conflict of interest and the officers responsible for verifying their appropriate management.</i></p> <p><i>GEB S.A. ESP’s Code of Ethics establishes that in the event of a conflict of interest, or when in doubt of its potential existence, the person who has such conflict of interest must abstain from participating either directly or indirectly in the activities and decisions related to the situation that creates such conflict of interest. In addition, the person must also report the situation in full detail and in writing to his/her respective direct supervisor.</i></p> <p><i>In the particular case of the members of the Board of Directors, they have the duty of reporting any direct or indirect relations with the Company, suppliers, clients or any other stakeholder that may lead to situations of conflict of interest.</i></p> <p><i>The members of the Board of Directors shall report to the Board of Directors any situation that creates a conflict of interest, in which case GEB S.A. ESP’s provisions on conflicts of interest management shall apply. Any doubt on whether an actual conflict of interest exists shall not exempt a member of the Board of Directors from the obligation of abstaining from participating in the respective activities and decisions.”</i></p>
NO. Explain:

NA. Specify the rules that prevent you from adopting the recommendation:	
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Date of Implementation	September 15, 2005.
Date of Modification	November 29, 2016

**21.2. The procedure for managing conflicts of interest distinguishes their nature,** differentiating occasional conflict of interest from permanent conflict of interest. If the conflict of interest is occasional, the applicable procedures state the rules and steps to be followed, which must be easy to be managed and difficult to be avoided by the affected party. Regarding permanent conflicts of interest, the procedure considers that, if the situation affects the whole of the Company operations, it should be understood as grounds for mandatory resignation by the affected party as it makes it impossible for him/her to perform his/her position.

21.2 Measure Implemented                      YES         NO         N/A  

YES. Briefly explain:
NO. Explain:  Within the guidelines and procedures developed by GEB regarding the conflicts of interest in the administration, there is no express definition of the nature of the same, nor there is a difference between sporadic or permanent conflicts of interest, There is also no definition for the effects of conflicts of interest of permanent nature.  Nevertheless, the company establishes management procedures for the conflict of interest in general terms for its directors, managers and employees, as well as the commitments that these must assume before situations that could generate conflicts of interest while exercising their functions.  In the year 2018, the Company will issue the Conflict of Interest Management Policy that will contain the specifications in measure 21.2.
NA. Specify the rules that prevent you from adopting the recommendation:

Date of Implementation	Not applicable
Date of Modification	Not applicable

**21.3. The members of the Board of Directors, Legal Representatives, Senior Management, and other Administrators of the Company** periodically inform the Board of Directors of the direct or indirect relations between them or with other entities or structures part of the Conglomerate of which the issuer is part, or with the issuer, suppliers, customers or any other Stakeholder Groups, which could result in conflict of interest situations or affect their opinion or vote, thus building a “map of Associates Parties” for the Administrators.

21.3 Measure Implemented                      YES         NO         N/A

**YES. Briefly explain:**

To comply with this recommendation, the company on a semi-annual basis, makes a survey about conflicts of interest and independence of the members of the Board of Directors. During 2017, the survey for the months of September and December was conducted.

In addition, GEB has established the following provisions in its corporate documents:

- Rules and Regulations of the Board of Directors, article 18: *“Duties: The duties of the members of the Board of Directors are as follows: 2. Duty of loyalty: fully reporting to the Board of Directors the existence of a real or alleged conflict of interest. The members shall abstain from getting involved, either directly or through related parties, in conflict of interest situations, except with the express authorization of the Shareholders’ Assembly, obtained in the specific cases and in accordance with the provisions established in the Law and the Corporate Governance Code.”*
- Code of Ethics, Title Conflict of Interests, establishes as a duty of the Directors: *“The managers are obliged to report to the board of directors the direct or indirect relationships between themselves, with the company, economic parties, shareholders, suppliers, contractors or any other stakeholders, from which conflict of interest situations may be derived or that could influence their opinion or vote..”*
- Likewise, the Code of Corporate Governance in Title VII. Regarding conflicts of interest and transactions with related parties, it is the duty of the directors, managers and employees of the company to inform in detail and in writing the situation to the immediate superior, in the event that a conflict of interest arises or when there is doubt about its existence.

**NO. Explain:**

**NA. Specify the rules that prevent you from adopting the recommendation:**

Date of Implementation	Abril 28, 2016
Date of Modification	

**21.4. 21.4. The relevant conflict of interest situations,** understood as those that would force the affected party to refrain from attending a meeting and/or voting at a meeting at which the Board of Directors members and other Administrators are present, are included in the public information annually published by the Company on its Web page.

21.4 Measure Implemented                      YES                          NO                          N/A   

**YES. Briefly explain:**

GEB published the relevant situations of conflict of interest understood as those that would require the affected party to abstain from attending a meeting and/or voting, in which the members of the Board of Directors and other Managers could be involved, in the Corporate Governance Annual Report which was presented to the General Shareholders Meeting on March 31, 2016. The Report is published permanently at the website

of the company

(<https://www.grupoenergiabogota.com/informacion->

[corporativa/gobierno-corporativo/asamblea-general-de-accionistas/historial-asamblea-general-de-accionistas\)](#)

For the year 2018, GEB will publish its management report of relevant conflict of interest in which members of the Board of Directors and other Managers are involved in the Corporate Governance Annual Report.

NO. Explain:

NA. Specify the rules that prevent you from adopting the recommendation:

Date of Implementation	March 2017
Date of Modification	

**21.5.** For the purpose herein, the definition of Associated Party applicable to the Company is consistent with the International Accounting Standard nº 24 (IAS 24).

21.5 Measure Implemented                      YES                       NO                       N/A

YES. Briefly explain:

GEB adopted the definition of Related Parties establish in the International Accounting Standard No. 24 (IAS 24), according to literal c. of Title VII of the Corporate Governance Code:

*“VII. On conflicts of interest and transactions with related parties.*

b) *Provisions on Transactions with Related Parties: The Board of Directors defines the manner in which transactions, agreements or material contracts involving related parties are to be approved. A related party is defined as set forth in International Accounting Standard N° 24 (IAS 24) and other applicable local regulations. In general, such acquisitions or transactions must be performed in the same terms and conditions as those used by GEB S.A. ESP. with non-related parties<sup>4</sup>, i.e., on an arm’s length basis. GEB S.A. ESP discloses such transactions in the notes to its financial statements and in the Annual Corporate Governance Report, in compliance with Colombian legislation on the matter. “*

Likewise, the Business Group Agreement adopted the definition of Related Party establishes in the International Accounting Standard No. 24 (IAS 24).

NO. Explain:

NA. Specify the rules that prevent you from adopting the recommendation:

Date of Implementation	November 29, 2016
Date of Modification	August 31, 2017:

**Measure No. 22: Operations with Associated Parties.**

**22.1.** The Company has a policy that defines the specific procedure for the valuation, approval, and disclosure of operations with Associated Parties, including outstanding balances and relations among such Parties, except for those operations that have a specific regulation.

22.1 Measure Implemented YES  NO  N/A

YES. Briefly explain:
NO. Explain:  In the year 2017, the Company issued a Business Group Agreement, which recognizes that a large part of the advantages and efficiencies that are sought through the Business Group derive from the relations between its Companies, in order to take advantage of the opportunities of common interest deals, or explore synergies related to competitive advantages of each company. The Agreement states the principles that are to govern the operations with related parties: (i) Respect of commitments, (ii) Authorization, (iii) Transparency, and (iv) Conflicts of Interest.  In the year 2018, the Company will issue the Policy of Operations with Associated Parties that will contain the specifications in measure 22.1
NA. Specify the rules that prevent you from adopting the recommendation:

Date of Implementation	August 31, 2017:
Date of Modification	Not applicable

**22.2.** The Company's policy related to operations with Associated Parties includes the aspects covered in recommendation 22.2.

22.2 Measure Implemented YES  NO  N/A

YES. Briefly explain:
NO. Explain:  In the year 2018, the Company will issue the Policy of Operations with Associated Parties that will contain the specifications in measure 22.2
NA. Specify the rules that prevent you from adopting the recommendation:

Date of Implementation	Not applicable
Date of Modification	Not applicable

**22.3** The policy provides for that the express authorization by the Board of Directors is not required for recurring associated operations characteristic of the ordinary course of business, carried out by virtue of membership contracts or

**general framework agreements; operations with perfectly standardized conditions, that are massively applied,**

and are made at market prices fixed in general by the person who act as supplier of the good or service, and whose individual amount is not relevant for the Company.

22.3 Measure Implemented YES  NO  N/A

YES. Briefly explain:	
NO. Explain: In the year 2018, the Company will issue the Policy of Operations with Associated Parties that will contain the specifications in measure 22.3	
NA. Specify the rules that prevent you from adopting the recommendation:	
Date of Implementation	Not applicable
Date of Modification	Not applicable

**Measure No. 23: Remuneration of the Board of Directors Members.**

**23.1. The Company has a remuneration policy regarding the Board of Directors, approved by the General Shareholders' Meeting** and reviewed every year, which identifies all of the remuneration components that can effectively be satisfied. Such components can be fixed or variable. They may include fixed fees for being a Board of Directors member, fees for attending Board meetings and/or its Committees, and other remuneration of any kind earned in the course of the exercise, due to any cause, in cash or in kind, as well as the obligations contracted by the Company regarding pensions or the payment of insurance premiums, or other items, related to both old members and current members, as well as civil liability insurance premiums (D&O policies) contracted by the Company in favor of the Board of Directors members.

23.1 Measure Implemented YES  NO  N/A

YES. Briefly explain:	
The General Shareholders Meeting at its ordinary session held in March, 2016, approved the amendment to the Bylaws which establishes:	
Bylaws, article 58: <i>“Paragraph 2: The members of the Board of Directors of Grupo Energía Bogotá S.A ESP shall receive as professional fees an amount equivalent to five (5) legally valid monthly minimum wages for their participation in each session, for a maximum of two Board sessions within the same month. The Board of Directors Committee members shall receive, for their participation in each meeting, professional fees equivalent to 75% of the current fees for meetings of the Board of Directors, with a maximum of two Committee sessions within the same month.”</i>	
Grupo Energía Bogotá S.A. ESP has hired the insurance coverage - Tort Liability of Directors and Managers - RC D&O, valid, nevertheless, the same is not part of the remuneration of the members of the Board of Directors, therefore, it is not part of the elements of remuneration, but a mechanism for prevention and insurance of the Company and its Directors.	

NO. Explain:	
NA. Specify the rules that prevent you from adopting the recommendation:	
Date of Implementation	March 31, 2016
Date of Modification	

**23.2. If the Company adopts remuneration systems by recognizing a variable component associated** with the good progress of the Company in the mid and long term, the remuneration policy incorporates limits on the amount that may be allocated to the Board of Directors and, if the variable component is related to the Company benefits or other management indicators at the closing of the fiscal year evaluated, the eventual exceptions included in the Statutory Auditor report that could reduce the fiscal year results must be taken into account.

23.2 Measure Implemented                      YES       NO       N/A

YES. Briefly explain:	
NO. Explain:  GEB has not adopted systems of variable remuneration for the members of the Board of Directors, therefore, the provisions in regards to remuneration do not incorporate limits to the amount that can be distributed to the Board of Director.	
NA. Specify the rules that prevent you from adopting the recommendation:	
Date of Implementation	Not applicable
Date of Modification	Not applicable

**23.3. Equity Members and Independent Members of the Board of Directors are expressly excluded from the remuneration systems that incorporate options on shares** or a variable remuneration associated with the absolute variation of the quotation of the share.

23.3 Measure Implemented                      YES       NO       N/A

YES. Briefly explain:  According to article 5 of the Rules and Regulations of the Board of Directors: <i>“Remuneration: The members of the Board of Directors shall receive as remuneration the amount approved by the General Assembly of Shareholders. The members of the Board of Directors are excluded from remuneration schemes incorporating share options.”</i>	
NO. Explain:	
NA. Specify the rules that prevent you from adopting the recommendation:	

Date of Implementation	September 30, 1998
Date of Modification	Abril 28, 2016

**23.4. For each period evaluated, within the framework of the remuneration policy, the General Shareholders' Meeting approves a maximum cost of the Board of Directors for all of the remuneration components approved.**

23.4 Measure Implemented YES  NO  N/A

**YES. Briefly explain:**

Within the framework of the General Shareholders Meeting, a fixed amount for professional fees of the Board of Directors is approved. In this sense, there is a remuneration for attendance of the meetings of the Board of Directors and Committees.

Bylaws, article 58: *“Paragraph 2: The members of the Board of Directors of Grupo Energía Bogotá S.A ESP shall receive as professional fees an amount equivalent to five (5) legally valid monthly minimum wages for their participation in each session, for a maximum of two Board sessions within the same month. The Board of Directors Committee members shall receive, for their participation in each meeting, professional fees equivalent to 75% of the current fees for meetings of the Board of Directors, with a maximum of two Committee sessions within the same month.”*

At a formal level, the Rules and Regulations of the Board of Directors in its article 5 establish: *“Remuneration: The members of the Board of Directors shall receive as remuneration the amount approved by the General Assembly of Shareholders.”*

**NO. Explain:**

**NA. Specify the rules that prevent you from adopting the recommendation:**

Date of Implementation	September 30, 1998
Date of Modification	March 31, 2016

**23.5. Shareholders are aware of the effective total cost of the Board of Directors during the evaluated period, which includes all of the remuneration components related to the Board of Directors members as well as the reimbursement of expenses.** Such cost is published on the Company's web page as with the level of disaggregation and detailed approved by the Board of Directors.

23.5 Measure Implemented YES  NO  N/A

**YES. Briefly explain:**

The Corporate Governance Annual Report presented to the General Shareholders Meeting of March 31, 2016 and is published at the company's website <http://www.grupoenergiadebogota.com/sostenibilidad/informes-de-gestion-sostenible>, which reveals the total effective cost of the Board of Directors during the period being evaluated.

The report of effective cost corresponding to the year 2017, will be included in the Corporate Governance Annual Report that is part of the 2017 Management Report.
NO. Explain:
NA. Specify the rules that prevent you from adopting the recommendation:

Date of Implementation	Since 2012
Date of Modification	

**Measure No. 24: Company’s CEO and Senior Management.**

**24.1. The Company’s governance model establishes an effective separation between the management or governance of the company** (represented by the Board of Directors) and the Ordinary Course of business (for which the Senior Management, led by the Company’s CEO, is responsible).

24.1 Measure Implemented                      YES        NO        N/A   

<p><b>YES. Briefly explain:</b></p> <p>The governance model of the company and the separation of functions between the Board of Directors and the Senior Management, is declared in the following corporate documents:</p> <ul style="list-style-type: none"> <li>• Articles 69 and 70 of the Bylaws of GEB S.A. ESP., establish that the management and legal representation of the Company will be held by a CEO, de appointed by the Board of Directors. The functions of the President are, to manage the Company and represent it judicially and extrajudicially, enter into all contracts and legal dealings necessary for the development of the corporate purpose of the company, fully or partially delegate its powers and competencies in subordinate personnel, in accordance with the authorizations by the Board of Directors and adapting to the amounts therein stipulated, manage the property of the company, its goods and real estate, its infrastructure, credits and debits, exercise all types of actions to preserve the rights and interests of the company with respect of the shareholders, authorities, users and third-parties, design and execute development plans, annual action plans and investment programs, maintenance and expenses according to the Board of Directors, comply the provisions in Laws 142 and 143 of 1994 about management plans, exercise the nomination power within the company, design the personnel chart, propose the salary structure and manage the personnel, among others.</li> <li>• Title II of the Corporate Governance Code: <i>“The Board of Directors of GEB S.A. ESP is responsible for setting the strategic course of the Company, for establishing corporate policies and supervising both financial and non-financial performance in the short, medium and long term.</i></li> </ul> <p>c) <i>Functions of the Board of Directors. “The Board of Directors, as the highest strategic management body,</i></p>
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*establishes the Company's general policies, ensures fulfillment of the rights*

*and equitable treatment of shareholders, and ensures the stability and development of GEB S.A. ESP in the short, medium and long term. The Board is responsible for supervising Senior Management’s performance, for verifying the quality of all disclosed information, for establishing risk management guidelines, and for monitoring compliance with the corporate governance policies and arrangements required by Colombian law, or any guidelines voluntarily adopted by GEB S.A. ESP. For the effects of this Code, “Senior Management” means the CEO, the Vice-Presidents and all executives who report directly to the CEO of GEB S.A. ESP.”*

Additionally, the Business Group Agreement, regulates the model of interaction and the general framework of the actions for the relationship between bodies and government instances of GEB with their respective flows of communication and reporting.

The Corporate Intervention Model establishes the levels of attribution to make decisions between the Parent Company, the GEN and the Companies of GEB and seeks that the decisions about the operation are made at the latter level (distributed control), where there is usually better information. Therefore, only the decisions of the highest significance or corporate nature are taken at a Group level. The structure makes a clear differentiation between the corporate and operational environment.

NO. Explain:

NA. Specify the rules that prevent you from adopting the recommendation:

Date of Implementation	June 3, 1996
Date of Modification	August 31, 2017:

**24.2. In general, the Board of Directors policy is to delegate the Ordinary Course of business** to the Senior Management team, focusing its activity on the general functions of strategy, supervision, governance, and control.

24.2 Measure Implemented                      YES       NO                       N/A

**YES. Briefly explain:**

The Board of Directors of GEB S.A. ESP., delegates the Ordinary Course of business to the Senior Management team and concentrates its activities in general functions of strategy, supervision, government and control.

According to Title II of the Corporate Governance Code, the Board of Directors has the following functions:

*“c) Functions of the Board of Directors: the Board of Directors, as the highest strategic management body, establishes the Company’s general policies, ensures fulfillment of the rights and equitable treatment of shareholders, and ensures the stability and development of GEB S.A. ESP in the short, medium and long term. The Board is responsible for supervising Senior Management’s performance, for verifying the quality of all disclosed information, for establishing risk management guidelines, and for monitoring compliance with the corporate governance policies and arrangements required by Colombian law, or any guidelines voluntarily adopted by GEB S.A. ESP. For the effects of this Code, “Senior Management” means the CEO, the Vice-Presidents*

*and all executives who report directly to the CEO of GEB S.A. ESP."*

In this sense, it is a general function of the Board of Directors the one established in section 4 of article 66 of the Bylaws, as follows: *"Set the administrative and management policies of the corporate businesses of Grupo Energía Bogotá S.A ESP, such as approving investments, disinvestments and all types of operations that may be considered strategic or that fall within the amount set forth in article 71 of these Bylaws, or that affect strategic assets or liabilities of the Company, as well as administrative and management policies for the corporate businesses as parent company of the Business Group"*.

Additionally, the Business Group Agreement, regulates the model of interaction and the general framework of the actions for the relationship between bodies and government instances of GEB with their respective flows of communication and reporting.

The Corporate Intervention Model establishes the levels of attribution to make decisions between the Parent Company, the GEN and the Companies of GEB and seeks that the decisions about the operation are made at the latter level (distributed control), where there is usually better information. Therefore, only the decisions of the highest significance or corporate nature are taken at a Group level. The structure makes a clear differentiation between the corporate and operational environment.

~~NO. Explain:~~

~~NA. Specify the rules that prevent you from adopting the recommendation:~~

Date of Implementation	June 3, 1996
Date of Modification	August 31, 2017:

**24.3.** As a general norm, the members of the Senior Management are identified, evaluated and designated directly by the President of the Company given that they are his/her direct collaborators. Alternatively, the company may elect to appoint the members of the

**Senior Management by the Board of Directors by proposal from the CEO of the company.** Regardless of who makes the final designation, the candidates to exercise the key executive positions of the company are known and evaluated by the Nominations and Remunerations Committee of the Board of Directors, who shall issue an opinion.

24.3 Measure Implemented                      YES                          NO                          N/A   

YES. Briefly explain:

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NO. Explain:

The identification, nomination and evaluation of the performance of the members of the Senior Management are to be made by the CEO of GEB and are regulated through the following corporate documents.

- Section 12 of article 70 of the Bylaws: corresponds to the CEO of GEB to exercise the nomination power within the company, design the personnel staff, propose the salary structure and manage the personnel, subject to the yearly budgetary limits, approved by the Board
-

<p>of Directors.</p> <ul style="list-style-type: none"> <li>Title III of the Corporate Governance Code: <i>“The CEO of GEB S.A. ESP. is the Company’s highest-ranking executive, as well as the head of GEB. According to the provisions in the Bylaws, the members of the Senior Management are appointed by the CEO of GEB S.A. ESP, according to the corporate structure defined by the Board of Directors.”</i></li> </ul>
<p>NA. Specify the rules that prevent you from adopting the recommendation:</p>

Date of Implementation	Not applicable
Date of Modification	Not applicable

**24.4. The Company has a clear policy regarding the delegation of functions** approved by the Board of Directors and/or a scheme of authorities that enables becoming familiar with the level of empowerment of the Company CEO and other Senior Management members.

24.4 Measure Implemented                      YES       NO                       N/A

<p>YES. Briefly explain:</p> <p>The corporate documents, such as Bylaws, Corporate Governance Code (Title III) and functions manual, expressly establish the functions of the CEO and senior management, and therefore, the levels of empowerment and attributions for each one.</p>	
<p>NO. Explain:</p>	
<p>NA. Specify the rules that prevent you from adopting the recommendation:</p>	
<p> </p>	
Date of Implementation	June 3, 1996
Date of Modification	March 31, 2016

**24.5. The Board of Directors,** through the Appointment and Remuneration Committee, or whoever performs its functions, leads the evaluation of the Company’s CEO performance and is familiar with the evaluations of the other Senior Management members.

24.5 Measure Implemented                      YES       NO                       N/A

<p>YES. Briefly explain:</p> <p>According to Title III about the Senior Management of the Corporate Governance Code: <i>“Annually, the Board of Directors of GEB S.A. ESP assesses the CEO’s performance, in compliance with the parameters set by the Board itself..”</i></p> <p>According to sections 2 and 8 of article 9 of the Compensations Committee, among its functions:</p> <p><i>“2. Review and implement recommendations given for personnel policies</i></p>	
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and remuneration parameters.  
 (...)  
 8. Propose the Company's compensation and benefits policy.  
 The following is derived from this function:

- a) Assess and recommend compensation policies, plans and programs, whether this may be fixed, variable, incentives and benefits, including performance bonuses, presented by Management for the consideration of the Board of Directors.
- b) Follow-up the compensation policies, plans and programs permanently, to determine their effectiveness.
- c) Recommend, when deemed necessary, amendments or replacements to the compensation policies, plans and programs.
- d) Recommend the type, form, mechanism, amount and other terms and conditions of incentives given according to the levels of each job title.

The Board of Directors, at the beginning of the year, establishes certain objectives and performance goals for the CEO and other collaborators of GEB that are considered by the Board of Directors within the process of evaluation of the CEO.

At the Board of Directors held on January 2017, the objectives of the CEO and the entire organization were set, which shall be evaluated by the Board of Directors at its meeting in February, 2018.

In the year 2017, the Board of Directors approved the Compensation Policy, which covers all the collaborators of Grupo Energía Bogotá S.A. ESP., employed by fixed and indefinite term and its purpose is:

- 1. Be coherent with the dimension of the position and the responsibility assumed by the collaborator at its workplace.
- 2. Attract and retain collaborators with high potential and performance, which implies to hire them with total compensation packages that are competitive with the practices of companies that constitute the market benchmark.
- 3. Compensate the collaborator according to his/her effort and according to its notable performance.
- 4. Maintain and increase the motivation and commitment of the collaborator".

NO. Explain:

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NA. Specify the rules that prevent you from adopting the recommendation:

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Date of Implementation	June 20, 2016
Date of Modification	November 1, 2017

**24.6. The Company has a remuneration policy related to the Company's CEO and the other Senior Management members, approved by the Board of Directors, which identifies the remuneration components that can effectively be satisfied, tied to the compliance of long-term objectives and to risk levels.**

24.6 Measure Implemented      YES       NO       N/A

YES. Briefly explain:

In the year 2017, the Board of Directors approved the Compensation Policy which covers all of the collaborators of Grupo Energia Bogota S.A. ESP, and establishes all the elements that are a part of the compensation:

- a) Fixed compensation, b) Variable Compensation (short and long-term) and c) Benefits.

The provisions regarding remuneration of the CEO of GEB are established in the following corporate documents:

- Section 2 of Article 66 of the Bylaws: the following is a duty of the Board of Directors *“Freely appoint and remove the CEO of the Company, its alternates, as well as fix its remuneration and approve the Succession Policy of Senior Management.”*
- Title III. Senior Management of the Corporate Governance Code: *“Annually, the Board of Directors of GEB S.A. ESP assesses the CEO’s performance, in compliance with the parameters set by the Board itself. The CEO’s remuneration includes both a fixed and a variable component; the latter is based on the results of the performance assessment, and is intended as an incentive for the achievement of Company goals.”*

According to sections 2 and 8 of article 9 of the Compensations Committee, among its functions:

*“2. Review and implement recommendations given for personnel policies and remuneration parameters.*

*(...)*

*8. Propose the Company’s compensation and benefits policy. The following is derived from this function:*

- a) Assess and recommend compensation policies, plans and programs, whether this may be fixed, variable, incentives and benefits, including performance bonuses, presented by Management for the consideration of the Board of Directors.*
- b) Follow-up the compensation policies, plans and programs permanently, to determine their effectiveness.*
- c) Recommend, when deemed necessary, amendments or replacements to the compensation policies, plans and programs.*
- d) Recommend the type, form, mechanism, amount and other terms and conditions of incentives given according to the levels of each job title.”*

NO. Explain:

NA. Specify the rules that prevent you from adopting the recommendation:

Date of Implementation	Since 2003
Date of Modification	November 1, 2017

**24.7. If the Company's CEO includes a fixed component and a variable component, its technical design and means of calculation this prevent the variable component to surpass the maximum limit established by the Board of Directors.**

24.7 Measure Implemented                      YES                       NO                       N/A

**YES. Briefly explain:**

The retribution of the CEO is a fixed salary and in the event of fulfilling the objectives approved by the Board of Directors, an incentive payment (variable component) will be granted, subject to results, which may not exceed the maximum limit established by the Board of Directors.

The retribution of the variable component, for the CEO and other collaborators of the Company, contemplates two types of objectives, the first, referred to the entry key, which determine if there is or not a recognition of a performance bonus, and the second, related to certain specific objectives that measure according to certain ranges its fulfillment and produce a score that is averaged between the indicators and therefore, the granting of the bonus is proportionate to the level of compliance. In this sense, the mechanism approved by the Board of Directors, establishes a maximum ceiling or limit for remuneration, which in no case can be exceeded.

In 2017, the Board of Directors approved the Compensations Policy which covers all the collaborators of Grupo Energía Bogotá S.A. ESP, and establishes all the elements that are included in the compensation: a) Fixed compensation, b) Variable Compensation (short and long-term) and c) Benefits.

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**NO. Explain:**

  


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**NA. Specify the rules that prevent you from adopting the recommendation:**

<b>Date of Implementation</b>	Since 2003
<b>Date of Modification</b>	November 1, 2017

III. CONTROL ARCHITECTURE

Measure No. 25: Control Environment.

25.1. The Board of Directors is the ultimate responsible party for the existence of a sound control environment inside the Company, adapted to its nature, size, complexity, and risks, in such a manner that it meets the provisions in recommendation 25.1.

25.1 Measure Implemented YES  NO  N/A

**YES. Briefly explain:**

According to section 37 of article 66 of the Bylaws, the Board of Directors shall, *“Approve and monitor adequate internal control systems and risk policies, and periodically monitor the main risks the Company is exposed to, including those taken on its off-balance-sheet operations.”*

According to section 37 of article 17 of the Rules and Regulations of the Board of Directors, the following are functions of said body: *“Approve and follow up the appropriate internal control systems.”*

Additionally, literal a) of Title IV of the Corporate Governance Code, establishes *“the Board of Directors, with the support of the Audit and Risk Committee, is responsible for approving the general strategies and policies related to the Internal Control system, as well as for monitoring their appropriate implementation.”*

In the risks policy, GEB declares the commitment with its companies in promoting and development its risk management culture at all organizational levels. Through training activities, work tables and dissemination both at a directive as well as an operative level; the leading area in risk management, the risk managers and the leaders of the organization, ensure that the work teams know and understand the risks to which they are exposed and promote their participation in the treatment actions defined with controlling risks.

GEB has designed and implemented the system for the comprehensive management of corporate risks through which it is ensured that they will reach the objectives and the necessary activities are executed for the proper risk management. Within the system, a structure of responsibilities of all the actors of the same is established, which includes the Presidency and the Board of Directors, Audit and Risk Committee. The roles and responsibilities regarding the risk management are expressed in the corporate procedure of Risk Management.

The risk management system of GEB identifies and manages risks at the strategic level and business processes. Strategic risks are identified according to the strategic objectives of corporate and subsidiaries. The risks of process are identified as those that could have an impact in the compliance of its objectives.

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**NO. Explain:**

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**NA. Specify the rules that prevent you from adopting the recommendation:**

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Date of Implementation	July 22 and October 204, February
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	16, 2006
Date of Modification	December 6, 2017

**25.2. Regarding Conglomerates,** the Parent Company’s Board of Directors shall promote the existence of a Control Architecture with a consolidated, formal scope, which covers all of the Subordinated companies, establishing responsibilities related to the policies and guidelines on the issue at the conglomerate level and defining clear reporting lines that enable having a consolidated view of the risks for the Conglomerate and taking control measures.

25.2 Measure Implemented                      YES        NO        N/A   

**YES. Briefly explain:**

According to section 37 of article 66 of the Bylaws, the Board of Directors shall, *“Approve and monitor adequate internal control systems and risk policies, and periodically monitor the main risks the Company is exposed to, including those taken on its off-balance-sheet operations.”*

According to section 37 of article 17 of the Rules and Regulations of the Board of Directors, the following are functions of said body: *“Approve and follow up the appropriate internal control systems.”*

Additionally, literal a) of Title IV of the Corporate Governance Code, establishes *“the Board of Directors, with the support of the Audit and Risk Committee, is responsible for approving the general strategies and policies related to the Internal Control system, as well as for monitoring their appropriate implementation.”*

The Board of Directors of GEB is authorized and makes decisions based on a group policy and its subordinates Section 30 of article 66 of the Bylaws: *Make decisions based on a group policy, taking into consideration the interests of the Company and its subsidiaries.”*

Additionally, the Group Agreement recognizes the control architecture of the conglomerate in which the three lines of defense are identified and the roles are separated creating the figure of Statutory Auditor of the Group and Compliance Director.

Within the Business Group Agreement the following statement is made:  
*“A proper control environment is a commitment of GEB with its stakeholders. The Audit Model of GEB S.A. ESP is based on three lines of defense, which have the following characteristics (i) First line of defense, exercised by the collaborators: allows to identify and manage risks (control -self-control) and implement corrective actions to face the deficiencies of the processes and controls, (ii) Second line of defense: consists in the function of supervision and monitoring of the efficiency of the first line controls, as well as the consulting, support, prevention, institutionalization, detection (investigation) and reaction, and the execution of the corporate defense program that is exercised through the Compliance Department of GEB S.A. ESP and each one of GEB’s companies, and, (iii) Third line of defense: consists in the independent assurance through external and internal audit activities, as well as the design, assurance and implementation of audit plans for key processes of the organization (Group Auditor + Specialized Auditors)”.*

Additionally, it recognizes that the control environment shall be exercised in a matrix manner irrigating from the corporate the guidelines and policies about this to its subsidiaries, as follows:

*“For this, as of the perspective of the Group, the following is provided:*

- *The Companies of the Group shall ensure a prudent management of risks, as a comprehensive part of the development of its activities, and honor the provisions in the Risk Management Policy under the guidelines stated by the Risk Department of GEB S.A. ESP, under the self-control principle.*
  
- *The General Auditor of the Group in the development of its function and following the guidelines of the Board of Directors of GEB S.A. ESP shall promote an ethical culture, based on high standards that generates trust in the market and stakeholders, exercises its functions independently, conducting a significant control within the framework of the third line of defense and reports directly to the Audit and Risk Committee of the Board of Directors of GEB S.A. ESP . The internal audit areas of the Companies of GEB shall provide assurance services (audit), independent and objective, to add value and improve operations; these report their activities to the Audit and Risk Committees, to the Boards of Directors of the GEB Companies and to the General Auditor of the Group, who in turn, reports to the Audit and Risk Committee of GEB S.A. ESP the relevant facts about the GEB companies. The detailed provisions about this matter, that are to be applied by the GEB Companies, are in the Internal Audit Bylaws of GEB S.A. ESP.*
  
- *A Compliance Department, both the area responsible for executing detection, investigation and reaction activities of the second line of defense and a mechanism for mitigation of the risks of corruption and fraud in the management of data, money-laundering, competition, among others. This Department is under the responsibility of the Legal, Regulatory and Compliance Vice-presidency of GEB S.A. ESP, reports to the Audit and Risk Committee of the Board of Directors of the Parent Company, received reports from the Compliance Directors of the GEB companies and strengthens the lines of defense of the Business Group.*
  
- *All companies are to have a Statutory Auditor or External Auditor, that certifies the financial information. For purposes of this Policy, for the Appointment of the Statutory Auditor or External Auditor, it establishes the guidelines that the Group Companies are to comply with in this matter.”*

NO. Explain:

NA. Specify the rules that prevent you from adopting the recommendation:

Date of Implementation	Abril 28, 2016
Date of Modification	December 6, 2017

**Measure No. 26: Risk Management.**

26.1. The Company's risk management objectives are those contemplated in recommendation 26.1.

26.1 Measure Implemented YES  NO  N/A

<p><b>YES. Briefly explain:</b></p> <p>The risk management of GEB is based on the self-control principle, pursuant to which the responsibility of all areas is to ensure its prudent management as a comprehensive part of the development of the business activities.</p> <p>Periodically, consolidated risks reports of GEB S.A. ESP., are presented and the Companies that are part of the Group, at the Audit and Risk Committee and the Board of Directors.</p> <p>The comprehensive risk management of GEB and the GEB companies, is regulated in the Risk Management Policy. According to the Policy, the comprehensive management of risks has the following objectives:</p> <ul style="list-style-type: none"> <li>• Contribute to the compliance of the vision of Grupo Energia Bogota.</li> <li>• Operate in a transparent, reliable and sustainable manner with stakeholders.</li> <li>• Ensure the continuity of the business through the application and implementation of policies and strategies.</li> <li>• Manage uncertainty to create value in a sustainable manner.</li> <li>• Protect the resources of Grupo Energia Bogota, safeguarding against the materialization of the risks.</li> </ul> <p>In the "Risk Management Policy" and the document "General Guidelines of the Comprehensive Risk Management System of Grupo Energia Bogota" the objectives and purposes of Risk Management are established.</p>
<p><b>NO. Explain:</b></p>
<p><b>NA. Specify the rules that prevent you from adopting the recommendation:</b></p>

<b>Date of Implementation</b>	July 22, 2014, December 23, 2015 and November 29, 2016
<b>Date of Modification</b>	

26.2. The Company has a map of risks understood as a tool to identify and follow up on the financial and non-financial risks for the same.

26.2 Measure Implemented YES  NO  N/A

<p><b>YES. Briefly explain:</b></p> <p>GEB S.A. ESP., has a risk map to identify the financial and non-financial risks according to the methodology and guidelines established in the Risk Comprehensive Management System Matrix of Strategic Risks and Processes approved by the Board of Directors on July 11, 2016.</p> <p>According to articles 13 and 14 of the Regulations of the Audit and Risk Committee, this Committee shall: <i>Recommend to the Board</i></p>
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**26.4. The Board of Directors is aware of and periodically supervises the effective exposure of the Company to the maximum defined limits of risk and suggests actions for correction and follow-up in the event that deviations exist.**

26.4 Measure Implemented YES  NO  N/A

<p><b>YES. Briefly explain:</b>                  According to section 37 of article 66 of the Bylaws, the Board of Directors shall, <i>"Approve and monitor adequate internal control systems and risk policies, and periodically monitor the main risks the Company is exposed to, including those taken on its off-balance-sheet operations."</i></p> <p>Likewise, the Board of Directors, through the Audit and Risk Committee is responsible for: "Oversee and periodically report to the Board of Directors on the affective application of the risk matrix at the Company and its subsidiaries, to ensure that the main financial and non-financial risks, both on- and off-balance sheet, are identified, managed and adequately communicated to the Board." (section 14 of article 9 of the Regulations of the Audit and Risk Committee).</p>
<p><b>NO. Explain:</b></p>
<p><b>NA. Specify the rules that prevent you from adopting the recommendation:</b></p>

<b>Date of Implementation</b>	December 2005
<b>Date of Modification</b>	December 6, 2017

**26.5. Within the framework of the risk management policy, the Senior Management owns the processes and is responsible for risk management, that is, identifying, evaluating, measuring, controlling, monitoring, and reporting risks, by defining methodologies and ensuring that risk management is consistent with the strategy, the defined risk policy, and the maximum limits approved.**

26.5 Measure Implemented YES  NO  N/A

<p><b>YES. Briefly explain:</b>                  According to the Risks Management Policy of GEB, the Senior Management has the following general functions regarding comprehensive risk management:</p> <ul style="list-style-type: none"> <li>• The Presidency is responsible for approving the general guidelines for the comprehensive risk management.</li> <li>• Internal audit is responsible for making risk audits of the Business Group, monitor the implementation and effectiveness of the controls and request action plans when required.</li> <li>• The Vice Presidency of Share Portfolio and Corporate Planning is responsible for proposing and communicating strategies and guidelines for the implementation of comprehensive risk management in the Group.</li> <li>• The delegated area of the subsidiaries to manage risks is responsible for communicating and implementing the strategies and guidelines defined by the Corporate for the risk</li> </ul>
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<p>management of its subsidiary.</p> <ul style="list-style-type: none"> <li>• The Vice Presidents and Directors of Corporate and the Directors of the subsidiaries of the portfolio with control, are responsible for identifying, assessing, control, follow-up and/or updating risks, when applicable. Also, the approval of the risks identified in their area.</li> <li>• The Corporate Risk Managers and the subsidiaries of the portfolio with control are responsible for coordinating in their areas, the identification, assessment and follow-up of risks and controls.</li> </ul>
NO. Explain:
NA. Specify the rules that prevent you from adopting the recommendation:

Date of Implementation	From October 2014
Date of Modification	

**26.6. The Company has a policy regarding the delegation of risks**, approved by the Board of Directors, which establishes the risk limits that can be directly managed at each level of the Company.

26.6 Measure Implemented                      YES         NO         N/A  

YES. Briefly explain:
NO. Explain: Currently, GEB S.A. ESP., does not have a Risk Delegations Policy. The limits of risks that can be managed by the company have been approved by the Board of Directors and reviewed by the Audit and Risk Committee, and are defined in the corporate risk management procedure. They are not established in a delegation policy.
NA. Specify the rules that prevent you from adopting the recommendation:

Date of Implementation	June 22, 2014
Date of Modification	

**26.7. Regarding Conglomerates, risk management must be at a consolidated level** in such a manner that it contributes to the cohesion and control of the companies that are part of the company.

26.7 Measure Implemented                      YES         NO         N/A  

YES. Briefly explain:  At GEB, the risk management is done at a consolidated level.
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According to section 13 of article 9 of the Regulations of the Audit and Risk Committee, this committee is responsible for recommending to the Board of Directors the risk matrix of the company and its subsidiaries:

Likewise, the Risk Management Policy establishes: *“Grupo Energía Bogotá develops its activities and/or dealings in the energy and gas sectors. The activities developed, involve elements and variables with levels of uncertainty that represent risks in different aspects and impacts, therefore, Grupo Energía Bogota has established a risk policy and methodology for analysis of impacts, which defines basic guidelines and the general framework of action that all levels of the organization of the Group companies are to follow to identify, assess, control and follow-up on risks.*

*Grupo Energía Bogota requires that its subsidiaries with control, adopt this corporate policy and maintain the information available, to ensure an adequate knowledge of the risks, principles and guidelines established.*

Through the Risks and Insurance Department, GEB S.A. ESP., the information is consolidated and the risk management made by companies of the group in order to present consolidated results before the Audit and Risk Committee and the Board of Directors and ensure the implementation of the applicable recommendations and actions for the improvement and control of the risk management at the Group level.

NO. Explain:

NA. Specify the rules that prevent you from adopting the recommendation:

Date of Implementation	June 22, 2014
Date of Modification	August 18, 2017:

**26.8.** If the Company has a complex, diverse structure of business and operations, the position of Chief Risk Officer (CRO) exists ) who shall have competence at the level of the Conglomerate if these are integrated companies under situations of control and/or business group.

26.8 Measure Implemented                      YES        NO        N/A   

YES. Briefly explain:  
At GEB S.A ESP., there is the position of "Risk and Insurance Director", a position that is responsible for leading the comprehensive risk management in all the companies of the group.

NO. Explain:

NA. Specify the rules that prevent you from adopting the recommendation:

Date of Implementation	April 2016
Date of Modification	

**Measure No. 27: Control Activities.**

**27.1. The Board of Directors is responsible for ensuring the existence of an appropriate internal control system** , that is adapted to the Company and its complexity and is consistent with the current risk management.

27.1 Measure Implemented YES  NO  N/A

**YES. Briefly explain:**

According to section 37 of article 66 of the Bylaws, the Board of Directors shall, *“Approve and monitor adequate internal control systems and risk policies, and periodically monitor the main risks the Company is exposed to, including those taken on its off-balance-sheet operations.”*

According to literal a) of Title IV of the Corporate Governance Code of EEB: *“The Board of Directors, with the support of the Audit and Risk Committee, is responsible for approving the general strategies and policies related to the Internal Control system, as well as for monitoring their appropriate implementation.*

*The Company’s Internal Control system is framed within the standards of COSO (Committee of Sponsoring Organizations of the Treadway Commission) and the principles of self-control, self-regulation, self-management, effectiveness and efficiency. The internal control policies established by GEB S.A. ESP are made extensive to Group companies.”*

**NO. Explain:**

**NA. Specify the rules that prevent you from adopting the recommendation:**

Date of Implementation	November 29, 2016
Date of Modification	December 6, 2017

**27.2. The Board of Directors is responsible for supervising the effectiveness and suitability of the internal control system**, a function that can be delegated to the Audit Committee, but the Board shall continue to be responsible for its supervision.

27.2 Measure Implemented YES  NO  N/A

**YES. Briefly explain:**

The Board of Directors of GEB is responsible for approving and following up on the adequate internal control systems, and in addition, it is authorized to create Committees that it deems necessary for the proper compliance of the law and its functions and to delegate in them the functions that it considers necessary, such as the approval of its internal regulations.

According to section 37 of article 66 of the Bylaws, the Board of Directors shall, *“Approve and monitor adequate internal control systems and risk policies, and periodically monitor the main risks the Company is exposed to, including those taken on its off-balance-sheet operations.”*

In compliance with this provision, the Board of Directors with the support of the Audit and Risk Committee, is responsible for approving the strategies and general policy related to the internal control system and follow-up on its adequate implementation.

According to article 1 of the Regulations of the Audit and Risk committee, this committee *“is to ensure that Management complies with the established accounting procedures, to review the recommendations of the Statutory Auditor regarding the financial statements, to review the Control Architecture of the Company and the member companies of Grupo Energía Bogotá. It also oversees and assesses the Company’s Internal Control System, including risk analysis, to recommend and issue opinions to the Board of Directors, and also performs other duties assigned by law, the By-Laws and these Rules..”*

NO. Explain:

NA. Specify the rules that prevent you from adopting the recommendation:

Date of Implementation	February 16, 2006
Date of Modification	December 6, 2017

**27.3. The self-control principle is applied and required in the Company**, understood as the “ability of the persons who participate in the different processes to consider control as an inherent part of their responsibilities, fields of action, and decision-making”.

27.3 Measure Implemented                      YES                       NO                       N/A

YES. Briefly explain:

According to the provisions in the Business Group Agreement, the control architecture of GEB S.A. ESP is based on three lines of defense, which have the following characteristics (i) First line of defense, exercised by the collaborators: allows to identify and manage risks (control -self-control) and implement corrective actions to face the deficiencies of the processes and controls, (ii) Second line of defense: consists in the function of supervision and monitoring of the efficiency of the first line controls, as well as the consulting, support, prevention, institutionalization, detection (investigation) and reaction, and the execution of the corporate defense program that is exercised through the Compliance Department of GEB S.A. ESP and each one of GEB’s companies, and, (iii) Third line of defense: consists in the independent assurance through external and internal audit activities, as well as the design, assurance and implementation of audit plans for key processes of the organization (Group Auditor + Specialized Auditors).

Likewise, the Corporate Governance Code (literal a. Title IV. Control Environment) establishes: *“The Company’s Internal Control system is framed within the standards of COSO (Committee of Sponsoring Organizations of the Treadway Commission) and the principles of self-control, self-regulation, self-management, effectiveness and efficiency. The internal control policies established by GEB S.A. ESP are made extensive to Group companies.”*

NO. Explain:

**NA. Specify the rules that prevent you from adopting the recommendation:**

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Date of Implementation	November 8, 2011
Date of Modification	August 31, 2017:

**Measure No. 28: Information and communication.**

**28.1. The Company’s culture, philosophy, and risk policy , as well as the approved exposure limits, are communicated downwards and horizontally, in such a manner that the whole organization considers the risks and control activities in its actions.**

28.1 Measure Implemented                      YES       NO                       N/A

<p><b>YES. Briefly explain:</b></p> <p>GEB S.A. ESP., establishes a corporate procedure for corporate risk management, the approved risk exposure limits, which are available for consultation at the quality management system and is known by each person in the organization. In addition, each organization process designates the role of the Risk Manager, who facilitates the activities of communication and dissemination of culture, philosophy, policy and procedures of risk management.</p>
<p><b>NO. Explain:</b></p>
<p><b>NA. Specify the rules that prevent you from adopting the recommendation:</b></p>

Date of Implementation	June 22, 2014
Date of Modification	

**28.2. The Company has an escalation information report mechanism (towards the Board of Directors and the Senior Management) that is truthful, understandable, and complete, in such a manner that it supports and enables informed decision-making and risk management and control.**

28.2 Measure Implemented                      YES       NO                       N/A

<p><b>YES. Briefly explain:</b></p> <p>According to the provisions in the Business Group Agreement, the control architecture of GEB S.A. ESP is based on three lines of defense, which have the following characteristics (i) First line of defense, exercised by the collaborators: allows to identify and manage risks (control -self-control) and implement corrective actions to face the deficiencies of the processes and controls, (ii) Second line of defense: consists in the function of supervision and monitoring of the efficiency of the first line controls, as well as the consulting, support, prevention, institutionalization, detection (investigation) and reaction, and the execution of the corporate defense program that is exercised through the Compliance Department of GEB S.A. ESP and each one of GEB's companies, and, (iii) Third line of defense: consists in the independent assurance through external and internal audit activities, as well as the design, assurance and implementation of audit plans for key processes of the organization (Group Auditor + Specialized Auditors).</p> <p>The communication report is established upwards through the following actors:</p> <p>1. Leaders andRisk                      Managers, Managers, Directors                      and</p>
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Vice Presidents (corporate and subsidiaries) 2. Risk and Insurance Department 3. Strategic Presidential Committee and 4. Risk and Audit Committee.  The above is established in the "Procedures for Corporate Risk Management"; section 5/Stages 6 and 7.
NO. Explain:
NA. Specify the rules that prevent you from adopting the recommendation:

Date of Implementation	July 22, 2014 and August 18 2016
Date of Modification	August 31, 2017:

**28.3.** The communication and information reporting mechanism of the company allows: i. for Senior Management to involve the company as a whole stressing its responsibility for the risk management and definition of controls and ii. for the company's personnel to understand its role in the risk management and control identification, as well as its individual contribution in relation to the work of others.

28.3 Measure Implemented                      YES                       NO                       N/A

<p><b>YES. Briefly explain:</b></p> <p>According to the provisions in the Business Group Agreement, the control architecture of GEB S.A. ESP is based on three lines of defense, which have the following characteristics (i) First line of defense, exercised by the collaborators: allows to identify and manage risks (control -self-control) and implement corrective actions to face the deficiencies of the processes and controls, (ii) Second line of defense: consists in the function of supervision and monitoring of the efficiency of the first line controls, as well as the consulting, support, prevention, institutionalization, detection (investigation) and reaction, and the execution of the corporate defense program that is exercised through the Compliance Department of GEB S.A. ESP and each one of GEB's companies, and, (iii) Third line of defense: consists in the independent assurance through external and internal audit activities, as well as the design, assurance and implementation of audit plans for key processes of the organization (Group Auditor + Specialized Auditors).</p> <p>Senior Management involves and highlights the responsibility before risk management and the definition of controls in the group companies, presenting the consolidated results of risk management before the Audit and Risk Committee.</p> <p>Once the report has been presented before the Audit and Risk Committee and if there are commitments, through the Risk and Insurance Department, transfers the recommendations of each one of the companies for its execution and/or implementation and presents progress at subsequent meetings of the committee where the follow-up to compliance of the acquired commitments is made.</p> <p>Members of the GEB both at the operational level as directors understand their given role in risk management involved in the</p>
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<p>identification of risks and defining and implementing controls activities. These activities are carried out in a participatory way and interdisciplinary and are complemented by awareness-raising and training activities with respect to the methodology for risk management. In addition, the results are communicated to all levels of the Organization and leaders of processes ensure that their team know and understand the risks which are exposed and their participation in the actions of treatment defined in order to avoid, mitigate, or transfer risk Likewise, they maintain informed the team about the level of implementation, the effectiveness of implemented controls and possible events of materialization of risks.</p> <p>The above is established in the "Procedures for Corporate Risk Management"; section 5/Stages 6 and 7.</p>	
<p><del>NO. Explain:</del></p>	
<p><del>NA. Specify the rules that prevent you from adopting the recommendation:</del></p>	
<p>Date of Implementation</p>	<p>July 22, 2014 and December 23 2015</p>
<p>Date of Modification</p>	<p>August 31, 2017:</p>

**28.4. Internal lines exist for anonymous reporting or “whistleblowers”**, which enable employees to anonymously report illegal or unethical behaviors or that could violate the risk management culture and controls in the Company. The Board of Directors of the Company shall receive a report on such issues.

28.4 Measure Implemented YES  NO  N/A

**YES. Briefly explain:**

In accordance with the provisions in paragraph 19 of article 9 of the regulation of the audit and risks Committee, is function of this Committee: *“Periodically monitor compliance with the Code of Ethics and the effectiveness of the system of anonymous reports received through the Ethical Channel, as well as verify the reports received, evaluating any unethical acts that were reported and the contents of the reports filed, and submit to the Board of Directors relevant recommendations.”*

The Company has the Ethical Channel, a mechanism that aims to prevent, detect, investigate and remedy any event of fraud or corruption, illegal act or any misconduct that represents a detriment to any Company of the Group. Likewise, it can be used for consultations and request clarifications about ethical dilemmas.

The Ethical Channel is administered by an independent third party that guarantees objectivity in the process of receiving and handling information, providing the GEB with reports of the complaints received to the Ethics Committee, considering the communication protocols. Communication channels that are part of the Ethics Channel are:

1. Free phone line for Colombia: 01800-518- 2937
2. Website:  
<http://www.grupoenergiadebogota.com/eeb/index.php/empresa/etica-y-transparencia/canal-etico>
3. Email: canaleticogeb@lineadenuncias.com

In the Company, the following Committees are in place, who are responsible for carrying out the verifications in accordance with the Communications Protocol of the Ethical Channel, as follows:

1. Committee of Coexistence - in the Companies of the group where this committee is not formed, this verification is carried out by the Human Resources area.
2. Ethics and Compliance Committee
3. Audit and Risks Committee

In accordance with the Corporate Governance Code, numeral d. of Title VII. on Conflicts of Interest and Transactions with Related Parties: d) Code and Ethical Channel: Through its Code of Ethics, GEB promotes ethical behavior at all levels, including members of the Board of Directors, Senior Management, employees and contractors of the Company. In this way it seeks to mitigate the risks associated with these fronts. The Company has an Ethical Channel at the disposal of its stakeholders, to receive complaints or queries related to fraud, conflicts of interest, improper or illegal behavior in the following link:

<https://www.grupoenergjabogota.com/informacion-corporativa/gobierno-corporativo/transparencia>

NO. Explain:

NA. Specify the rules that prevent you from adopting the recommendation:

Date of Implementation	May 20, 2013
Date of Modification	December 14, 2017

**Measure No. 29: Monitoring the Control Architecture.**

**29.1. In the company, the Board of Directors, through the Audit Committee, is responsible for supervising the effectiveness of the different Control Architecture components.**

29.1 Measure Implemented      YES       NO       N/A

YES. Briefly explain:

According to section 37 of article 66 of the Bylaws, the Board of Directors shall, *“Approve and monitor adequate internal control systems and risk policies, and periodically monitor the main risks the Company is exposed to, including those taken on its off-balance-sheet operations.”*

Likewise, the Board of Directors of GEB S.A ESP., through its Audit and Risk Committee, is responsible for supervising and evaluating compliance with the annual internal audit plan that includes the business risks and the Company's processes. It also supervises and evaluates the Internal Control System of the Company to recommend and issue an opinion to the Board of Directors and performs the other functions that correspond to it according to the Law, the Statutes and the Regulations of the Committee (Article 1 of the Regulations of the Committee of Audit and Risks).

60/5000 For its part, the Business Group Agreement establishes that: *“The corporate elements of control architecture are led by the Group's General Auditor and executed in the GEB Companies through their internal audit and compliance areas. They must report and report, periodically, on their activities to the Boards of Directors of the GEB Companies through the Committees of*

<i>Audit and Risks without prejudice to the functions attributed to the Statutory Auditors.”</i>	
NO. Explain:	
NA. Specify the rules that prevent you from adopting the recommendation:	
Date of Implementation	February 16, 2006
Date of Modification	December 6, 2017

**29.2.** In the company, the monitoring task aimed at ensuring the effectiveness of the Control Architecture, mainly involves the internal audit with the cooperation of the Statutory Auditor in relation to issues characteristic of his/her competence and particularly regarding the financial information generated by the Company.

29.2 Measure Implemented                      YES       NO       N/A

<p><b>YES. Briefly explain:</b></p> <p>According to the provisions in the Business Group Agreement, the control architecture of GEB S.A. ESP is based on three lines of defense, which have the following characteristics (i) First line of defense, exercised by the collaborators: allows to identify and manage risks (control -self-control) and implement corrective actions to face the deficiencies of the processes and controls, (ii) Second line of defense: consists in the function of supervision and monitoring of the efficiency of the first line controls, as well as the consulting, support, prevention, institutionalization, detection (investigation) and reaction, and the execution of the corporate defense program that is exercised through the Compliance Department of GEB S.A. ESP and each one of GEB's companies, and, (iii) Third line of defense: consists in the independent assurance through external and internal audit activities, as well as the design, assurance and implementation of audit plans for key processes of the organization (Group Auditor + Specialized Auditors).</p> <p>Article 9 of the Regulations of the Audit and Risk Committee establishes the functions of the Committee: <i>“Check that the administration has attended the suggestions and recommendations proposed by the internal, external auditors, the Statutory Auditor and other control bodies.”</i></p>	
NO. Explain:	
NA. Specify the rules that prevent you from adopting the recommendation:	
Date of Implementation	June 2014
Date of Modification	December 14, 2017

**29.3.** The Company’s internal audit function has an Internal Audit Statute, approved by the Audit Committee, which expressly states the scope of its functions in this matter, and which should include the issues in recommendation 29.3.

29.3 Measure Implemented                      YES       NO       N/A

**YES. Briefly explain:**

Grupo Energía Bogotá has an Internal Audit Statute which establishes the purpose, authority and responsibility of the internal audit function in the Company. It also establishes the position of the internal audit activity within the organization, including the nature of the functional relationship of the Internal Audit Director with the Committee; authorizes access to records, personnel and assets relevant to the performance of the work and defines the scope of internal audit activities.

The Internal Audit Statute is published on the page of the Grupo Energía de Bogotá at the following link: <https://www.grupoenergiabogota.com/informacion-corporativa/gobierno-corporativo/transparencia>

In accordance with the Regulations of the Audit and Risk Committee, the approval of the Internal Audit Statute is the function of said committee (article 9, paragraph 17 of the Regulations of the Audit and Risk Committee).

**NO. Explain:**

**NA. Specify the rules that prevent you from adopting the recommendation:**

Date of Implementation	December 11, 2008
Date of Modification	August 18, 2017:

**29.4.** The maximum authority responsible for the internal audit is professionally independent from the Senior Management of the Company or Conglomerate that hires it, as its operation depends exclusively on the Audit Committee.

29.4 Measure Implemented                      YES        NO        N/A   

**YES. Briefly explain:**

In accordance with the provisions of numerals 22 and 23 of article 9 of the Regulation of the Audit and Risk Committee is the function of said Committee:

*"22. Propose to the Board of Directors the selection, appointment or removal of the General Auditor of the Group or the person performing such duties.*

*23. Oversee the independence and effectiveness of the internal auditing area, receive periodic information on its activities, set performance objectives for the Compliance Officer and the General Auditor of the Group, and assess their performance and ensure that Senior Management takes into consideration the conclusions and recommendations of their reports."*

The Internal Audit Statute of the Company has a separate section called Independence, which establishes the functional dependence of the auditors in relation to the Audit and Risk Committee and the administrative unit with the CEO.

**NO. Explain:**

**NA. Specify the rules that prevent you from adopting the recommendation:**



*to the statutory audit firm, understood as these, the companies of its group and other services that are prohibited by the*

*international standards, in particular with the provisions of the Sarbanes-Oxley (Sox) Act. "*

According to literal c. of section IV of the Corporate Governance Code, "The Company also has a Statutory Auditor appointed by the General Shareholders Assembly for a period of two years. (...) The Statutory Auditor must be at all times clearly independent from the Company, and such independence status must be reasserted in all audit reports presented to the shareholders. GEB S.A. ESP and the other GEB Companies shall not retain the Statutory Auditing firm to perform any services other than Statutory Auditing."

In accordance with numeral 11 of article 9 of the Regulations of the Audit and Risk Committee, its function is as follows: *"Act as liaison between the Board of Directors and the Statutory Auditor and report any situations that may limit the auditor's access to information and put its independence at risk during performance of the financial audit, as well as evaluate the quality and effectiveness of its services"*.

The Statutory Auditor in each of the reports presented to the General Assembly of Shareholders of the Company, declares his condition of independence.

(See website: "historical Asamblea General de Accionistas"  
<https://www.grupoenergiabogota.com/informacion-corporativa/gobierno-corporativo/asamblea-general-de-accionistas>

NO. Explain:

NA. Specify the rules that prevent you from adopting the recommendation:

Date of Implementation	December 13, 2007
Date of Modification	June 22, 2017

**29.7. If the Company acts as the Parent Company of a Conglomerate, the Statutory Auditor is the same for all of the companies, including off-shore companies.**

29.7 Measure Implemented                      YES                       NO                       N/A

YES. Briefly explain:

In 2017, Grupo Energía Bogotá issued the Policy for the Appointment of the Statutory Auditor and External Auditor, in which it is stated in the "Group Considerations" that:

- a. *"The pre-contractual stage will be carried out by the GEB S.A. ESP. taking into account the provisions of the Contracting Manuals of GEB companies, through joint contractual processes. As soon as possible, the firm designated to provide the service of the statutory auditor will be the same if it has representation in the countries where the companies of the GEB are located.*
- b. *GEB S.A. ESP. in the other companies belonging to GEB, will vote with all its shares for the same statutory audit firm that is chosen by the General Assembly of Shareholders of GEB S.A. ESP. This with the purpose of having a unified model and methodology that gives confidence and guarantees to new shareholders and stakeholders on the financial situation of the GEB*

*S.A. ESP. and GEB in general".*  
In 2017, the GEB companies had the same statutory auditor.

NO. Explain:	
NA. Specify the rules that prevent you from adopting the recommendation:	

Date of Implementation	June 22, 2017
Date of Modification	Not applicable

**29.8. The Company has a policy for the designation of the Statutory Auditor,** approved by the Board of Directors and disseminated among Shareholders, which includes the statements in recommendation 29.8.

29.8 Measure Implemented                      YES        NO        N/A   

<p>YES. Briefly explain:</p> <p>Grupo Energía Bogotá has, since 2017, a Policy for the Appointment of the Statutory Auditor and External Auditor, approved by the Board of Directors in which the provisions on the designation, qualities, functions and responsibilities of the Statutory Auditor are enshrined.</p>
NO. Explain:
NA. Specify the rules that prevent you from adopting the recommendation:

Date of Implementation	June 3, 1996
Date of Modification	June 22, 2017

**29.9. For the purpose of avoiding a close association between the Company and the Statutory Auditing firm and/or their work teams and of maintaining their independence, the Company sets forth a maximum contracting term ranging from five (5) to ten (10) years.** Regarding the Statutory Auditing, an individual not associated with a firm, the maximum term of contracting is five (5) years.

29.9 Measure Implemented                      YES        NO        N/A   

<p>YES. Briefly explain:</p> <p>According to the provisions in the Bylaws, article 72 and its paragraph two, <i>“The Company shall have a Statutory Auditor, with his/her respective alternate, appointed by the General Shareholders Assembly for a term of two (2) years, the same term as the Board of Directors, but he/she may be removed at any time, and may be reelected in the manner prescribed in these Bylaws. The alternate shall substitute the principal in the event of any temporary or permanent absence.</i> (...)</p>
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*If the Statutory Auditor is an individual who is not associated with a firm, he/she shall not be allowed to remain in office for more than five (5)*

years. On the other hand, if the Statutory Auditor is a Legal Entity, the maximum contractual period shall be ten (10) consecutive years, at the end of which the firm must be replaced, and in all cases the personnel assigned to the Company must be replaced as a minimum every five (5) years.”

Likewise, it is foreseen in the Policy for the Appointment of the Statutory Auditor and External Auditor that: “The statutory auditor of GEB S.A. ESP. is elected for a period of 2 years with the possibility of being re-elected, until the deadline of 10 years. Subject to the considerations and pronouncements of the Audit and Risk Committee of the Board of Directors of GEB S.A. ESP., In the middle of the maximum period of hiring of the fiscal reviewer is sought by the rotation of all the personnel assigned to the GEB S.A. ESP.”

NO. Explain:

NA. Specify the rules that prevent you from adopting the recommendation:

Date of Implementation	March 31, 2016
Date of Modification	June 22, 2017

**29.10.** Within the maximum contracting term, the Company encourages the rotation of the partner of the Fiscal Auditing firm assigned to the Company and their work teams in the middle of the period, but at the end of the period the rotation of the firm must be performed.

29.10 Measure Implemented                      YES                       NO                       N/A

YES. Briefly explain:

According to the provisions in the Bylaws, article 72 and its paragraph two, “The Company shall have a Statutory Auditor, with his/her respective alternate, appointed by the General Shareholders Assembly for a term of two (2) years, the same term as the Board of Directors, but he/she may be removed at any time, and may be reelected in the manner prescribed in these Bylaws. The alternate shall substitute the principal in the event of any temporary or permanent absence.  
(...)  
If the Statutory Auditor is an individual who is not associated with a firm, he/she shall not be allowed to remain in office for more than five (5) years. Por su parte, si la Revisoría Fiscal es ejercida por una Persona Jurídica, su término máximo de contratación será de diez (10) años continuos, a cuya finalización deberá producirse obligatoriamente la rotación de la firma, en todo caso se deberá realizar la rotación del personal asignado a la Sociedad cada cinco (5) años por lo menos.”

Likewise, it is foreseen in the Policy for the Appointment of the Statutory Auditor and External Auditor that: “The statutory auditor of GEB S.A. ESP. is elected for a period of 2 years with the possibility of being re-elected, until the deadline of 10 years. Subject to the considerations and pronouncements of the Audit and Risk Committee of the Board of Directors of GEB S.A. ESP., In the middle of the maximum period of hiring of the fiscal reviewer is sought by the rotation of all the personnel assigned to the GEB S.A. ESP.”

**NO. Explain:**

**NA. Specify the rules that prevent you from adopting the recommendation:**

Date of Implementation	December 2006
Date of Modification	June 22, 2017

**29.11.** In addition to the effective prohibition for not contracting professional services other than those included in the financial audit itself with the Statutory Auditor and the other functions included in the effective rules and regulations, the Company (sic) such limitation to the persons or entities associated with the Statutory Auditing firm, among which the companies of its group as well as the companies in which there is a high coincidence of partners and/or administrators with those in the Statutory Auditing firm.

29.11 Measure Implemented                      YES        NO        N/A   

<p><b>YES. Briefly explain:</b></p> <p>In 2017, Grupo Energía Bogotá issued the Policy for the Appointment of the Statutory Auditor and External Auditor, in which the following is declared as a commitment:  <i>"In line with good corporate governance practices, the statutory auditor may not provide advisory or consulting services other than those of the tax auditor itself. This prohibition extends to the persons or entities related to the statutory audit firm, understood these, as the companies of its group and other services that are prohibited by international standards, in particular with the provisions of the Sarbanes-Oxley Act ( Sox) "</i></p>
<p><b>NO. Explain:</b></p>
<p><b>NA. Specify the rules that prevent you from adopting the recommendation:</b></p>

Date of Implementation	June 22, 2017
Date of Modification	Not applicable

**29.12.** The Company discloses in its public information the total value of the contract with the Statutory Auditor as well as the proportion represented by the fees paid by the Company as compared to the total income of the firm related to its statutory auditing activity.

29.12 Measure Implemented                      YES        NO        N/A   

<p><b>YES. Briefly explain:</b></p> <p>GEB discloses the total amount of the contract with the Statutory Auditor through the financial reports that are published permanently on the corporate website</p> <p>Link:  <a href="https://www.grupoenergiabogota.com/informacion-corporativa/gobierno-corporativo/asamblea-general-de-accionistas/historial-asamblea-general-de-accionistas">https://www.grupoenergiabogota.com/informacion-corporativa/gobierno-corporativo/asamblea-general-de-accionistas/historial-asamblea-general-de-accionistas</a></p>
<p><b>NO. Explain:</b></p>
<p><b>NA. Specify the rules that prevent you from adopting the recommendation:</b></p>

<b>Date of Implementation</b>	Since 2012
<b>Date of Modification</b>	

**V. TRANSPARENCY AND FINANCIAL AND NON-FINANCIAL**

**INFORMATION Measure No. 30: Information Disclosure Policy.**

**30.1. The Board of Directors has approved an information disclosure policy**, which, at a minimum, identifies the information covered in the recommendation.

30.1 Measure Implemented                      YES                       NO                       N/A

<p><b>YES. Briefly explain:</b></p> <p>In 2017, Grupo Energía Bogotá issued the Information Disclosure Policy, which "establishes the general guidelines and commitments for the disclosure of financial and non-financial information of GEB S.A. ESP. and Grupo Energía de Bogotá, hereinafter the GEB. Likewise, it defines the mechanisms through which shareholders and other stakeholders can access it.</p> <p><i>The purpose of this Policy is to establish, in line with the commitments of GEB in matters of corporate governance, the general agreements that GEB S.A. ESP. as parent of the Group in its capacity as a local and international issuer of securities, and all GEB companies, take on the disclosure of information to its stakeholders and the adoption of good practices in matters of transparency”:</i></p> <p>The Policy contains the information that measure 30.1 deals with.</p>
<p><b>NO. Explain:</b></p>
<p><b>NA. Specify the rules that prevent you from adopting the recommendation:</b></p>

<b>Date of Implementation</b>	June 22, 2017
<b>Date of Modification</b>	Not applicable

**30.2. Regarding Conglomerates, the disclosure of information to third parties is done in an integral, transversal manner**, and refers to the group of companies, which enables external third parties to form an opinion based on the reality, organization, complexity, activity, size, and governance model of the Conglomerate.

30.2 Measure Implemented                      YES                       NO                       N/A

<p><b>YES. Briefly explain:</b></p> <p>The Information Disclosure Policy applies "to GEB S.A. ESP. and all the companies that make up GEB, including the members of the Boards of Directors, Management Board, Directorates, Boards, hereinafter "Boards of Directors", legal representatives, Vice Presidents, Directors, Managers, administrators, employees of the GEB S.A. ESP. And other companies that belong to GEB."</p> <p>The purpose of this Policy is to establish, in line with the commitments of the GEB in matters of corporate governance, the general agreements that the GEB S.A. ESP. as the parent of the Group as a local and international issuer of securities, and all GEB companies, they take on the disclosure of information to their stakeholders and the adoption of good practices in matters of transparency.</p>
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The policy is available at the company's website at <a href="https://www.grupoenergiabogota.com/informacion-corporativa/gobierno-corporativo/codigo-de-gobierno-corporativo">https://www.grupoenergiabogota.com/informacion-corporativa/gobierno-corporativo/codigo-de-gobierno-corporativo</a>	
NO. Explain:	
NA. Specify the rules that prevent you from adopting the recommendation:	
Date of Implementation	June 22, 2017
Date of Modification	

**Measure No. 31: Financial Statements**

**31.1. In the event** that there exist exceptions in the Statutory Auditor's report, such exceptions and the actions that the Company suggests to solve the situation shall be subject to a statement before the shareholders gathered at the General Meeting by the Audit Committee Chairman.

31.1 Measure Implemented                      YES       NO       N/A

YES. Briefly explain:	
NO. Explain:  In the future, EEB hopes to work on the implementation of this recommendation.	
NA. Specify the rules that prevent you from adopting the recommendation:	
Date of Implementation	Not applicable
Date of Modification	Not applicable

**31.2. When the Board of Directors considers that it must maintain its criterion regarding the Statutory Auditor's exceptions** and/or emphasis paragraphs, such a stance is appropriately explained and justified by means of a written report to the General Meeting, specifying the content and scope of the discrepancy.

31.2 Measure Implemented                      YES       NO       N/A

YES. Briefly explain:  In the Management report of 2016, which was submitted to the General Shareholders' Meeting in March 2017, the Board of Directors included a report to the shareholders related to the paragraphs of emphasis included in the opinion of the Statutory Auditor . In the event that the Statutory Auditor considers including the financial statements for 2017 in their opinion, the Board of Directors will rule on them in the 2017 Management Report.	
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NO. Explain:
NA. Specify the rules that prevent you from adopting the recommendation:

Date of Implementation	Not applicable
Date of Modification	Not applicable

**Operations with or between Associated Parties, including operations between Conglomerate companies, which, based on objective parameters such as volume of the operation, percentage over assets, sales or other indicators, are qualified as material by the Company, are included in detail in the public financial information and off-shore operations are also mentioned.**

31.3 Measure Implemented                      YES       NO       N/A

<p>YES. Briefly explain:</p> <p>Transactions with or between Related Parties are detailed in the Report of Related Parties available on the GEB website, in the report that is presented annually to the ordinary session of the General Assembly of Shareholders.</p> <p>Link:<a href="https://www.grupoenergiabogota.com/informacion-corporativa/gobierno-corporativo/asamblea-general-de-accionistas/historial-asamblea-general-de-accionistas/30-de-marzo-de-2017-asamblea-general-ordinaria-de-accionistas">https://www.grupoenergiabogota.com/informacion-corporativa/gobierno-corporativo/asamblea-general-de-accionistas/historial-asamblea-general-de-accionistas/30-de-marzo-de-2017-asamblea-general-ordinaria-de-accionistas</a></p> <p>It is the function of the Finance and Investment Committee, in accordance with what is indicated in numeral 4 of article 9: <i>“Give its opinion regarding the possible operations that are planned to be concluded with economic associates, for which they must verify that they are carried out under market conditions and that they do not violate the equal treatment of the shareholders.”</i></p> <p>In 2018, the report on operations with Related Parties for the year 2017 will be published, prior to the General Assembly of Shareholders for the month of March.</p>
NO. Explain:
NA. Specify the rules that prevent you from adopting the recommendation:

Date of Implementation	June 19, 2005
Date of Modification	June 18, 2016

**Measure No. 32: Information to markets.**

**32.1.** Within the framework of the information disclosure policy, the Board of Directors (or the Audit Committee), adopts the measures required to ensure that all of the financial and non-financial information on the Company, required by the legislation in force, is transmitted to the financial and capital markets, in addition to all such information that is deemed relevant for investors and customers.

32.1 Measure Implemented YES  NO  N/A

**YES. Briefly explain:**

The Information Disclosure Policy indicates that: *"In compliance with good practices in terms of transparency and accountability, the Policy for Disclosure of Information, hereinafter the Policy, establishes the general guidelines and commitments for the disclosure of financial and non-financial information of GEB SA ESP. and Grupo Energia de Bogota, hereinafter the GEB. Likewise, it defines the mechanisms through which shareholders and other stakeholders can access it."*

It also states that: *"The disclosure of information constitutes the main mechanism through which the GEB guarantees transparency, ethics, corporate accountability and respect for shareholder rights and generates trusting relationships with all its interest groups. GEB S.A. ESP. reveals to its shareholders and other stakeholders, information that is classified as:*

- a) *Financial information: financial statements, its annexes, economic results, in general, the financial and accounting situation, permanent or exceptional, that apply in matters of relevant information.*
- b) *Non-financial information: legal, commercial, permanent or exceptional work situation of non-financial content that must be known by the different interest groups and that applies in matters of relevant information.*

In accordance with numeral 3 of article 9 of the Regulations of the Audit and Risk Committee, it is the function of said committee: *"Ensure that the preparation, presentation and disclosure of the financial information complies with the provisions of the Law ."*{Ut5}

**NO. Explain:**

**NA. Specify the rules that prevent you from adopting the recommendation:**

Date of Implementation	August 25, 2016
Date of Modification	June 22, 2017

**32.2. The Company has a friendly web page on which it is easy to navigate and access information, thus it is simple for the user to access the information associated with or related to the Corporate Governance.**

32.2 Measure Implemented YES  NO  N/A

**YES. Briefly explain:**

In accordance with the Policy of Disclosure of Information " *The web site, constitutes the main mechanism to establish permanent contact with the stakeholders. In accordance with applicable Colombian regulations, the provisions of the Financial Superintendency and international standards, the GEB S.A. ESP website reveals financial and non-financial information with clear and simple language, uses graphic tools to communicate effectively and its content is updated permanently, all*

*this responding to criteria of universality, proportionality and promptness, preserving in all cases, confidential or reserved information ".*

The GEB website has an exclusive link for Investors in which it develops and publishes information related to its corporate governance <https://www.grupoenergiabogota.com/informacion-corporativa> y <https://www.grupoenergiabogota.com/inversionistas>

The organization of information allows interest groups to easily access corporate governance information and general information about the company.

**NO. Explain:**

**NA. Specify the rules that prevent you from adopting the recommendation:**

<b>Date of Implementation</b>	December 2011
<b>Date of Modification</b>	June 22, 2017

**32.3.** The Company's web page includes, at least, the links covered in recommendation 32.3.

32.3 Measure Implemented                      YES       NO       N/A

**YES. Briefly explain:**

On the website of the GEB, information on the following topics is developed:

- General information of the company  
(<https://www.grupoenergiabogota.com/>)
- Shareholders and investors  
(<https://www.grupoenergiabogota.com/inversionistas>)
- Relationship with investors  
(<https://www.grupoenergiabogota.com/inversionistas/relacion-con-inversionistas>)
- Corporate Governance  
(<https://www.grupoenergiabogota.com/informacion-corporativa>)
- Sustainability  
(<https://www.grupoenergiabogota.com/sostenibilidad>)

**NO. Explain:**

**NA. Specify the rules that prevent you from adopting the recommendation:**

<b>Date of Implementation</b>	December 2011
<b>Date of Modification</b>	December 2017

**32.4. The supports** used by the Company to communicate information to the markets in general, are documents that can be printed, downloaded, and shared.

32.4 Measure Implemented

YES

NO

N/A

<b>YES. Briefly explain:</b>  The information published on the GEB S.A. ESP. website, is organized in such a way that the interest groups and the public in general can download, print or share the documents ( <a href="https://www.grupoenergiabogota.com/inversionistas">https://www.grupoenergiabogota.com/inversionistas</a> ) y ( <a href="https://www.grupoenergiabogota.com/informacion-corporativa">https://www.grupoenergiabogota.com/informacion-corporativa</a> )	
<b>NO. Explain:</b>	
<b>NA. Specify the rules that prevent you from adopting the recommendation:</b>	
<b>Date of Implementation</b>	December 2011
<b>Date of Modification</b>	

**32.5. If the Company is a large, complex company,** it annually publishes on the web page an explanatory report on the organization, methods, and procedures of the Control Architecture implemented for the purpose of supplying correct, safe financial and non-financial information, and safeguarding the company assets and the efficiency and security of its operations. The information on the Control Architecture is supplemented by a risk management report.

32.5 Measure Implemented                      YES       NO       N/A

<b>YES. Briefly explain:</b>  The results of the evaluation of the internal control system and its main components are presented in the report of the External Auditor of Management and Results of the Company. This report is made annually by an external auditor specialized in the subject and his report is published on the website of the Company, additionally it is presented to the Superintendency of Public Utilities before April 20 of each year.  Likewise, the Business Group Agreement explains the organization, methods and procedures of the Control Architecture implemented with the aim of providing correct and safe financial and non-financial information, safeguarding the entity's assets and the efficiency and safety of its operations.	
<b>NO. Explain:</b>	
<b>NA. Specify the rules that prevent you from adopting the recommendation:</b>	
<b>Date of Implementation</b>	December 21, 2009
<b>Date of Modification</b>	

**Measure No. 33: Annual Corporate Governance Report.**

**33.1. The Company prepares a Corporate Governance Report on an annual basis.** The Board of Directors is responsible for its contents, upon the review and favorable report by the Audit Committee. Such Report is presented along with the rest of the documents for the closing of the fiscal year.

33.1 Measure Implemented

YES

NO

N/A

YES. Briefly explain:

GEB S.A. ESP., annually prepares a Corporate Governance Report as part of the Sustainable Management Report, which is available at (<https://www.grupoenergiabogota.com/sostenibilidad/informes-de-gestion-sostenible>).

According to the literal a. of Title V. of the Code of Corporate Governance: *“As an additional information mechanism for its shareholders and the public in general, GEB S.A. ESP., annually prepares a report on Corporate Governance, for which the Board of Directors is responsible.”*

This report is presented to the Corporate Governance Committee and subsequently to the General Assembly of Shareholders.

In accordance with numeral 13 of article 9 of the Regulations of the Committee of Corporate Governance, are functions of this body:

*“13. At the end of the financial year, present a report on the work undertaken by the Corporate Governance Committee to the Board of Directors, which in turn will submit it for approval to the General Assembly of Shareholders. This must cover the following subjects, as a minimum:*

- a) GEB S.A. ESP. ownership structure.*
- b) GEB S.A. ESP. management structure.*
- c) General Shareholders Meetings.”*

NO. Explain:

NA. Specify the rules that prevent you from adopting the recommendation:

Date of Implementation	December 13, 2007
Date of Modification	December 14, 2017

**33.2. The Annual Corporate Governance Report of the Company is not a mere transcription of the Corporate Governance rules, included in the Bylaws, internal regulations, and codes of good governance or other corporate documents. Its purpose is not to describe the Company’s governance model, but to explain the reality of its operation and the relevant changes during the fiscal year.**

33.2 Measure Implemented

YES

NO

N/A

YES. Briefly explain:

The Annual Corporate Governance Report presents the manner in which the recommendations of Corporate Governance adopted by the company and the main changes occurred were complied with during the year.

Number 13 of Article 9 of the Regulations of the Corporate Governance Committee establishes the functions of the Committee: *“At the end of the financial year, present a report on the work undertaken by the Corporate Governance Committee to the Board of Directors, which in turn will submit*

<i>it for approval to the General Assembly of Shareholders. This must cover the following subjects, as a minimum: a) EEB's structure of ownership. b) EEB's management structure. c) General Assembly of Shareholders.</i>
NO. Explain:
NA. Specify the rules that prevent you from adopting the recommendation:

Date of Implementation	December 13, 2007
Date of Modification	August 23, 2016

**33.3. The Company's Annual Corporate Governance Report** contains information related to the closing of the fiscal year, which describes the manner how the Corporate Governance recommendations adopted by the Company were met during the year as well as the main changes carried out.

The structure of the Company's Annual Corporate Governance Report is in line with the scheme contemplated by recommendation 33.3.

33.3 Measure Implemented                      YES                       NO                       N/A

<b>YES. Briefly explain:</b>	
In the Annual Corporate Governance Report <i>of the GEB S.A. ESP</i> the following information is presented:	
<ul style="list-style-type: none"> <li>• Ownership structure of the company.</li> <li>• Main bodies that give structure to the Corporate Government in the GEB S.A. ESP: General Assembly of Shareholders, Board of Directors and senior management.</li> <li>• The main challenges in corporate governance for next year.</li> <li>• Information on transactions with related parties (as part of the financial information).</li> <li>• Main internal and external control mechanisms of the company.</li> </ul>	
Additionally, in numeral 13 of article 9 of the Regulations of the Corporate Governance Committee, the following is established as a function of the Committee: <i>"At the end of the financial year, present a report on the work undertaken by the Corporate Governance Committee to the Board of Directors, which in turn will submit it for approval to the General Assembly of Shareholders. This must cover the following subjects, as a minimum: a) EEB's structure of ownership. b) EEB's management structure. c) General Assembly of Shareholders.."</i>	
NO. Explain:	
NA. Specify the rules that prevent you from adopting the recommendation:	
Date of Implementation	December 13, 2007
Date of Modification	August 23, 2016

