

Corporate Governance

Code



We improve lives
with sustainable
and competitive
energy



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1. INTRODUCTION

1.1. GEB AND THE BUSINESS GROUP

Grupo Energía Bogotá S.A. E.S.P. (hereinafter “GEB” or the “Company”) is a joint-stock company listed on the Colombian Securities Exchange, whose majority shareholder is the Capital District of Bogotá. It is incorporated as a mixed public-private utility services company under the Colombian legal regime, and it is autonomous in administrative, equity and budgetary terms. In accordance with Law 142 of 1994, it carries out its activities within the scope of private law.

GEB’s main purpose is the generation, transmission, distribution and marketing of electricity, natural gas, and liquid fuels, and is authorized to invest in other companies, either directly through its subsidiaries, or in partnership with other entities. Additionally, it can develop and engage in engineering and infrastructure projects, including providing related services and activities.

In 2009, GEB registered in the Mercantile Registry of the Chamber of Commerce of Bogotá the situation of control and business group with respect to its subsidiaries, recognizing the unity of purpose and direction in the management of the Business Group (hereinafter “Grupo Energía Bogotá” or the “Group”). Grupo Energía Bogotá is made up of GEB, as parent company, and its affiliates and subsidiaries (hereinafter the “Group Companies”), which operate throughout the

energy chain in generation, transmission and distribution of electricity, and transportation and distribution of natural gas in Colombia, Peru, Brazil, and Guatemala.

GEB bases the management of its equities portfolio on the generation of value for its shareholders and other stakeholders through the sustainable and profitable management of its businesses and the implementation of a corporate governance system in accordance with the best practices of transparency, sustainability and business ethics recommended by the Financial Superintendence of Colombia, the Development Bank of Latin America (CAF) and the Organization for Economic Cooperation and Development (OECD), among others.

1.2. BUSINESS GROUP AGREEMENT

In order to ensure fulfillment of the Corporate Strategic Plan, and in accordance with the recommendations of Public Notice 028 of 2014 of the Financial Superintendence of Colombia (Código País), GEB and the Group Companies have signed a Business Group Agreement that establishes the general guidelines for relations within the Group within the framework of the unity of purpose and management.

The Business Group Agreement is an institutional benchmark that establishes the scope of interaction between GEB as the parent company and its controlled companies. In 2022, this Agreement was updated in order to align it with the current corporate strategy and establish the key topics around which the relationships within the Business Group are centered.

The seven key topics of relations are:

- 1 Corporate strategy:** GEB, through its Board of Directors, defines the Business Group's strategy. The Group Companies, through their corporate governance bodies, engage in, manage and supervise their businesses in accordance with the strategy defined by GEB.
- 2 Formation of corporate governance bodies:** GEB defines the composition of the boards of directors, management councils and directorates of the Group Companies, according to the characteristics of each asset. It also establishes the terms of the policies for the appointment of the members of the boards of directors of subsidiaries, associates and investment vehicles.
- 3 Guidelines and policies with Group scope:** GEB as the parent company designs and adopts corporate policies on cross-cutting topics based on the unity of purpose and direction of the Group. The Group Companies accept and develop these policies in compliance with their local legislation and adjusted to their particular needs.
- 4 Ongoing relations:** At the Business Group level, spaces for permanent and efficient relationships are promoted to allow the continuous flow and exchange of information between functional areas and processes. The Group Companies recognize the importance of providing timely financial and non-financial information to GEB as the parent company.
- 5 Synergies, knowledge management and talent exchange:** The Group promotes the development and use of synergies and the exchange of knowledge and experiences between the Group's Companies. Human talent management is a pillar for the construction of organizational identity.
- 6 Shared Services:** The provision of shared services by Group Companies is permitted as a means of realizing synergies, generating efficiencies, and implementing shared practices and operations.
- 7 Control Architecture:** GEB's internal audit and compliance functions re-

main aligned to ensure an adequate control environment, as well as a culture based on ethics and integrity.

The Business Group Agreement recognizes that the relationship between the Group Companies is strategic, with corporate, administrative, and operational autonomy of each of the Companies that comprise it, reporting to the parent company on the results of their management.

1.3. OBJECTIVE OF THE CORPORATE GOVERNANCE CODE

This Code describes GEB's corporate governance system and the principles on which governance in the Business Group is based. Detailed information is provided in other corporate instruments, such as the Bylaws, Internal Regulations and Corporate Policies, among others, available on the GEB website: www.grupoenergiabogota.com/gobierno-corporativo.

The Code describes the way in which GEB interacts with its stakeholders, the rights and duties of its shareholders, its corporate structure, and the Business Group's main standards and commitments regarding sustainability, transparency, business ethics and corporate governance. GEB's Corporate Governance Code complements the Company's legal and statutory regulations and is a guide to the corporate governance system adopted by the Group.

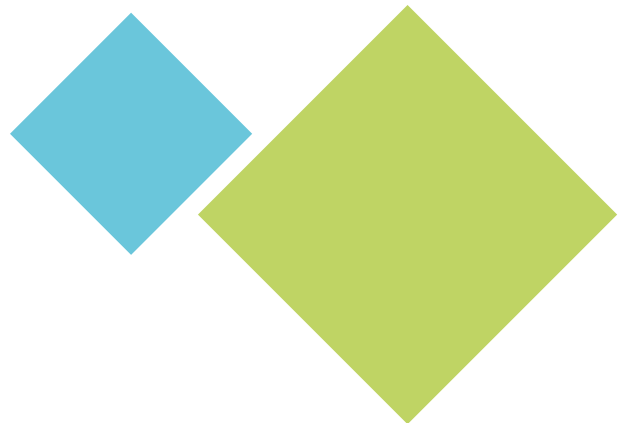
Consequently, in accordance with the provisions of the Business Group Agreement, GEB, as the Group's parent company, issues corporate governance guidelines to its subsidiaries in relation to the fundamental aspects required to comply with the highest international standards, which, in line with the corporate strategy, must be adopted by all Group Companies in accordance with the

applicable regulations and other commitments acquired with minority shareholders and other stakeholders. In addition, through the members of the boards of directors appointed in the Group Companies, the culture of corporate governance is promoted as a pillar of the Group's identity, which has the permanent support and leadership from the parent company through the different areas in charge of corporate governance.

The commitment to good governance in companies in which GEB does not have a controlling interest is also an essential element of the Company's role as a shareholder in such companies. Therefore, through GEB's participation in the corporate governance bodies, mainly in the general meetings of shareholders and boards of directors, the Company's representatives must promote and permanently monitor compliance with the legal, statutory, and regulatory standards that make up their corporate governance systems, ensuring adequate decision-making, as well as the promotion of the topics and standards that have been defined as priorities in GEB's strategy. Such monitoring includes periodically reporting to the relevant areas, particularly to the Corporate Affairs Department, the Presidency, the Corporate Governance and Sustainability Committee and the Board of Directors of GEB on the relevant governance issues identified in the management and direction of minority interests, information that is essential for GEB's strategic planning regarding its shareholdings.



Download here
**Business Group
Agreement**



2. SUSTAINABILITY

2.1. THE SUSTAINABILITY STRATEGY

LSustainability is part of GEB's Higher Purpose and the Group's strategic vision. It represents the organization's interest in the development of competitive businesses in the energy sector that maximize the generation of value for shareholders and the well-being of the communities in the environments where it operates.

GEB, as the Group's parent company, is committed to developing capacities to undertake the objectives of the Group's Sustainability Strategy, which sets its guidelines on the prevention, mitigation, control and offsetting of the environmental and social impacts it generates, as well as on the need to strengthen corporate governance to ensure sustainability goals and drive and promote innovation to adapt the organization to face new challenges.

The objective of the Sustainability Strategy is to ensure the sustainable growth of the Business Group through the creation of conditions of well-being and prosperity in the territories, transparent and fair relationships with stakeholders, the mitigation of climate change, the protection of Human Rights and the efficient use of natural resources, all to contribute in the global context to the transition towards energy-efficient and low-carbon economies. The Sustainability Strategy is the roadmap that guides the organization in its interaction with stakeholders, and in this sense, it guides the or-

ganization's actions around the following principles and criteria: (i) protection of life; (ii) respect for Human Rights; (iii) transparency in relationships; (iv) ethical values and compliance; (v) group action with a long-term vision; (vi) building shared prosperity; (vii) sustainability planning; (viii) operational excellence and environmental performance; (ix) timely social and environmental action; (x) rights and obligations.



Download here
**Sustainability
Strategy**



2.2. STAKEHOLDERS

Given the diversity of the environments where the Group operates, the Group Companies identify their stakeholders locally, based on the analysis of their value chain and the environment in which they operate. However, GEB has identified as stakeholders of the Group Companies their customers, shareholders and investors, state authorities, communities, suppliers, contractors, and employees.

GEB is committed to the attention and management of matters that are material for its stakeholders based on genuine, timely, permanent, and transparent relationships, under criteria of reciprocal trust. The identification of stakeholders and their corresponding material topics is the responsibility of the senior management of the Group Companies due to their strategic relevance. They are also responsible for monitoring their management indicators and the fulfillment of their goals. For additional information on stakeholders and the management of material topics, please refer to GEB Sustainability Strategy.

2.3. ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) COMMITMENTS

GEB and the Group Companies recognize the importance of acting coherently in the face of environmental, social and governance challenges. Such coherence is a key element of the Business Group's identity. GEB and the Group Companies seek to build shared prosperity, improving the conditions of social and environmental well-being in the territories where it operates and promoting the Group's profitable and sustainable growth. To achieve the vision of shared prosperity,

the articulation of commitments around the implementation of environmental, social, and governance criteria in corporate management is strategic for the organization.



Environmental

- Climate Change
- Natural resources
- Pollution
- Environmental opportunities

Bylaws

- Communities
- Diversity
- Employees
- Human Rights

Governance

- Ethics and compliance
- Transparency
- Good corporate governance
- Decision - making

2.3.1. ENVIRONMENTAL DIMENSION

GEB and its subsidiaries recognize the importance of managing the challenges associated with controlling greenhouse gas emissions. They act locally under the precautionary principle against the potential impacts of projects and operations on ecosystems, water resources and air quality. GEB and its subsidiaries support the governments of the countries where we operate in meeting the targets agreed through their Nationally Determined Contributions (NDCs) to contain the increase in global average temperatures as part of the Paris Agreements. Likewise, GEB and its Companies prioritize their participation in projects associated with renewable and Non-Conventional Renewable Energy Sources (NCRES), protecting biodiversity, and conserving and restoring ecosystems in its areas of influence.

GEB and its Companies have a Climate Change Policy, through which they declare their commitments in relation to the harmonization of their operations and projects with the climate change mitigation and adaptation objectives of the countries in which they operate. The Policy sets out the elements that must be considered to ensure their proper implementation and purpose: (i) Assessment of risks and opportunities associated with climate change; (ii) climate change mitigation; (iii) adaptation to climate change; (iv) energy transition; and (v) financial matters. To view GEB's Climate Change Policy, see:



Download here
**Climate Change
Policy**

The Environmental Policy sets the course for GEB and its subsidiaries' environmental management, to ensure the timely and responsible protection of the environment, ecosystems, biodiversity and surrounding areas of our projects and operations.

2.3.2. SOCIAL DIMENSION

GEB and its Companies simultaneously seek to improve social well-being conditions at the local level and the creation of value for their stakeholders. To achieve this, the Group maintains close and transparent relationships with the communities of the territories in which it is present; promotes the protection and respect of Human Rights and implements actions that contribute to closing social gaps. In addition to this, GEB and the Group Companies seek to contribute to the construction of prosperous territories through the strengthening of local suppliers, the diversification of the economies in which they operate, and contracting local labor, goods, and services in conditions of equality, plurality, competitiveness, and transparency.

GEB's Human Rights Policy aims to establish the framework for action for the development of a corporate culture of human rights, ensuring respect and promotion of human rights in all areas of the Group's relationships. For GEB and the

Group Companies, respect for Human Rights is a necessary condition for the successful development of their businesses and operations. GEB values the importance of carrying out its activities under rigorous due diligence processes that allow the identification and prevention of Human Rights risks.

GEB has also established guidelines on Diversity, Equality and Inclusion that promote and maintain a work environment and a corporate culture with equal opportunities, rights, and responsibilities, free of any type of discrimination, and guaranteeing equality between men and women. GEB is committed to the development of actions aimed at closing gender and diversity gaps and rejects any form of violence or discrimination.



Download here
Human Rights Policy

2.3.3. GOVERNANCE DIMENSION

In the corporate governance dimension, GEB and the Group Companies recognize that the adoption of a solid governance structure is key to the proper development of business and are committed to strengthening governance to incorporate measures and standards that guarantee due diligence, transparency, and accountability to stakeholders in the decision-making process.

Therefore, in addition to the applicable le-

gislation, GEB has voluntarily adopted local and international recommendations aimed at guaranteeing the rights and participation of minority shareholders in decision-making, strengthening the process of election, independence and functioning of the Board of Directors, and the appointment of its President and Senior Management. This process has had the commitment of the majority shareholder, the Capital District of Bogotá, which has voted in favor of the statutory reforms and the adoption of relevant corporate governance policies.

On July 31, 2018, the Office of the Mayor of Bogotá deposited with the Company a Shareholders' Agreement whose objective was to strengthen GEB's corporate governance.



Download here
GEB Shareholder Agreement

In addition, the Business Group recognizes that the Control Architecture is a fundamental element of its operation. In this regard, it has made rigorous commitments to the organization's ethics and transparency, risk management and financial and non-financial disclosure processes.

These commitments are presented in the following chapters of this Code.

2.4. GOVERNANCE OF SUSTAINABILITY

In order to leverage compliance with environmental, social and governance commitments, and to ensure the Group's sustainable, profitable and competitive growth, GEB has adopted a Comprehensive Corporate Governance System for Sustainability. For the Group, corporate governance is the tool that allows it to articulate the fulfillment of the established goals and to make the right decisions in relation to the assessment, monitoring, control and management of risks and opportunities associated with sustainability matters.

In this context, GEB and the Group Companies have assigned to their Boards of Directors, Management Councils and Directorates the task of directing and positioning sustainability within the Companies. This involves approving the Sustainability Strategy, monitoring its compliance, and issuing guidelines so that the elements that make up each of the sustainability commitments are correctly managed in the governance structure of the Companies: climate change, energy efficiency, energy transition, stakeholder relations, human rights, diversity, equity and inclusion, and environmental and social performance, among others. The applicable rules of the Support Committees of the Boards of Directors, Management Councils and Directorates have established and reinforced specific functions related to the definition, verification, and monitoring of environmental, social and governance objectives.



3. CORPORATE GOVERNANCE STRUCTURE

Each Group Company has a corporate governance structure based on the legal, statutory and regulatory rules applicable to it, most of which are composed as follows: (i) the highest corporate body made up of the shareholders or partners (General Meeting of Shareholders, Sole Shareholder or General Shareholders' Board); (ii) a strategic management body (Board of Directors, Management Councils or Directorate); and (iii) a legal representative body (Presidency or CEO).

Specifically, at GEB, the corporate governance structure is made up of the following bodies:

3.1. GENERAL MEETING OF SHAREHOLDERS

The General Meeting of Shareholders is the highest governance body of GEB and is made up of all the individuals and legal entities holding their shares who meet in accordance with the provisions of the law and Chapter V of GEB's Corporate Bylaws.



Download here
GEB Corporate Bylaws

GEB is a securities issuer listed in the Colombian Securities Exchange. Its majority shareholder is Colombia's Capital District, and it also has the participation of minority shareholders, which include individual and institutional investors, such as pension funds. For this reason, GEB is respectful of the rights of all its shareholders and is committed to granting them fair and equitable treatment.



3.1.1. FUCTIONS

The General Meeting of Shareholders has the power to approve and amend the Bylaws and the matters provided for therein in accordance with Colombian corporate law. It also elects the members of the Board of Directors and sets the guidelines for the Company's management. It is the natural setting to provide financial and non-financial information, interact with shareholders and be accountable for management and its results. To regulate its operation, Rules of the General Meeting of Shareholders have been established.

3.1.2. MEETINGS AND CALLS TO MEETINGS

The general meetings of shareholders may be either ordinary or extraordinary. Ordinary meetings are held within the first three months of each year at the place, date and time defined in the call to the meeting. Calls to ordinary meetings are made no less than 30 common days in advance and are intended to present and submit to the consideration of the shareholders the management reports, financial statements and profit distribution proposal for the immediately preceding year, among other matters.

Extraordinary meetings are held whenever unforeseen events or urgent situations arise, and may be convened by the Board of Directors, the President of GEB, the Statutory Auditor or when requested by a plural number of shareholders representing at least 10% of subscribed capital. Calls to extraordinary general meetings of shareholders must be made at least 15 calendar days in advance and they shall not decide on any matters not included in the agenda, unless it is decided otherwise by a group of shareholders representing 70% of the total shares present at the meeting.

GEB facilitates representation for shareholders who are unable to directly participate in general meetings of shareholders by establishing the conditions in which they may be represented and supplying them a proxy form, all of which is regulated in the Rules of the General Meeting of Shareholders. The members of the Board of Directors and, in particular the Chairperson, the Chairpersons of Board Committees and the President of GEB are invited to the General Meeting to answer all of the shareholders' inquiries.

During the term of the call, GEB makes available at its headquarters all the documents that are required by law for shareholders to exercise the right of inspection. In addition, during the same period, shareholders can consult on the website all the information on the topics scheduled in the meeting's agenda.



Download here
**Rules of the Meeting of
 Shareholders**

3.1.3. SHAREHOLDER RIGHTS AND DUTIES

In addition to the rights granted by Colombian corporate law to shareholders, GEB has adopted additional corporate governance commitments that incorporate rights in favor of its minority shareholders:

- **Specialized audits:** A group of shareholders representing at least 5% of subscribed shares may request the President of GEB to carry out specialized audits whose cost and responsibility will be borne by the requesting shareholders, and under the conditions and procedures established in the Bylaws.
- **Receive timely and sufficient information:** Shareholders have the right to have their requests for information effectively addressed. Likewise, when the response to a request for information made by a shareholder may put him at an advantage over others, such information will be made available to other investors through the website.
- **Access to detailed information on transactions that imply the dilution of shareholdings:** In these cases, the Board of Directors must present before the General Meeting of Shareholders a report explaining the terms of such transactions, for its approval. The aforementioned report shall be prepared by an independent external consultant.
- **Vote separately on proposals to amend the Bylaws:** Articles or groups of articles that are substantially independent will be voted on separately when requested by a shareholder or

group of shareholders representing at least 5% of subscribed shares.

- **Propose the inclusion of one or more items on the agenda:** Shareholders have the right to propose in a reasoned manner the inclusion of one or more items on the agenda of the ordinary Meeting of Shareholders, as well as alternative formulas of agreement to those proposed by management for the scheduled topics.

In addition, as part of the measures for greater protection and guarantee of the rights of the minority shareholders of GEB, the Shareholder Agreement filed on July 31, 2018 by the Capital District establishes that it, as the majority shareholder, may vote only in favor on the following matters, if, by including its votes, a total number of votes in favor reaches a threshold equal to or greater than 70% of GEB's subscribed capital:

- Reforms to the Company's share capital, including the issuance of any type of shares.
- The sale for any reason in one or more transactions related to the Company's assets that are equal to or greater than 15% of the stock market capitalization of GEB.
- The following bylaws reforms: changes to the main corporate purpose of the Company, early dissolution, and modification of the matters derived from the Shareholders' Agreement.
- The distribution of dividends from retained earnings or reserves established in prior periods.

Correspondingly, GEB shareholders have the following duties:

- **Act with loyalty:** shareholders must refrain from partaking in acts or behaviors that may represent a conflict of interest, as well as from disclosing to third parties or using for their own benefit or that of third parties any information which they may have become aware of by exercising their rights. Similarly, all of their actions and decisions must be made for the best interests of GEB.
- **Comply with internal regulations:** Shareholders must abide by the rules that govern the operation of the Company and that are provided for in the different corporate documents, such as the Bylaws, this Code, the Code of Ethics and Conduct, the Business Ethics Policy and the Anti-Corruption and Anti-Bribery Policy.
- **Update their contact information:** The shareholders must register and update their address or that of their legal representatives or attorneys before the Central Securities Deposit of Colombia (DECEVAL, for the Spanish original) or before the corresponding stockbroker, so that GEB may send any required communications in a timely and effective manner.



3.2. BOARD OF DIRECTORS

3.2.1. MEMBERS

GEB's Board of Directors is made up of 9 members, of which at least 5 must meet the independence criteria established by law and the Rules of the General Meeting of Shareholders. Additionally, the Board of Directors must have the participation of at least 3 women.

In order to ensure that the Board members meet the highest personal and professional criteria, GEB has adopted a Board of Directors Nomination, Succession and Remuneration Policy, which establishes the requirements that candidates must meet, the elements of the profile according to the areas of interest that are relevant to the organization, and the procedure to be followed for the validation of qualifications and elections, among other matters.

As part of the commitments made in the Shareholders' Agreement deposited on July 31, 2018, for the election of the Board of Directors, as a general rule, the Capital District submits to the General Meeting of Shareholders a single list of candidates who meet the requirements indicated above, within which it includes in the 6th line an independent candidate nominated by 10 or 4 minority shareholders of GEB.

The election of the Board of Directors is the responsibility of the General Meeting of Shareholders and is carried out through the electoral quotient system for periods of 2 years, and they may be re-elected or removed at any time.

3.2.2. INDEPENDENCE

As an issuer of securities, GEB is committed to ensuring the independence of its Board of Directors. Independent members play a fundamental role in the decision-making process by providing objective points of view during discussions and balance against the interests of management, shareholders, and other interest groups. GEB has adopted more rigorous guidelines than those provided by law for this matter; in particular, it has increased the minimum number of independent members, which must now be a majority, and the criteria for having such status have been strengthened.

To be an independent member of the GEB Board of Directors, 10 independence criteria must be met that incorporate the legal provisions for issuers of securities in Colombia and the requirements established for issuers listed on the New York Stock Exchange (NYSE), which are aimed at ensuring that candidates for independent members and their personal associates do not have corporate, labor, commercial or financial links with the Company, the Group Companies, their relevant shareholders, the other members of the Board of Directors, the President of GEB or the statutory auditor.

The chairpersons of the Board of Directors and its Committees must be independent members.



Download here
Rules of the General Meeting of Shareholders

3.2.3. FUNCTIONS

The Board of Directors, as the highest strategic management body, determines the corporate policies of GEB and the Business Group; ensures the rights and equitable treatment of all shareholders; directs the management of businesses in the short, medium, and long term, and supervises compliance with social, environmental and governance commitments. In this regard, it is the responsibility of the Board of Directors to set the Company's annual objectives.

The functions of the Board of Directors in accordance with the law and the internal corporate governance structure of GEB are set out in Chapter VI of the Bylaws and in the Rules of the Board of Directors. Likewise, the matters that require qualified quorum and majorities for their approval are established, among which the following are highlighted:

los cuales se resaltan los siguientes:

- Approval and amendments to the Company's Strategic Plan.
- Relevant transactions with related parties.
- The disposal by any means in one or more transactions of Company assets that are equal to or greater than 5% of stock market capitalization.
- Investments equal to or greater than 15% of the market capitalization.

- The Appointment and Removal of the Company's President.
- The approval or amendment of the Rules of the Board of Directors, the Contracting Manual, the Investment Policy and the Governance Model.

3.2.4. DUTIES AND RIGHTS OF BOARD MEMBERS

The members of the Board of Directors are subject to the Colombian regime of directors and officers' liability, and they must act in compliance with the following duties:

- Act in good faith
- Diligence and care
- Loyalty
- Non-competition
- Secrecy and nonuse of corporate assets

Correspondingly, the following are the rights of the Company's Board members:

- Right to information
- Right to have the support of experts
- Right to receive remuneration
- Right to receive orientation and on-going training

The rights and duties are set out in the Rules of the Board of Directors.

3.2.5. CHAIRPERSON, VICE-CHAIRPERSON AND SECRETARY

The Board of Directors elects from among its members a Chairperson and a Vice-Chairperson, who must be independent, and one of these positions must be held by a woman.

For the election of the Chairperson, in accordance with the Shareholders' Agree-

ment deposited on July 31, 2018 by the Capital District, votes must be cast by least three independent members and one member nominated by the Capital District, of those who are present at the respective meeting.

The main responsibilities of the Chairperson of the Board of Directors include: coordinating and planning the functioning of the Board of Directors, leading the discussions, ensuring the effective follow-up of commitments, acting as a liaison between the Board of Directors and shareholders, leading the annual evaluation process of the Group's boards of directors, management councils and directorates, among other functions, in consideration of which, the Chairperson is entitled to an additional differentiated remuneration.

Likewise, the Board and its committees have a Secretary, whose duties are performed by GEB's Legal Vice President, and in the event of his absence, the Secretary will be assigned by the Board of Directors as established in the Corporate bylaws. The Secretary's main responsibilities are to keep the books and records of the meetings, to record the minutes, to convene the meetings and to ensure that the information is sent.

The functions of the Chairperson and the Secretary of the Board of Directors are contained in of the Corporate Bylaws and in the Rules of the Board of Directors.

3.2.6. SUPPORT COMMITTEES

In order to ensure its proper functioning, the GEB Board of Directors has 4 support committees that analyze in depth the topics within their purview before being presented to the Board. The Committees

are: i) Talent, Culture and Innovation; ii) Financial and Investment; iii) Audit and Risks; and, iv) Corporate Governance and Sustainability, all of which are chaired by independent members of the Board of Directors and have separate rules of procedure.

The following are the objectives of the Support Committees:

- **Financial and Investment Committee:** To follow up on the financial management of the Company and Group, analyze new business opportunities, and the redefinition of existing investments.
- **Audit and Risk Committee:** review compliance with the adopted accounting procedures; analyze the recommendations of the Statutory Auditor in relation to the Financial Statements; monitor compliance with the Control Architecture; supervise and evaluate the Internal Control System, including the analysis of financial and non-financial risks; supervise compliance with the internal audit program, and ensure that the preparation, presentation and disclosure of financial information is in accordance with legal provisions.
- **Corporate Governance and Sustainability Committee:** To propose, monitor and issue recommendations to ensure fulfillment of the objectives related to corporate governance and sustainability, including Environmental, Social and Governance (ESG) matters.
- **Talent, Culture, and Innovation Committee:** Assess and discuss all topics related to human resource management, including training plans, compensation and the development of

the organizational culture and innovation initiatives. Additionally, the Committee assists the Board of Directors in appointing, evaluating, and determining the compensation of the Board members and the Senior Management of the Business Group.

of the fees in force for the meetings of the Board of Directors and for up to 2 sessions of the same Committee per month.

3.2.7. ANNUAL EVALUATION

In order to measure and improve its performance, the GEB Board of Directors, with the support of the Talent, Culture and Innovation Committee, annually carries out an evaluation process as a collegiate body, of its individually considered members and its support Committees, as well as of the Boards of Directors, Management Councils and Directorates of all the Group Companies. The evaluation is carried out with the support of an external advisor and the results are presented to the Company's ordinary General Meeting of Shareholders as part of GEB's Annual Corporate Governance Report.

3.2.8. COMPENSATION

It is the responsibility of the General Meeting of Shareholders to approve the remuneration of the Board of Directors, its Committees and Chairman, as established in the Corporate Bylaws.

The Board members receive as professional fees the equivalent of 5 legal minimum monthly wages in force for their participation in each session of the Board of Directors and for up to 2 meetings in the same month; the Chairperson of the Board of Directors receives an additional 1 legal monthly minimum wage to perform the assigned functions; and, the members of the Committees receive the equivalent of 75%



View here
**The Board of Directors of
 Grupo Energía Bogotá
 and its
 Rules of Procedure**



View here
**The Committees of the
 Board of Directors and
 their
 Rules of Procedure**

3.3. SENIOR MANAGEMENT

The President of GEB S.A. ESP is the Company's registered agent, highest-ranking officer, as well as the head of the Business Group. In accordance with the provisions of the Shareholders' Agreement deposited on July 31, 2018, the President of GEB is elected by the Board of Directors based on criteria of suitability, knowledge, experience, and leadership, under a rigorous selection process. To this end, the Board of Directors forms an ad-hoc committee composed only of independent members, which retains the services of a headhunting firm to gather candidates for the position.

Once it has evaluated the candidates, the ad-hoc committee presents to the Board of Directors a list of three candidates to select the President of the Company. The decision shall be made at a meeting of the Board of Directors at which at least 7 members are present, and its approval shall require the affirmative vote of at least 6 of them.

The President may be re-elected indefinitely or removed at any time and has 3 alternates who replace him in his temporary or absolute absences.

GEB has adopted a Senior Management Succession Policy, with the aim of ensuring that the process of appointment and succession of Senior Management positions is objective, independent and transparent. This policy defines the guidelines and main measures for the succession of the President and Vice-Presidents of GEB and the Group Companies. Its purpose is to attract, retain and motivate the best talent, as well as to preserve the professional suitability of those who occupy these positions.

In accordance with the provisions of the Corporate Bylaws, the members of the Senior Management are appointed by the

President of GEB in accordance with the organizational structure defined by the Board of Directors.

The Board of Directors has the power to set and evaluate fulfillment of the performance objectives set annually by the President, and in turn, the President sets and evaluates the management objectives of Senior Management in accordance with the performance management guidelines adopted by the Company. In addition, the Presidency prepares and presents for the consideration of the Board of Directors and its Talent, Culture and Innovation Committee, the succession plans of Senior Management at least once a year.



View here

**The Management Team of
Grupo Energía Bogotá**

4. CONTROL ARCHITECTURE

According to the Business Group agreement, GEB and the other Group Companies recognize that ensuring a culture of ethical behavior and an adequate control environment is a fundamental pillar of the organization's identity. Consequently, GEB, as the parent company, dictates the guidelines in terms of compliance, internal auditing, risk management, tax auditing and relationship with control entities, in order to assure the Control Architecture of the entire Business Group.

The Control Architecture establishes the structure necessary to maintain and strengthen the Internal Control System (ICS) of GEB, and consequently, ensure the development of operations in line with the principles and values that make up the ethical culture. This Architecture is composed of policies and procedures that seek to provide reasonable assurance about the company's results and financial statements, identify and manage business risks that could impede the fulfillment of corporate objectives, and comply with applicable regulations.

The Board of Directors, with the support of its Audit and Risk Committee, is responsible for approving the general strategies and policies related to the ICS and monitoring their appropriate implementation.

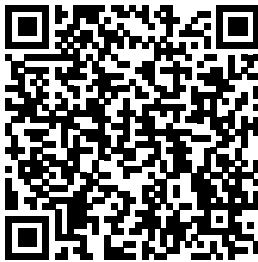
4.1. INTERNAL CONTROL SYSTEM

GEB's Internal Control System (ICS) is structured under the Committee of Sponsoring Organizations of the Treadway Commission (COSO) standard and the three lines of defense model, according to the standard promoted by the European Confederation of Institutes of Internal Auditing (ECIIA), through which mechanisms are generated that allow the fulfillment of corporate objectives.

- **First line of defense:** Control is exercised through the process owners, who establish their own control activities to mitigate their risks and maintain effective internal control. This line of defense is based on the principle of self-control that implies the commitment, involvement, and responsible management of each employee in the mitigation, management, and control of their own risks.
- **Second line of defense:** It is structured based on the function of supervising and monitoring the effectiveness of the control of the first line of defense. This second line executes the corporate defense program that covers all the institutional processes, for which guidelines and monitoring have been established to address cross-cutting risks at GEB and the Group Companies. This second line involves organizational areas and processes such as Compliance, Insurance, Risk Management, Information Security, and the Quality Management System.
- **Third line of defense:** It involves an independent assessment through activities carried out by the auditing function

(Group Auditor and Specialized Auditors), whose objective is to perform an independent and objective assessment of the system to ensure its adequacy, sufficiency, and effectiveness. This third line is in charge of performing an independent evaluation of the first two lines of defense, which contributes to strengthening the controls that feed these processes.

GEB has a Control Architecture Policy in place whose scope covers the Group Companies, and which describes the general guidelines as well as roles and responsibilities for the proper functioning of the ICS.



View here
**The Control Architecture
Policy**



4.2. COMPLIANCE

GEB's Corporate Compliance Department is the area in charge of carrying out prevention, detection, investigation, and response tasks within the framework of the second line of defense. This Department contributes to the mitigation of the risks of corruption and fraud, money laundering, terrorist financing, financing of the proliferation of weapons of mass destruction, bribery, violation of the personal data protection and competition regime, and materialization of conflicts of interest, among others, both at the level of GEB and the Business Group.

The Corporate Compliance Department formulates, executes, and supervises the correct adoption of policies, procedures, manuals, and/or guides on ethics and compliance within the Business Group, through monitoring, control, and risk management tools. It also supports the first line of defense in the identification and communication of relevant alerts that may jeopardize the fulfillment of strategic objectives and that may violate the Group's ethical culture.

This Department reports directly to the Audit and Risk Committee of GEB's Board of Directors and receives reports from the Compliance Directors of the Group Companies.

4.3. INTERNAL AUDIT

GEB has an independent Group General Auditor who reports functionally to the Board of Directors through the Audit and Risk Committee, and who reports administratively to Company's President.

Within the scope of the third line of defense, the Group General Auditor carries out independent and objective internal control evaluations, based on risk analysis and COSO elements, and issues recommendations for the continuous improvement of the Internal Control System, including risk management, control, and governance processes. In this regard, it receives reports from the Internal Auditors of the Group Companies.

The functions and responsibilities of the Group's General Auditor are set forth in the Internal Audit Statute.



View here
**Internal Auditing
Statute**

4.4. RISK MANAGEMENT

GEB's risk management system aims to properly manage risks under the premise of preventing their materialization and reducing the impact of unforeseeable situations. It also aims to build trust among the stakeholders with which the Group interacts, guaranteeing business continuity and transparency in its operations.

GEB's risk management is based on the principle of selfcontrol, which is why it is the duty of all areas to ensure its proper administration as an integral part of the development of the business activities. The consolidated risks report of both GEB and the Group are presented periodically to the Audit and Risk Committee and the Board of Directors.

The comprehensive risk management of GEB and the Group Companies is regulated by the Risk Management Policy:



View here
**Risk Management
Policy**

4.5. STATUTORY AUDITOR

GEB has a Statutory Auditor appointed by the General Meeting of Shareholders for a period of two years. The Statutory Auditor's functions, qualifications, form of election and responsibilities are set forth in the Corporate Bylaws and the Policy on Appointment of the Statutory Auditor. The General Meeting of Shareholders sets the compensation for the Statutory Auditor.

The Statutory Auditing firm can only be contracted for a maximum of ten continuous years; after such time, the firm must be replaced. In all cases, all Statutory Auditor's team members assigned to the Company must be changed every five years.

The Statutory Auditor must be at all times clearly professionally independent from the Company, and such independent status must be reasserted in all audit reports presented to the shareholders. GEB and the other GEB Companies must not contract services other than account auditing services from the same Statutory Auditing firm.



View here
**Policy for the Appointment
of the Statutory Auditor**

4.6. EXTERNAL AUDIT OF MANAGEMENT AND RESULTS

According to the Residential Public Utilities Law, GEB has the obligation to annually contract and carry out an external audit of its management and of results, including an assessment on the organization's architecture, business and technical management, the Internal Control system, the management and results plan, financial viability, and an opinion on GEB's risk levels.

The results of this audit are presented in the Annual Report on the External Management Audit and published in the Company's website.

4.7. CONTROL AUTHORITIES

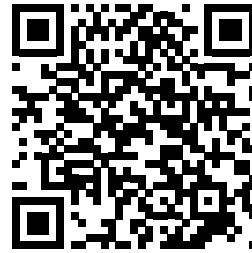
Due to its nature and commercial activities, the following are the control entities with competence over GEB:

- **Superintendence of Residential Public Utilities:** GEB is subject to control, inspection, and oversight by the Superintendence of Residential Public Utilities. Among others, this oversight body is responsible for evaluating the information systems that Public Utility Companies must organize and keep updated to provide reliable financial, technical, and administrative management information to the public.
- **Financial Superintendence of Colombia:** GEB is subject to concurrent control by the Financial Superintendence of Colombia in consideration of its status as issuer of securities registered in the National Registry of Securities and Issuers of Colombia.

The foregoing in accordance with the provisions of Article 11.2.1.6.2 of Decree

2555 of 2010 and Article 7 of Law 964 of 2005.

- **Comptroller's Office of Bogotá D.C.:** The Comptroller's Office of Bogotá D.C. exercises oversight and fiscal control over GEB through the Energy Oversight Department, which is part of the Public Utility Oversight Department. The above is in accordance with articles 267, 268 and 272 of the Political Constitution, Agreement 658 of 2016 of the Council of Bogotá D.C., Law 42 of 1993 and Regulatory Resolution No. 020 of April, 2018 of the Comptroller's Office of Bogotá D.C. The reports on Government Audits performed by the Comptroller's Office of Bogotá in GEB are published on the oversight body's website.



View here

Audit Reports of GEB



5. TRANSPARENCY

5.1. ETHICS AND INTEGRITY (CODE OF ETHICS AND CONDUCT AND ETHICAL CHANNEL)

GEB, aware of the importance of ensuring the sustainability of the Company and the Group and of building trust among all stakeholders, considers it essential to promote a culture of legality, ethics and transparency represented by the value of integrity.

GEB has a Code of Ethics and Conduct that reflects the organization's commitment to the promotion and appropriation of guidelines that allow the development of operations and relations with stakeholders in a responsible, legal, ethical, and transparent manner.

GEB's Code of Ethics and Conduct defines the norms of behavior expected of all Group employees, members of the Board of Directors, beneficiaries and relatives of employees, customers, and partners. Additionally, GEB has a Code of Ethics and Conduct for Suppliers and Contractors. These documents are a roadmap for the development of all activities, operations, and processes of the Business Group, based on the ethical principles of transparency, respect, equity, legality, and responsibility.



View here
**Código de
Ética del GEB**

Likewise, GEB makes available an Ethical Channel managed by an independent third party, through which it seeks to guarantee the right of all shareholders, administrators, contractors, employees, and other stakeholders, to report situations that may eventually be classified as alleged events of fraud and/or corruption, money laundering or unethical conduct. This Channel also allows making inquiries to help resolve ethical dilemmas, under the guarantee that the Channel is confidential, safe, and reliable. At GEB we have a Whistleblower Protection Handbook, which provides all bona fide whistleblowers protection against retaliation.



View here
GEB's Ethical Channel

5.2. CONFLICTS OF INTEREST

The rules for management of conflicts of interest are contained in GEB's Code of Ethics and Conduct and in the Policy for Managing Conflicts of Interest.

In the event of a conflict of interest, or when in doubt of its potential existence, the person must suspend any direct or indirect act or intervention in the activities and decisions related to potential conflict of interest. The person must also report the situation in full detail and in writing to the appropriate person, according to the following classification:

- **Members of Management, Board members and registered agents:** to GEB's Compliance Office or its equivalent, through the Secretary of the Board of Directors
- **The Group General Auditor, the Corporate Compliance Officer, or members of the Ethics Committee:** to the Audit and Risk Committee of the Board of Directors through the Corporate Compliance Department.
- **Employees:** to the Corporate Compliance Department.

Every year, GEB employees and managers must update and submit to the Corporate Compliance Department their declaration of potential conflicts of interest, as well as report preventively any situation that implies a potential conflict. The Corporate Compliance Department is the area in charge of carrying out the corresponding analysis and issuing the recommendations that apply in each situation.

Once the situation has been reported, the

procedure provided for in GEB's Conflict of Interest Management Policy and the Code of Ethics and Conduct must be followed.

In the particular case of the members of the Board of Directors, they have the duty of reporting any direct or indirect relations with GEB, suppliers, clients or any other stakeholder that may lead to situations of conflict of interest. Board members shall also report to the Board of Directors any situation that creates a conflict of interest, in which case GEB'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.

5.3. SOURCING AND CONTRACTING

GEB has a Strategic Sourcing Model that allows the entire supply chain to be managed in a competitive, responsible, sustainable, efficient, and effective manner. This Model incorporates policies, regulations, manuals, processes, controls, and tools to properly manage information systems and the relationship with suppliers.

GEB's Contracting and Execution Control Manual compiles the general rules that regulate contracting by Group Companies and the way in which contract performance must be controlled, as well as the parameters for managing contractual activities in line with the Sourcing Policy. The Manual establishes that Group Companies can enter into all types of contracts, according to the regulations of the Political Constitution of Colombia, the Civil Code, the Code of Commerce, the rules of this Manual, and the special provisions applicable to them due to the nature of the Company or its corporate purpose. It also highlights that the Business

Group's contracting shall be guided by the public function and tax management principles, as set out in Articles 209 and 267 of the Political Constitution, the incompatibilities and disqualifications regime established by law, and the principles of interpretation established in Article 30 of Law 142 of 1994.

The Manual highlights the importance of promoting respect of human rights, the prevention of human rights violations, and the mitigation of possible adverse impacts. In this context, it incorporates as an obligation the adherence and acceptance of GEB's policies on human rights, sustainability and diversity and inclusion by all employees and contractors. Any violation shall constitute grounds for unilateral and justified termination of any contractual relationship and exclusion from the supplier registry.

In order to ensure that GEB's contractors and suppliers comply with the highest standards of integrity, legality, ethics and transparency, GEB has a Code of Ethics and Conduct for Suppliers and Contractors that is mandatory for all individuals and legal entities that enter into contractual relations

with the organization. This Code establishes that suppliers and contractors must fully comply with all laws, good business practices, business ethics and contractual provisions, as well as the provisions contained in the other internal rules of GEB, including, but not limited to: the Code of Ethics, the Policy on Internal Control and Prevention of Fraud and Corruption, the SIPLA Manual, the Human Rights Policy, the Personal Data Processing Policy, the Information Security and Cybersecurity Policy. The Code of Ethics and Conduct for Suppliers and Contractors is available at: (<https://www.grupoenergiabogota.com/conoce-geb/provedores-y-contratistas/lineamientos-de-contratacion/politicas-y-manuales>)



View here
**Contracting
Manual**

5.4. TRANSACTIONS WITH RELATED PARTIES

The rules established in the Transactions with Related Parties Policy define the principles and rules to be followed by GEB and the Group Companies when they engage in transfers of resources, services, or obligations between each other, by means of contracts, agreements, or service agreements, regardless of the amount, in order to ensure that they are entered into in conditions of transparency, equality and impartiality.

- The following are considered Related Parties of GEB, in accordance with International Accounting Standard No. 24:
- Companies in which GEB holds a controlling equity interest or joint control, directly or indirectly.
- Companies in which GEB directly or indirectly holds an equity interest of more than 20% of share capital, i.e., without having significant influence, even if it does not have control.
- Shareholders who, directly or indirectly, hold over twenty 20% the share capital of GEB, as well as companies in which they hold shareholder control. In the case of Bogotá D.C., the Capital District includes the entities listed in Annex 1 to the Policy on Transactions with Related Parties, which covers both the District's central and decentralized administrative bodies.
- The manager of GEB and its subsidiaries, as well as close family members.
- Companies in which any of the above exercise shareholder or joint control.

The Policy also defines the related parties of the Group Companies, the classification of transactions by their relevance and nature, as well as the verification and approval process of each of them. Lastly, the Policy exempts from its application management and control activities performed by GEB, in its capacity of parent Company of the Business Group, aimed at achieving unity of purpose and direction, as well as transactions and activities carried out between Subsidiaries or with GEB aimed at generating synergies or joint developments.



View here
**Policy on Transactions
with Related Parties**

5.5. TRADING IN SHARES

In consideration of GEB's status as issuer of securities in the Colombian public securities market, the Company's shares are dematerialized, and the shareholders' registry book is carried by the Centralized Securities Depository (DECEVAL). Likewise, acquisitions and disposals of GEB shares must be carried out through a stockbroker supervised by the Financial Superintendence of Colombia.

In accordance with Article 404 of the Commercial Code, the Business Group's directors, and employees with access to privileged information may not, by themselves or through an intermediary, dispose of or acquire GEB shares while they are in office, except in the case of transactions unrelated to speculation and with prior and express authorization from the GEB Board of Directors.

In order to regulate the above, GEB has adopted a Share Trading Policy, which establishes the guidelines and general rules based on which GEB shares may be acquired or disposed of by the directors and/or other employees of GEB and the other Group Companies.



View here
**Policy on Trading
in Shares**

5.6. ENGAGEMENT WITH STAKEHOLDERS AND INFORMATION DISCLOSURE

The disclosure of information is the main mechanism through which GEB ensures transparency, ethics, accountability, and respect for shareholder rights, and creates relationships based on trust with all its stakeholders.

GEB, in its capacity as local and international issuer of securities, fulfills the highest standards of transparency and disclosure of financial and nonfinancial information, in accordance with applicable law, and the commitments taken on during each issuance process. It has also adopted relevant mechanisms to fulfill the sustainability goals taken on by the Group, particularly with respect to the disclosure of risk information related to climate change and decarbonization objectives. To this end, different mechanisms and service channels have been established through which shareholders and other stakeholders can access infor-

mation on the Company and the Business Group, also recognizing the commitment to keep with due diligence the information classified as proprietary or confidential.

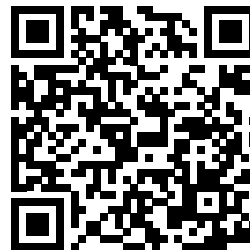
GEB has an Information Disclosure Policy that establishes the general guidelines and commitments for the disclosure of financial and non-financial information, as well as the mechanisms through which shareholders and other stakeholders can access it.



View here
**Policy on Disclosure
of Information**

GEB also has a Financing and Investor Relations Office, which is the area in charge of addressing all requests and concerns raised by shareholders and other investors. To raise requests or concerns in relation to investments in GEB, the Financing and Investor Relations Office makes available the following email address: ir@geb.com.co.

For additional information on investor relations and disclosure of information, visit GEB's website.



View here
**Relevant Information
for Investors**

5.6.1. INFORMATION DISCLOSURE CHANNELS (REPORTS, WEBSITE, DELIVERY OF RESULTS, SIMEV, ETC.)

Through its website, GEB maintains permanent contact with its stakeholders in clear and simple language.

For its part, the Integrated Sustainability Report presents to shareholders, investors and other stakeholders, the annual results of GEB and Group Companies, as well as the operations of each of them, presenting consolidated information on the status, results, and opportunities of management.

In the Corporate Governance Annual Report the Board of Directors reports to shareholders and the general public the status of the corporate governance model of GEB and the Group, and the main changes that have taken place during the year.

The Integrated Sustainability Report and the Annual Corporate Governance Report are presented for approval by the annual ordinary General Meeting of Shareholders.

As an issuer of securities, GEB provides the public market truthful, clear, sufficient, and timely Information through the Comprehensive Securities Market Information System (SIMEV, for the Spanish original) of the Financial Superintendence of Colombia, in accordance with the applicable securities market regulations.

Likewise, through the Report on the Implementation of Best Corporate Practices, GEB annually discloses to the securities market and the Financial Superintendence of Colombia the

implementation of the recommendations of the new Code of Best Corporate Practices (Código País).

The reports referred to in this chapter are available on the GEB website.

5.6.2. PROPRIETARY OR CONFIDENTIAL INFORMATION

In addition to the commitment of fulfilling high standards on information disclosure, GEB and the Group Companies maintain due diligence in the treatment of information classified as proprietary or confidential. The Information Disclosure Policy establishes guidelines related to the handling of proprietary or confidential information.

5.7. PERSONAL DATA PROTECTION

GEB is committed to the proper processing of the personal data of the owners of the information, guaranteeing the fundamental and constitutional right of Habeas Data and the Protection of Personal Data in its processes and operations. A Personal Data Protection Program is in place led by the Corporate Compliance Department, whose fundamental pillar is our Personal Data Processing Policy.



View here
**Personal Data
Protection Policy**

6. FINAL PROVISIONS

It is the duty of the Board of Directors, as well as of the President and the Legal Vice-president of GEB, to ensure compliance with the Corporate Governance Code.

Shareholders may demand effective compliance with the present Code through the Board of Directors or through the Corporate Governance and Sustainability Committee, by means of a duly supported written petition.

This Corporate Government Code shall become effective once it is approved by the Board of Directors, and any changes made thereto are to be announced through the official reporting channels to the market and shareholders and will be reported and published on GEB's website.





Grupo
Energía
Bogotá

**We improve lives
with sustainable
and competitive
energy**