

Executive  
Summary

# Sustainability report 2021



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



Grupo Energía Bogotá



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Operation in Electrodunas, Perú.

# Introduction

As part of our commitment to transparency and accountability to our stakeholders, we present the Executive Summary of our 2021 Sustainability Report, which describes our social, economic, and environmental performance, and the corporate governance of the operations of Grupo Energía Bogotá and its subsidiaries in Colombia, Peru, Guatemala, and Brazil. This report covers the period between January 1 and December 31, 2021.

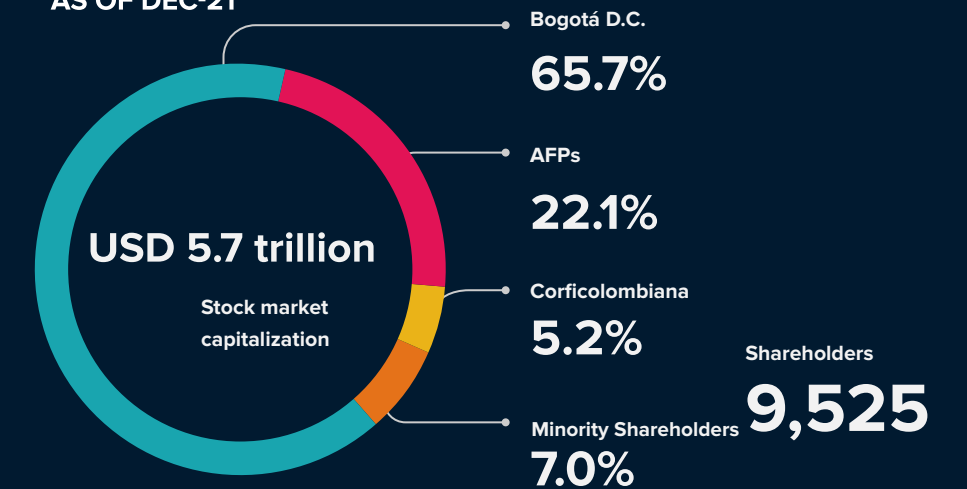
## Our presence

### Strategic player for energy transition

We are a multi-Latin business group with **over 125 years of history**, with stakes throughout the energy chain in Latin America in generation, transmission, and distribution of electric power, and transportation and distribution of natural gas.



### SHAREHOLDINGS AS OF DEC-21



### BUSINESSES AND INVESTMENTS

- Power Generation**  
+3,500 MW of installed capacity and +6,500 GWh of generation
- Power transmission**  
+15,500 Km of transmission lines
- Gas transport**  
+4,300 Km of gas pipelines +800 MMSCFD of installed capacity
- Power distribution**  
+4 million connections
- Gas distribution**

**AAA / BBB, Baa2**  
National/International Rating

**3x**  
Net debt / EBITDA

**16.7%**  
ROE

**COP 273<sup>(1)</sup> (10.9%)**  
Dividends and returns

**4.48 trillion**  
EBITDA

**2,068 employees (GEB + subsidiaries)**  
Women: 679  
Men: 1389



List: Colombian Securities Exchange  
Closing price 2021: COP 2,500

(1) Includes ordinary dividends of COP 147 (YoY +5.0%) and extraordinary dividends of COP 126.



Message to  
stakeholders

Recent years have presented us with difficult, demanding and even uncertain challenges: global warming and the climate crisis; the need to electrify economies and create awareness about the efficient use of resources by means of a circular economy; the persistent impact of the COVID-19 pandemic on human relations, physical and emotional health and the global economy; the rapid technological transformations of the energy transition and the urgent call to innovation and adaptation; the fundamental role energy plays in people's quality of life and in the development of economies, among other aspects.

To respond to these challenges, as a multi-Latin Business Group at the forefront of generation, transmission and distribution of electricity and gas, and with presence in Colombia, Peru, Guatemala, and Brazil, and a commitment without borders, we have set as our purpose **“to improve lives through sustainable and competitive energy,”** not only placing sustainability at the core of our business but making it our business.

This year we were included in the Dow Jones Sustainability Index in Emerging Markets and MILA,

achieving the highest score in our history, and we were included in the S&P Global Sustainability Yearbook. Our affiliate TGI was also included in the S&P Global Sustainability Yearbook, where it received recognition of Silver Class for its outstanding management of environmental, social and governance matters.

A major 2021 milestone was the successful negotiation with our partner Enel Américas, which will allow us to set in motion our growth strategy for Non-Conventional Renewable Energy (NCRE) sources and expand the generation and distribution businesses in Colombia and Central America. This renewed alliance has allowed us to address new opportunities to contribute to sustainable urban development through our smart city's strategy, promoting and facilitating spaces for dialog and negotiation to strengthen the institutions that must intervene in their development, to improve the quality of life and air quality, and reducing particulate matter emissions, and the electrification of transport in the cities and territories where we are present.

At GEB we are convinced that the endowment we have been entrusted is sacred and must be preserved with the highest standards of corporate

governance, transparency, integrity and accountability. In this line, it is a priority to maintain a strong and sound structure of corporate governance, and thus during the year several reforms of the bylaws were promoted to guarantee a minimum of three women in the Board of Directors, to strengthen independence criteria, and to ensure that the company's governance bodies have independent leadership.

In 2022, GEB will continue seeking greater levels of professional training for all its employees, by strengthening training and succession policies at all levels, including Senior Management. Also, as part of the year's objectives, specific goals have been set to ensure that the essence of GEB's culture incorporates plurality, diversity, inclusion, respect and gender-equality, as well as innovation.

  
Juan Ricardo Ortega López  
CEO

  
Andres Escobar Arango  
Chairman of the Board Of Directors

We reached a successful negotiation with our partner Enel Américas, which will allow us to set in motion our growth strategy for Non Conventional Renewable Energy (NCRE) sources and expand the generation and distribution businesses in Colombia and Central America.





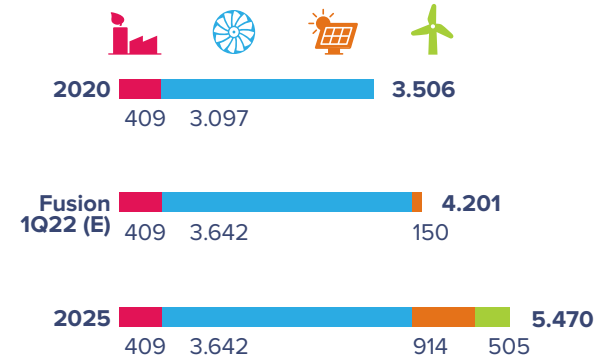
# Our alliances and future challenges

Energy transition now appears as a strategic and urgent challenge. Apart from new technologies, the transition requires a regulatory framework that encourages investment, as well as rigorous processes for planning, asset and energy system management.

The agreement reached with Enel, our main partner in the electricity generation and distribution business in Colombia, consolidates our strategy of

maintaining reliable, diversified and efficient energy systems that help achieve our objectives related to emissions reductions.

Thanks to the agreement, GEB is now participating in a business with a generating capacity of 4,182 megawatts, 1,300 km of network lines and over 3.5 million customers. We expect that by 2027 the merged company will increase its assets and scope to almost 7,000 megawatts of renewable energy power.



**+1,964Mw** 72% In NCRE  
Installed capacity

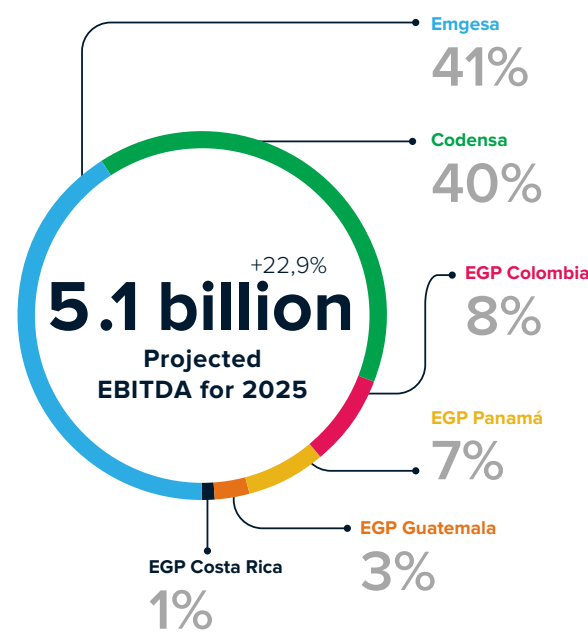
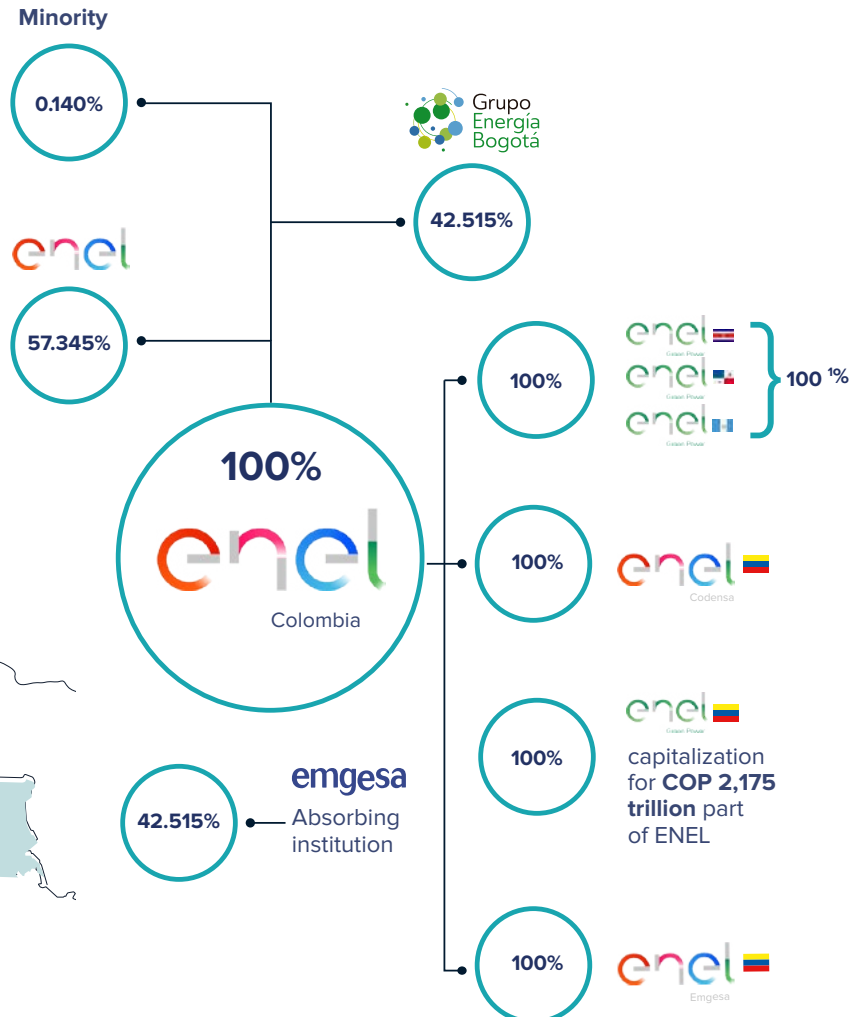
**+56%**

**+2,426Mw**  
Early stage projects

## GEB - Enel Agreement

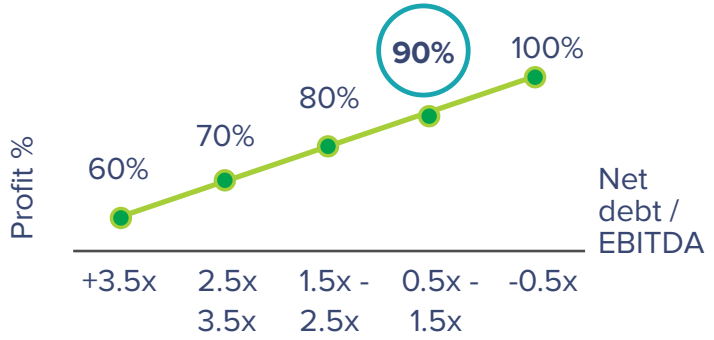
The agreement will help create a new world-class company, leveraged on the synergies of its partners, with projection in NCRE business and energy and technological solutions that will benefit Bogotá and its citizens. Bigger, more stable, greener and with a higher value.

The General Meeting of Shareholders of GEB approved the merger with 99.9% of shareholders present (94.5%).



**2.7 billion**  
Net income by

By 2025, we expect a company with **25% more net profit** than Emgesa and Codensa.



### NON-TRADITIONAL BUSINESS LINES

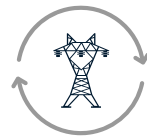
- + 72.000 Km Network Lines**
- I&N**  
Distribution Business + related services (of new connection works, etc.)
- Market**  
Power commercialization
- +3,5 million clients**
- enel x**  
Other Non-Traditional Business (smart lighting, E-B DG, services, etc.)
- Financing company**  
microcredit, credit advances, etc.



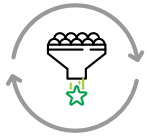
Our transmission business is also developing the Colectora project in the Department of La Guajira, which includes 480 kilometers of transmission lines and three

substations, which will set and example and will integrate wind and solar energy generated in the Caribbean Coast into the National Interconnected System (NIS).

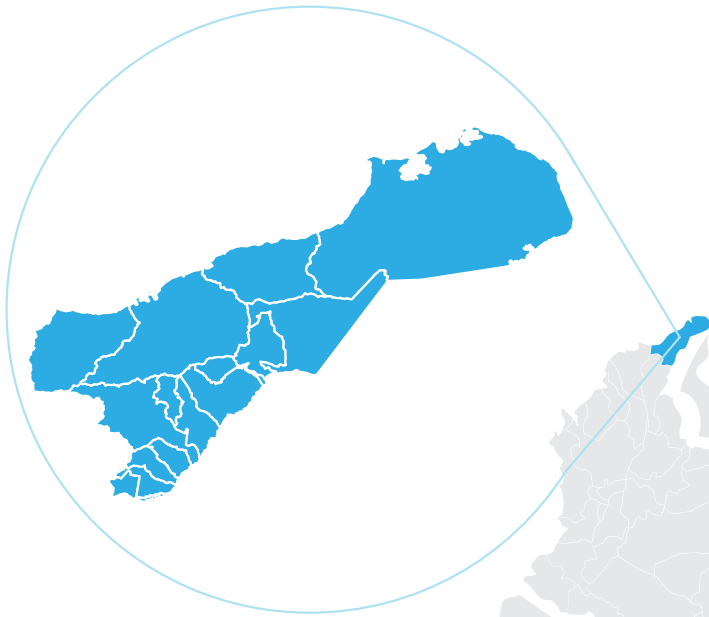
**La Guajira,  
Colombia**



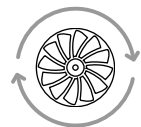
**480 kilometers**  
of transmission lines



**3 substations**  
to become an example of  
integration to (NIS)



**Brazil**



**312 km**  
of lines at 500 kV



**We reached  
2,800 kilometers**  
of transmission  
lines in Brazil



**Argo transmission towers, Brazil**

Also, in November 2021, through Argo, GEB acquired Rialma Transmissora de Energia III S.A. (Rialma III), which is responsible for the construction and operation of 312 km of lines at 500 kV. With this new acquisition, GEB completed more than 2,800 kilometers of transmission lines in Brazil.

In 2022, we will assess and seek opportunities to venture into the electric energy transmission business in other markets, such as the United States. We will also invest USD 50 million in innovation and we will work on smart public lighting and smart meters to monitor air quality and mobility in the main thoroughfares of Bogotá.



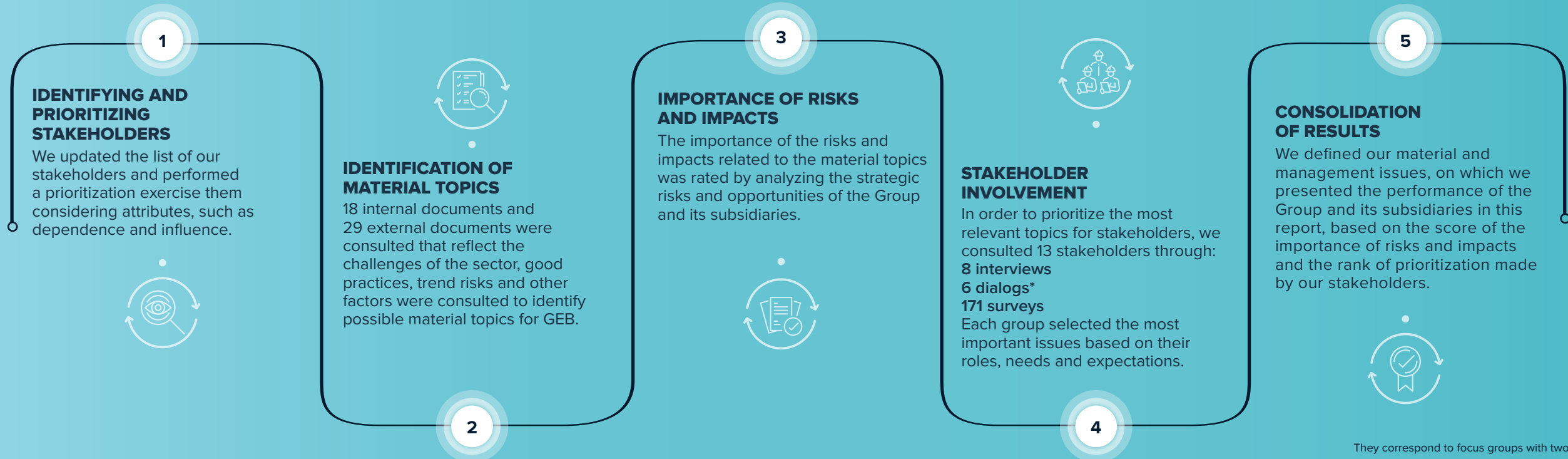
# Materiality analysis

THE MATERIALITY EXERCISE ALLOWS US TO IDENTIFY THE STRATEGIC SOCIAL, ECONOMIC, ENVIRONMENTAL AND GOVERNANCE TOPICS, AND THEIR POTENTIAL IMPLICATIONS FOR BUSINESS PERFORMANCE.

These topics direct the organization's management towards objectives and goals that contribute to the fulfillment of our higher purpose and to the long-term generation of value.

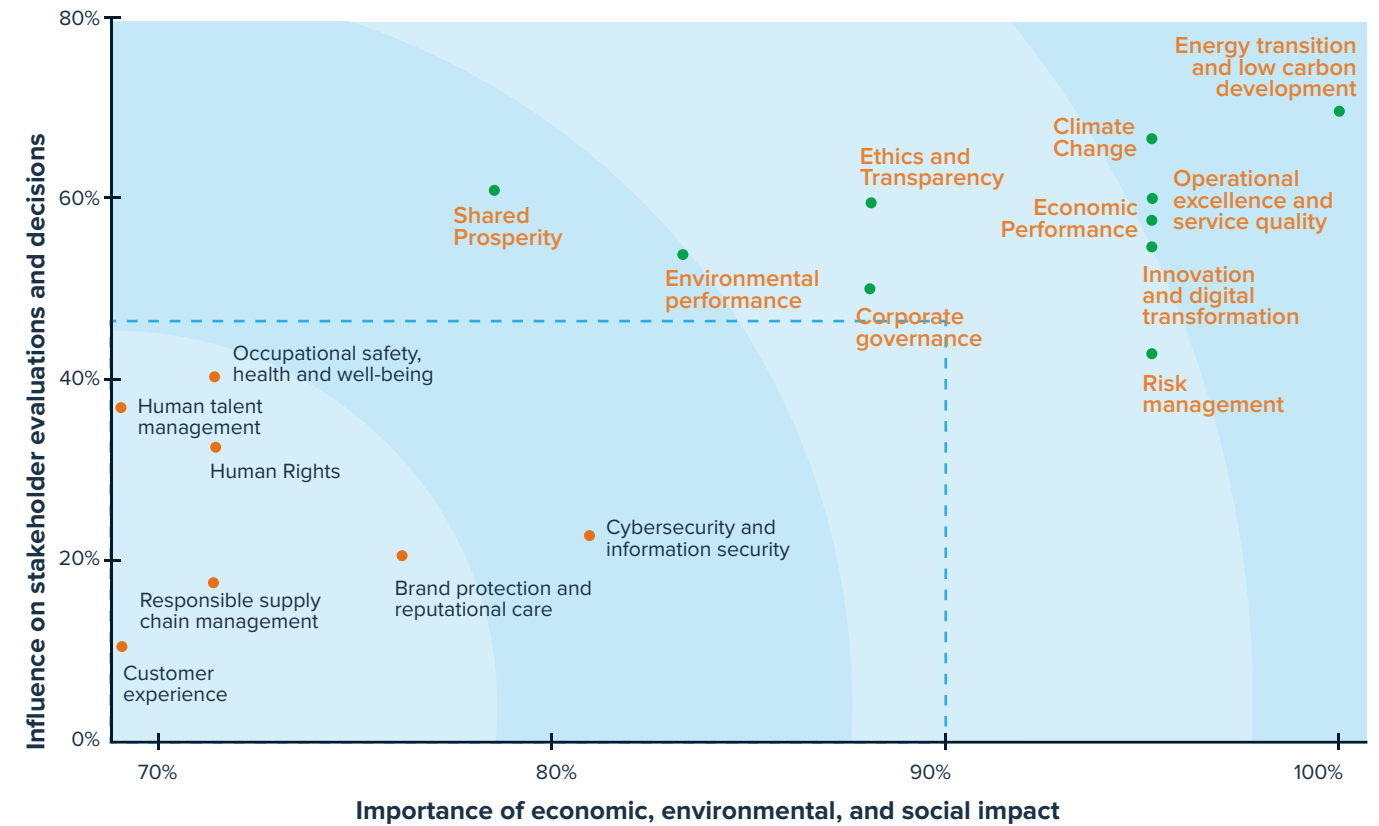
In 2021, we updated our materiality analysis, on the basis of our higher purpose, our Corporate Strategy and our Sustainability Strategy. Additionally, we defined and prioritized the stakeholder groups of GEB based on an analysis of their realities, interests and expectations.

## MATERIALITY PROCESS



\* They correspond to focus groups with two or more participants.

## MATERIALITY MATRIX



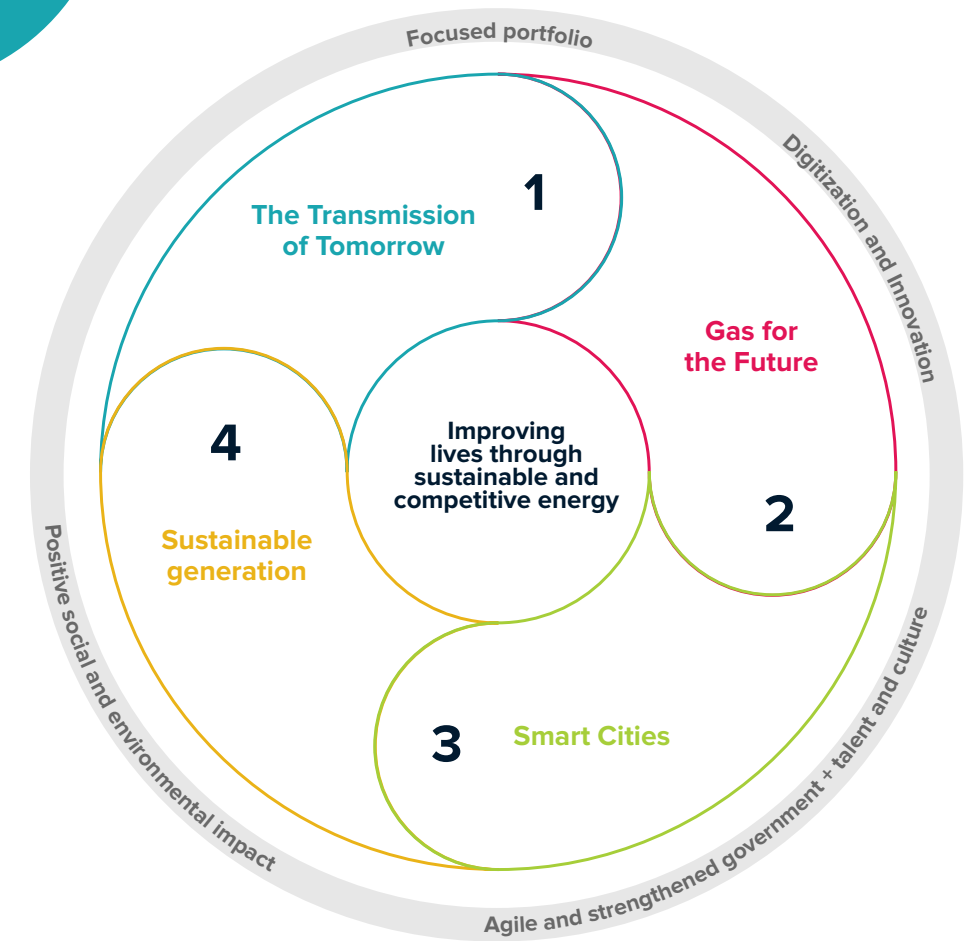




# Corporate model

## Corporate strategy

GEB'S CORPORATE STRATEGY IS IN ESSENCE, SUSTAINABILITY, WHICH IS WHAT ENABLES THE CONTINUITY AND COMPETITIVENESS OF OUR BUSINESS AND THE CREATION OF VALUE AS A BUSINESS GROUP.



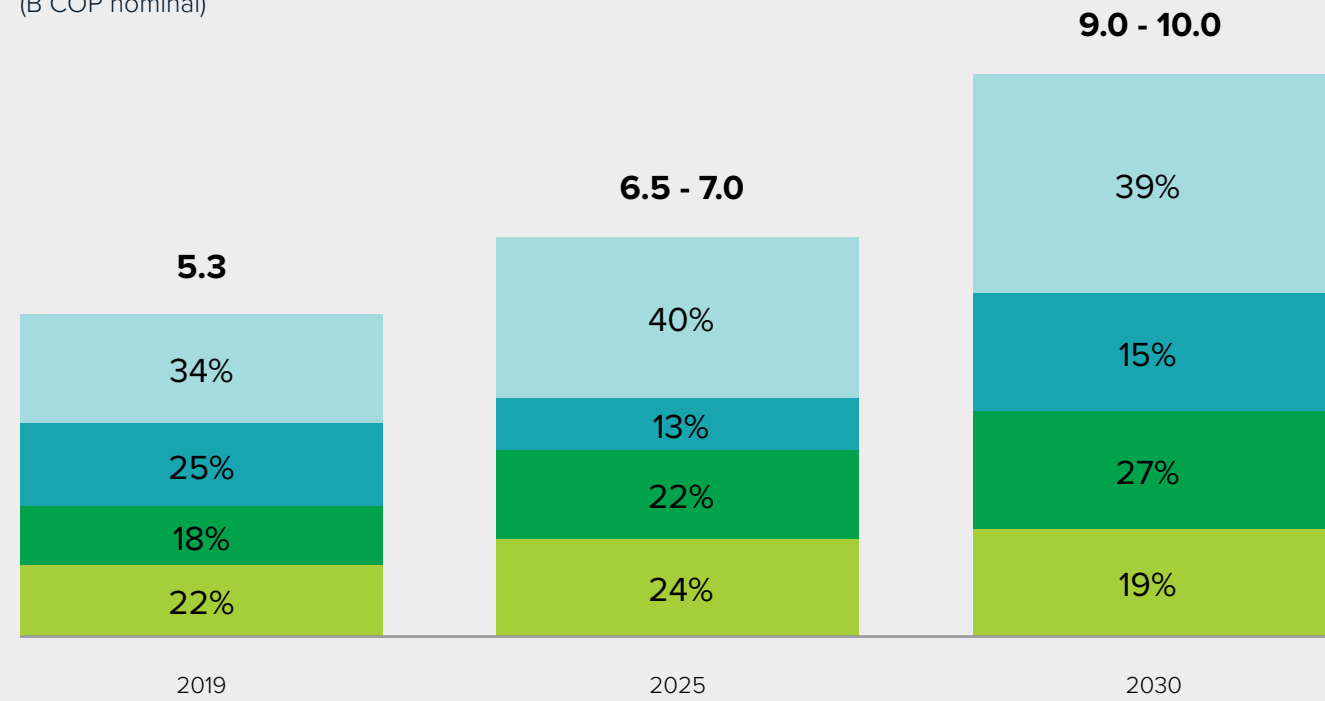
GEB's Strategic Plan includes our road map towards 2030, to continue growing and playing a leading role in the energy transition and building conditions for prosperity.

GEB's Strategic Plan includes our road map towards 2030. This plan acknowledges the global, regional and local context of the industry, the ESG dimensions and trends in the short, medium and long term, and identifies the opportunities and challenges faced by the Group and its subsidiaries to continue growing and playing a leading role in the energy transition and building conditions for prosperity.

Our strategy sets goals in the business and financial areas that lead us to focus on both profitability and sustainability, as inseparable matters and objectives.

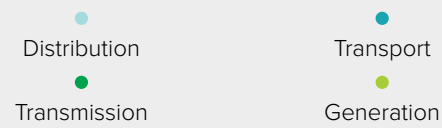


**EBITDA\* for each business line**  
(B COP nominal)



We will double EBITDA up to 10 trillion pesos in 2030.

\* 100% of EBITDA of controlled businesses, TGI at 70% and non-controlled businesses for their respective participation



Operative networks (km)  
Market share

Current	2030
4,500* (-10,700 km ISA Peru)	8,900- 9,000* (11,400+ km ISA Peru)
Colombia: 9% Brazil: 0.7%**	Colombia: 21% Brazil: 1.7%**



Gas pipeline network (km)  
Transport capacity (MPCD)

4,000	4,100
760	1,200



Households Colombia\*\*\* (M)

3.6	3.9
-----	-----

75% of smart meters\*\*\*\*



Households Peru (M)

1.2	2.8
-----	-----



Generation installed capacity (GW)

3.5	5.1 - 5.3 (-1.6 - 1.8 on NCRE)
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\* Does not include ISA REP or ISA CTM  
\*\* Does not include Gebbras  
\*\*\* Codensa  
\*\*\*\* Goal of the Ministry of Mines and Energy

In 2021, we fulfilled 108% of the Company's objectives.

	2021 Target	Real 2021	Compliance
1	Total Shareholder Return (TSR)	3%	7.2%   120%
2	Group's ROIC*	8.9%	10.8%   120%
3	Lost Time Injury Frequency Rate (LTIFR)*	0,45	0,28   120%
4	Emissions TCO <sub>2</sub> eq (TGI)*	154,619	216,918   59.7%
5	Ratio emissions TCO <sub>2</sub> eq / Revenue (GEB branch)*	23,54	17,38   120%
6	Emissions TCO <sub>2</sub> eq (corporate GEB)*	391,5	338,11   120%
7	Corporate Sustainability Assessment (S&P Global)	-4.99% to - 0.01%	Entrance to DJSI   120%

# Sustainability strategy

The Sustainability Strategy forms integral part of our Corporate Strategy and enables us to achieve the higher purpose of “Improving lives through sustainable and competitive energy” by ensuring the company’s growth through the creation of conditions of well-being and shared prosperity, transparent relations and contributing to the energy transition.

Our organization's sustainability management is guided by the following principles of action:



The strategy enables us to contribute to the fulfillment of the Strategic Development Goals and to transform the territories through our high environmental and social performance.



# Risk management

The Comprehensive Risk Management Model (CRMM) is coherent with our values, capabilities, processes, roles and responsibilities.

OUR COMPREHENSIVE RISK MANAGEMENT MODEL IS CONSISTENT WITH OUR VALUES, CAPABILITIES, PROCESSES, ROLES AND RESPONSIBILITIES.

Risk management is a cross-cutting commitment of the entire Group for risk prevention and mitigation. It is led by the Audit and Risk Committee of the Board of Directors, which includes in its functions monitoring and assessing the Group's Internal Control system, including risk analysis and recommending and issuing opinions to the Board of Directors.

The reported Effectiveness of Risk Controls indicator was 94 % at GEB and 95 % at the Transmission Branch.

In 2021, the Strategic Risks Materialization indicator remained at 0% at GEB and the Transmission Branch.

During 2021, we updated the Risk Appetite Framework (appetite, tolerance and capacity) for GEB and its subsidiaries, and we defined specific commitments regarding updates and management of the appetite framework. We also assessed the socio-political environment of the territories where we are present.



## Business continuity

WE IMPLEMENTED CONTROLS THAT ENABLE US TO ADDRESS ANY UNEXPECTED AND DISRUPTIVE SITUATION TO ENSURE THE CONTINUITY OF CRITICAL PROCESSES AND TO RESTORE THEM WITHIN ADEQUATE TIME FRAMES, WITH THE LEAST IMPACT AND COST, AND AS EFFICIENTLY AS POSSIBLE.

GEB and its Branch measure the maturity level of the implementation of the Business Continuity Management system and the Disaster Recovery Plan, under the guidelines of the Business Continuity Model.

In 2021, we identified opportunities for improvement through a

simulation of an outage scenario, in which operational and tactical staff took part, both from GEB and from the Transmission Branch.

Likewise, we trained 150 employees of our Operating, Tactical, and Strategic teams on the importance of their role regarding business continuity.

City gate in Contugas, Peru.



## Cybersecurity and information security

WE DEVELOPED AN INFORMATION SECURITY AND CYBERSECURITY MODEL THAT ALLOWS US TO MANAGE AND REDUCE RISKS RELATED TO CYBERSECURITY, PERSONAL DATA, INFORMATION AND CYBER ASSETS MANAGEMENT, AND TO RESPOND TO INCIDENTS AND OUTAGES THAT COULD CAUSE SIGNIFICANT IMPACT TO OUR OPERATIONS.

In 2021, we achieved a level of 81 % in the development of the Information Security and Cybersecurity Model.

89 % of employees received training in Information Security and Cybersecurity.

165 leaders were trained, including the President, Vice Presidents, Directors and Managers of GEB and subsidiaries, on management's role regarding cybersecurity.

Thanks to event management and monitoring by our Security Operations Center, in 2021 no substantiated claims were filed related to breaches of customer privacy reported by third parties or regulatory authorities.

In 2021, no cases of leaks, theft or loss of customer data were reported.

We achieved zero (0) materialized incidents that could compromise the confidentiality, integrity and availability of the information.







# Environmental management

## Shared prosperity

SHARING PROSPERITY GRANTS US A SOCIAL LICENSE TO OPERATE AND PAVES THE WAY TO GROWTH IN THE TERRITORIES. THROUGH SHARED PROSPERITY WE SIMULTANEOUSLY SEEK TO IMPROVE THE WELL-BEING CONDITIONS OF COMMUNITIES IN OUR SPHERE OF INFLUENCE, THE GROWTH OF BUSINESSES AND THE CREATION OF VALUE FOR SHAREHOLDERS.

For this reason, in 2021 we will continue to contribute to the prosperity of the territories by making social investments in our areas of operation.

COP 39,966,157.78 was the total social investment made by GEB and its subsidiaries in 2021. 37% of the investment was voluntary.

Our social investment projects benefited over 270,000 people.

### TOTAL SOCIAL INVESTMENT



■ Mandatory social investment - \$25,231,066,960  
■ Voluntary social investment - \$14,735,090,823

We contribute to the prosperity of the territories.

Main positive impacts of our operations:

- Diversification of local development.
- Environmental conservation.
- Improvement communities' quality of life.
- Job opportunity creation.
- Human capital development.
- Positive transformation of territorial realities.



### SOCIAL INVESTMENT BY CONTRIBUTION AMOUNTS



### NUMBER OF PEOPLE WHO BENEFITED FROM OUR SOCIAL INVESTMENT PROGRAMS



In 2021, our transmission business in Colombia created social value worth USD 2.2 for each dollar invested in social and shared value projects.

In the municipality of Villavicencio, Colombia, we contributed to the improvement of mobility, access to health services and education, and the development of productive activities by upgrading tertiary roads. We also installed fifteen (15) solar panels in the municipality of Manaure (La Guajira), in rural communities.

We also managed 133 social and shared value investment initiatives, of which 103 were executed in 2021 and 33 will continue execution in 2022. We seek to directly benefit 83,644 people in the area of influence of the following projects: Tesalia - Alférez, Armenia, La Reforma-San Fernando, Sogamoso, Chivor II-North, Loma, Colectora and Mocoa infrastructure in operation, South Corridor and Bogotá System, Central Corridor and Ecuador Interconnection.

TGI carried out the ethnic characterization and environmental analysis of 294 communities located in 11 municipalities that run along the gas pipeline Ballena - Barrancabermeja. Coverage was expanded for the Community Leaders Strengthening Program to reach 300 leaders from 100 rural districts and 49 municipalities.

In Peru, Cálidda facilitated, through the "Voluntades Cáliddas" Program, and with the contribution of seed capital, the design and implementation of two (2) ventures that impacted the quality of life of 200 people.



## Human rights

AT GRUPO ENERGÍA BOGOTÁ WE CARRY OUT OUR OPERATIONS AND ACTIVITIES IN THE FRAMEWORK OF THE RESPECT, PROTECTION AND PROMOTION OF HUMAN RIGHTS, IN LINE WITH OUR HIGHER PURPOSE OF "IMPROVING LIVES THROUGH SUSTAINABLE AND COMPETITIVE ENERGY," THE INSTITUTIONAL FRAMEWORK AND INTERNATIONAL AGREEMENTS ON THIS MATTER.

In 2021, we made major achievements in connection with human rights at GEB and its affiliates. The Group began to develop the human rights due diligence system, which will include the corporate policy on this matter, and in our Contracting Manual we included the contractors' human rights obligations.

We achieve a salary segregation index of 1% and we reduced the gender occupational segregation index to 0.24. We increased from 43% in 2020 to 68% in 2021 in the *Women Empowerment Principles* (WEP) metric.

At TGI, we adopted the human rights policy, developed the Due Diligence Management System, included in the internal rules of the Corporate Governance, Sustainability and Human Talent Committee

of the Board of Directors the function of reviewing and issuing recommendations related to human rights, and carried out a human rights risk and impact assessment, based on the five priority territories for TGI.

Through our Transmission Branch, we formalized at the Colectora project the prior consultations protocol with 136 of the 224 certified communities in the Colectora-Cuestecitas and the Cuestecitas-La Loma sections, and we developed agreements within the framework of the consulting process with the Yukpa people in the Cuestecitas-La Loma section, and with the 4 peoples of Sierra Nevada de Santa Marta, for both sections. We also included in our work team seven Wayuu social professionals to strengthen relations through their knowledge of the culture and territory.



# Responsible supply chain management

The sustainability and competitiveness of our operations along the energy and gas value chain depends largely upon our suppliers and partners. Cooperation, respect and differentiated relations are key pieces in the management of our suppliers.

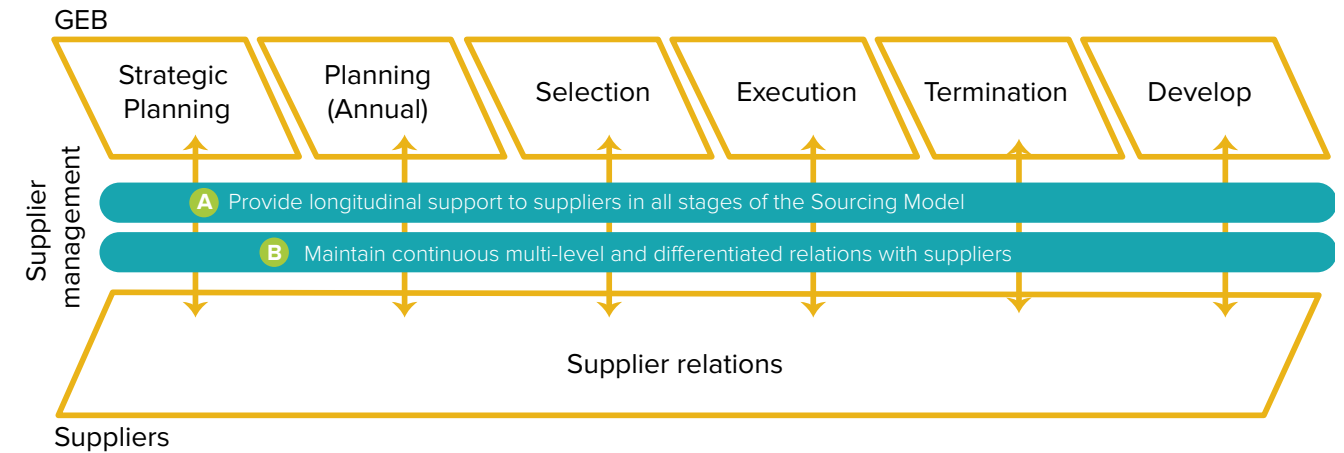
Thanks to these practices, in 2021 we were re-certified with the *Certificate in Procurement and Supply Operations* awarded by the *Chartered Institute of Procurement & Supply (CIPS)*, which validates our sourcing model as a world-class

reference of good practices in strategic sourcing.

Our Contracting and Execution Control Manual also became effective, which contains the contracting rules, principles and procedures for our four main sub-processes (planning, selection, execution and termination). It includes guidelines to ensure, through our contracts and agreements, the environmental sustainability and respect for human rights in our management and operations.

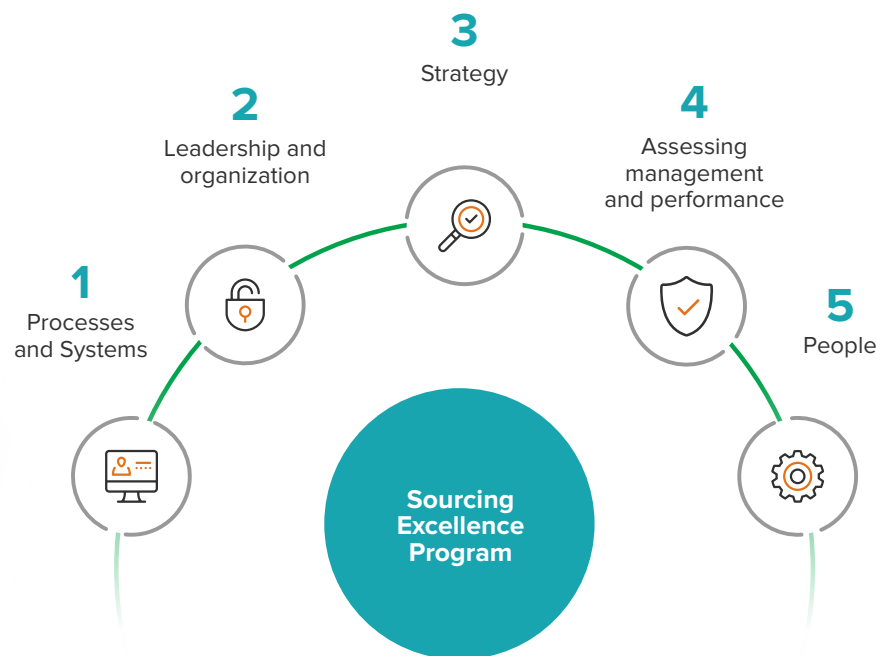
89 % of our suppliers are local.

## INTEGRATION OF THE SUPPLIER MANAGEMENT PROGRAM



During 2021 we implemented SAP S4HANA at the affiliates in Colombia and Guatemala. This contributed to improving the systematization of the Annual Sourcing and Contracting Plan; and the centralization of the

master account for materials and services, assuring the standardization and integrity of data; enabled the production of reports and managing contracting requirements on-line through the generation of purchase requests.



Contractor group at Trecca, Guatemala.





# Environmental performance

ACHIEVING A POSITIVE ENVIRONMENTAL IMPACT BY OUR OPERATIONS CONTRIBUTES TO ENSURING A SOCIAL LICENSE TO OPERATE AND GROW.

Consequently, environmental performance is fundamentally important for GEB, and thus the Group has strengthened its commitment to protect natural resources. The business model and the Sustainability Strategy enable the materialization of our environmental management through plans, programs and

specific actions in the territories where we operate.

As a result of our commitment with local regulations in the territories where we operate, in 2021 we did not receive any fines or penalties associated with non-compliance with laws or regulations related to environmental matters in the countries where we operate.

Our long-term goal is to achieve zero net deforestation in all our projects and operations.

Regarding biodiversity, at Grupo Energía Bogotá we are committed to protecting it, mainly through the conservation and restoration of ecosystems in the areas of influence of our activities and projects. Our long-term goal is to achieve zero net deforestation in all our projects and operations. Additionally, we are committed, as a part of our Sustainability Strategy, not to carry out activities that could have negative impacts on World Heritage areas and the category IV protected areas of the International Union for Conservation of Nature (IUCN).

Grupo Energía Bogotá (GEB) has also joined the so-named “tree plantathon” in the Departments of La Guajira and Cesar, an activity promoted by the regional environmental authorities Corpoguajira and Corpocezar. This initiative has the goal of planting 1.5 million trees in the region and mobilizing communities around the importance of protecting ecosystems, biodiversity and water resources, in one of the most vulnerable regions due to the impact of climate change.



**Colombia:**

GEB Corporate, Transmission Branch, and TGI have an Environmental Management System certified under the ISO 14001:2015 standard.

**MATURITY LEVEL OF THE ENVIRONMENTAL MANAGEMENT SYSTEMS**

**Guatemala:**

Trecca has an Environmental Management System under the guidelines of the ISO 14001:2015 standard, which is projected to be certified by 2023.

**Perú:**

- Cálidda has an Environmental Management System certified under the ISO 14001:2015 standard.
- Electrodonas and Contugas have an Environmental Management System aligned to the provisions of the regulations of the Ministry of Environment of Peru.

TGI Epiphyte nursery, Colombia.



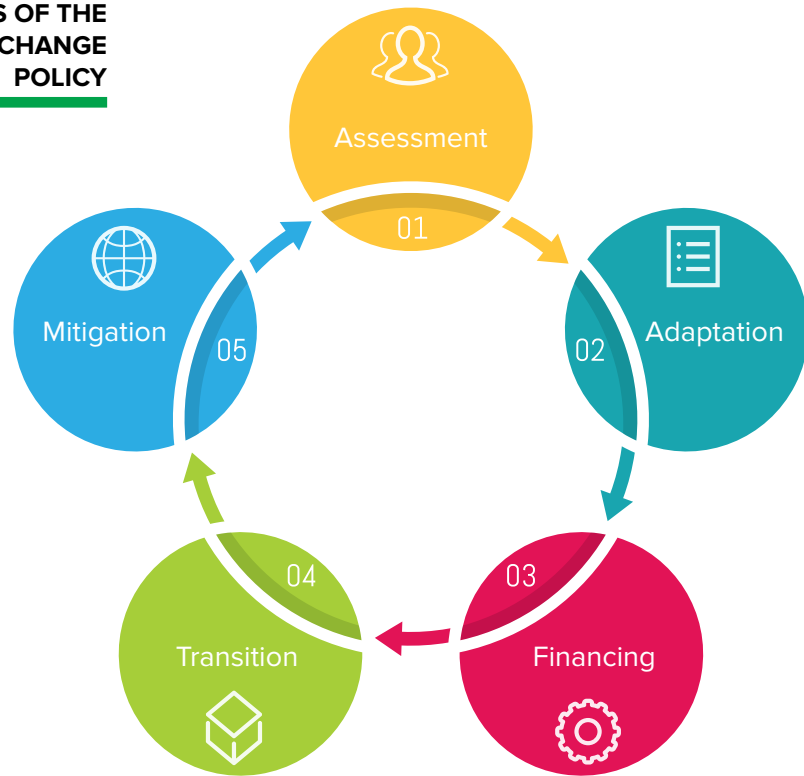


# Climate change

Managing climate change is a central part of business development for GEB and its subsidiaries. We have incorporated the best practices and technologies available for the operational and environmental management from the early stages of project planning and during the operation and maintenance stages.

Our most relevant achievement in terms of climate change was the drafting, approval and adoption of the Corporate Climate Change Policy. It consists of five commitments, which are explained below:

## COMMITMENTS OF THE CORPORATE CLIMATE CHANGE POLICY



### 1. Assessment

of risks and opportunities associated with climate change.



### 2. Adaptation

of the infrastructure to extreme climate conditions



### 3. Financing

ESG (Environment, Social and Governance)



### 4. Transition

in a flexible, safe and economically efficient way

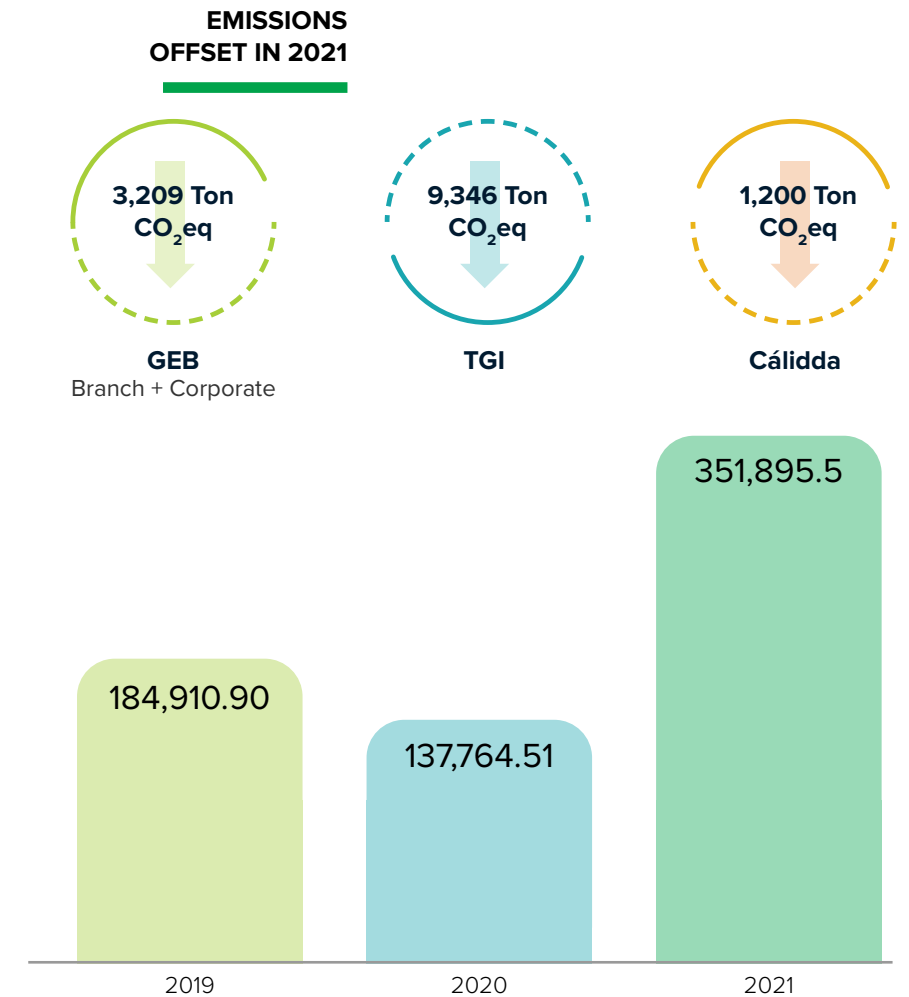


### 5. Mitigation

and compensation of emissions, and energy generation with renewable sources.

GEB's strategy for emissions mitigation prioritizes reducing emissions in operations, according to the context and the technological and financial realities of each one of our subsidiaries. Continuous monitoring of emissions allows identifying the sources with the highest impact and the timely development of mitigation measures.

## HISTORY OF DIRECT AND INDIRECT GHG EMISSIONS (TONS OF CO<sub>2</sub>EQ)



At TGI we drafted the decarbonization road map and at Cálidda we obtained the carbon-neutral seal.

In 2021, the Group's emissions reached 351,895.5 tCO<sub>2</sub>eq, 90% higher than emissions in the baseline year 2019. This is due to the fact that this year, in contrast with 2019, we included in GEB's emissions inventory the emissions of Electro Dunas, a subsidiary that started to measure emissions in 2020, and which this year generated 103,833.76 tCO<sub>2</sub>eq. Also, TGI had two contingencies related to natural events that caused the release of methane to the atmosphere, leading to an increase of 72,000 tons of CO<sub>2</sub>eq in the emissions inventory.

We also highlight that Contugas received three recognitions related to the measurement, verification and reduction of the carbon footprint

under the Huella de Carbono Perú program of the Ministry of the Environment. Additionally, at Electro Dunas we were awarded recognition related to climate change from the Peruvian National Mining, Oil and Energy Society (SNMPE, for the Spanish original), for the construction and commissioning of a photovoltaic station for self-consumption in our Pacific Substation.

Lastly, at Trecca, thanks to the reforestation projects carried out jointly with the ASILVO Chancol organization at the Chiantla, Huehuetenango and Tecpán communities in Guatemala, we have achieved absorption of 254.57 tCO<sub>2</sub>eq, which represents 19.17% of the total carbon emissions generated by Trecca in 2021.





**Agile and strengthened government + Talent and Culture**

**03**

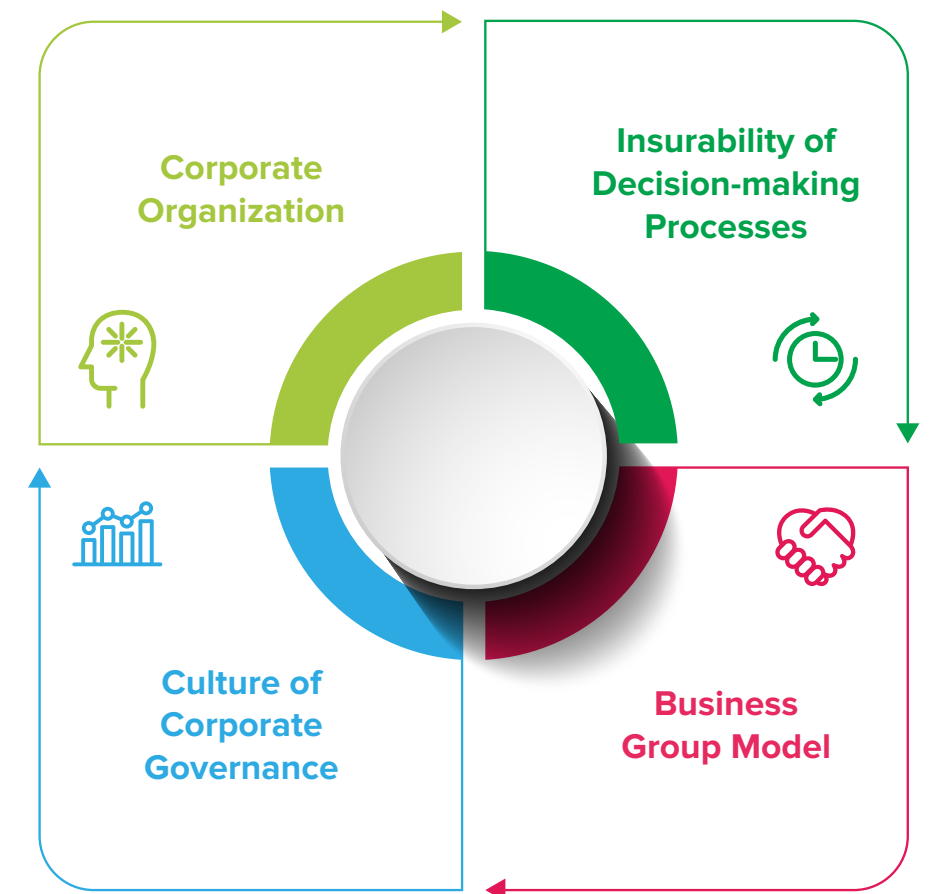
**Corporate governance**

AT GRUPO ENERGÍA BOGOTÁ WE CONCEIVE CORPORATE GOVERNANCE AS ONE OF THE MAIN DRIVERS OF OUR CORPORATE STRATEGY.

**GOVERNANCE MODEL**

In 2021, at GEB we created a new Corporate Governance Model with the following objectives:

- Promote a culture of governance and integrity in the Business Group.
- Continue implementing the Corporate Strategic Plan (CSP).
- Implement mechanisms for adequate, transparent and traceable decision-making.
- Generate value by recognizing the new dynamics of the Business Group.



This model is guided by our strong corporate governance, which is structured as follows:

## GENERAL MEETING OF SHAREHOLDERS

### Board of Directors

Financial and Investment Committee; Audit and Risk Committee; Corporate Governance and Sustainability Committee; Compensation Committee; recognizing the new dynamics of the Business Group.

### President

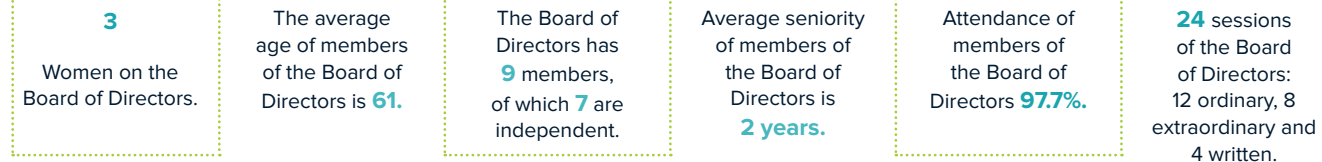
Growth Vice-presidency; Business Management and Innovation Vice-president; Financial Vice-president; Legal and Compliance Vice-President.

Sourcing and Services Department; Sustainability and Communications Department; Strategic Planning Department, Talent Management Department and Regulation Department

In 2021, Grupo Energía Bogotá set a milestone in its Corporate Governance by reaching a proportion of 33% of women in its Board of Directors, pursuant to the reform of the bylaws approved by the General Meeting of Shareholders in 2021, which establishes that the Board shall have at least 3 women as members. Likewise, the position

of Vice Chairperson of the Board is held by a woman. This is consistent with our inclusion and diversity policy, and also provides us a gender perspective, which is fundamental for the strategic guidance of the Group and the companies it controls.

## STRUCTURE, DIVERSITY AND PARTICIPATION OF GOVERNING BODIES

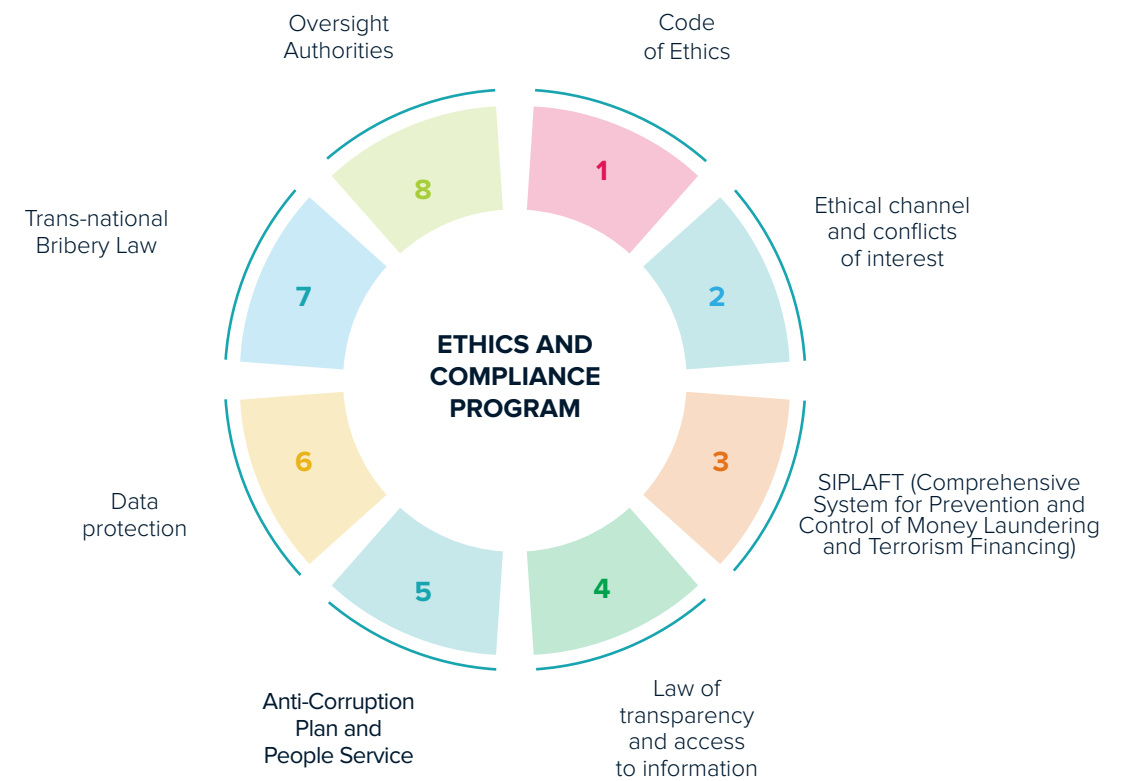


# Ethics and transparency

ONE OF GRUPO ENERGÍA BOGOTÁ'S CORPORATE VALUES IS "INTEGRITY," WHICH SETS THE PATH FOR ALL OUR EMPLOYEES AND STAKEHOLDERS TO ACT IN A WAY THAT IS COHERENT, PROPER, HONEST, JUST, TRANSPARENT AND OBJECTIVE.

During 2021, the Group defined and approved an ethics and compliance strategy that confirms our commitment to the highest national and international standards on ethics and compliance. In this way, we have adopted a solid Compliance Program in terms of prevention, detection, response and reporting of deviations or potential irregularities in our operations.

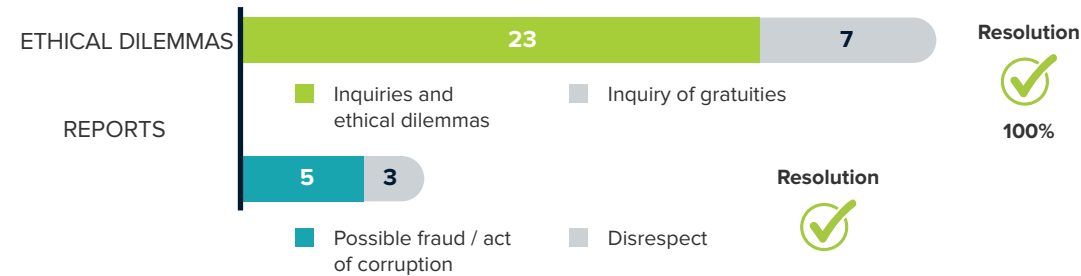
In order to consolidate this strategy, we have established our Compliance Program, which has eight sections that together have the purpose of strengthening our ethics culture and assuring the prevention, detection, response and reporting components, detailed as follows:





**EVENTS REPORTED THROUGH THE ETHICS CHANNEL**

In 2021, the following reports and ethical dilemmas were presented through the Ethics Channel:



Regarding compliance risk management, we identify and manage the strategic and process risks and perform periodic monitoring and control by means of the implementation of the Comprehensive Risk Management

Model, in coordination with the process leaders. During 2021, we assessed the compliance risk of 100 % of our operations in Colombia.

# Talent management

IN 2021, WE CONCENTRATED OUR EFFORTS IN PROMOTING A SENSE OF BELONGING AMONG OUR EMPLOYEES, BOOSTING THEIR INDIVIDUAL CAPABILITIES AND THE ACHIEVEMENT OF COLLECTIVE RESULTS, BY ALIGNING OUR CULTURAL MODEL, OUR HIGHER PURPOSE, CORPORATE VALUES, AND THE MISSION AND VISION WITH OUR STRATEGIC INTENT.

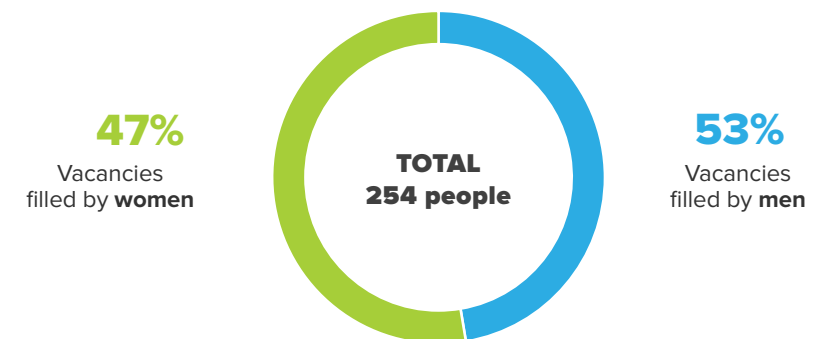
As part of the materialization of our human talent strategy, we were able to turn 28% of vacancies into new steps in the careers of our employees, also highlighting that 54.4 % represented growth opportunities

for women who now hold new positions, as part of GEB's commitment to ensuring that equality will become a seal that distinguishes us in all work teams. Readers of this file can view the comments and suggestions.

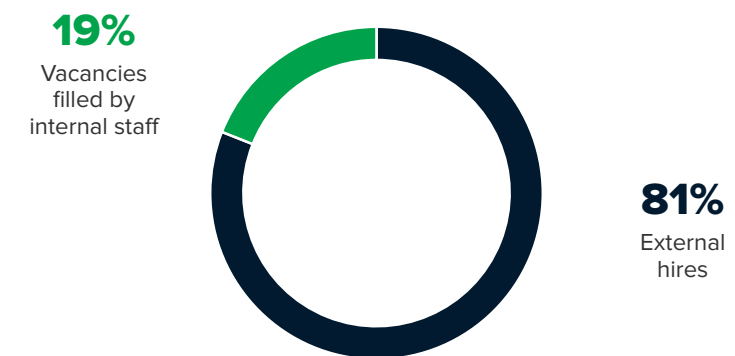


Operations leader at Cálidda.

**New hires**



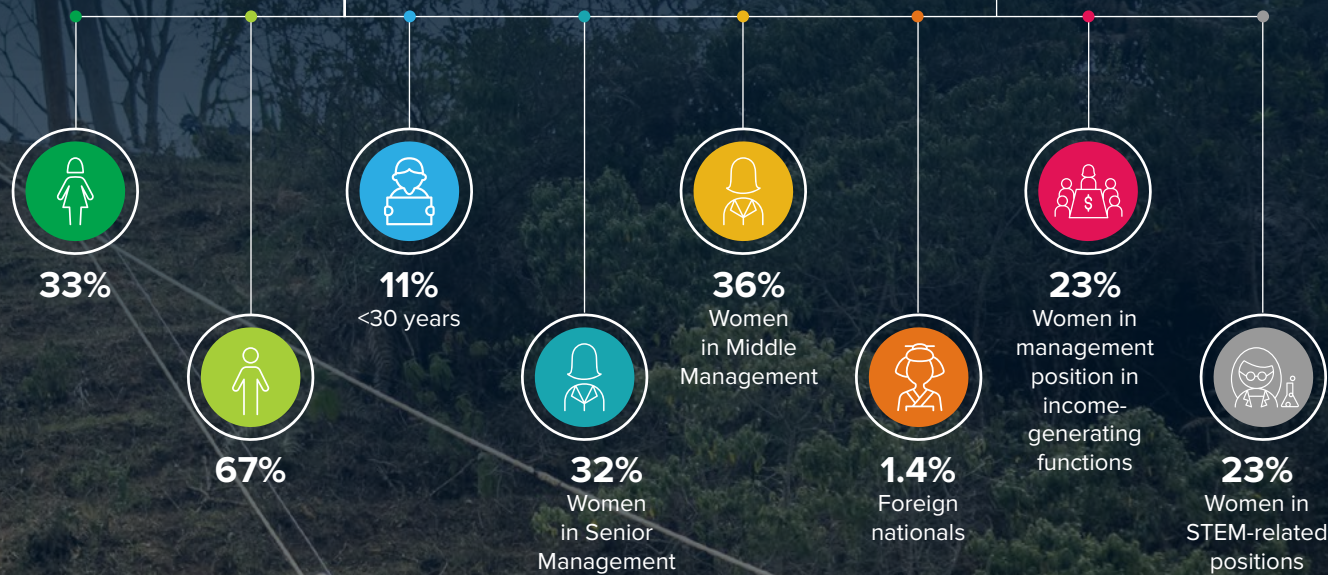
**Vacancies filled by internal staff**





GEB also seeks to attract the best talent, based on the premise of diversity. As a result, 32.43 % of Senior Management and 36.36 % of Middle Management positions are held by women.

**OUR COMMITMENT WITH DIVERSITY, EQUALITY AND INCLUSION**



Our guidelines regarding our team's remuneration establish that it is tied to the level of responsibility and complexity of the position (internal equity), the market of reference (external competitiveness), and the results, performance and competencies

of each employee. We have an appropriate compensation scheme, in accordance with current law, existing collective agreements and the plan proposed for each profile. This guarantees that there are no salary gaps between women and men who perform the same job.

**Ratio of compensation of men and women, distributed by job level**

Grupo Energía Bogotá	TGI GrupoEnergíaBogotá	Cálidda GrupoEnergíaBogotá
Senior Management: 0.71	Senior Management: 1.29	Senior Management: 0.8
Middle Management: 0.93	Middle Management: 1.00	Middle Management: 0.9
Advisers: 1.02	Advisers: 1.00	Advisers: 1.1
Professionals: 1.01	Professionals: 0.95	Professionals: 1.0
Support/assistants: 0.79	Support/assistants: 0.87	Support/assistants: 0.8

Contugas GrupoEnergíaBogotá	ElectroDunas	Trecsa GrupoEnergíaBogotá
Senior Management: 1.93	Senior Management: N/A	Senior Management: 1.08
Middle Management: 1.11	Middle Management: 0.95	Middle Management: 0.85
Advisers: 0.83	Advisers: 1.88	Advisers: N/A
Professionals: 0.96	Professionals: 1.03	Professionals: 1.03
Support/assistants: 0.72	Support/assistants: 0.97	Support/assistants: 0.75

Towards the end of 2021 we also carried out a measurement of our organizational culture. 100% of our employees with over five months of service had the opportunity to express their perception about behaviors that characterize us and evaluate the qualities that distinguish working for GEB. A high percentage of the population

highlights that they find within the organization spaces for building and seeking collective solutions.

In 2021, our virtual programs focused on highlighting and strengthening our corporate values, improving the ability to work in virtual environments and project development; these achieved 99% coverage of the entire organization.



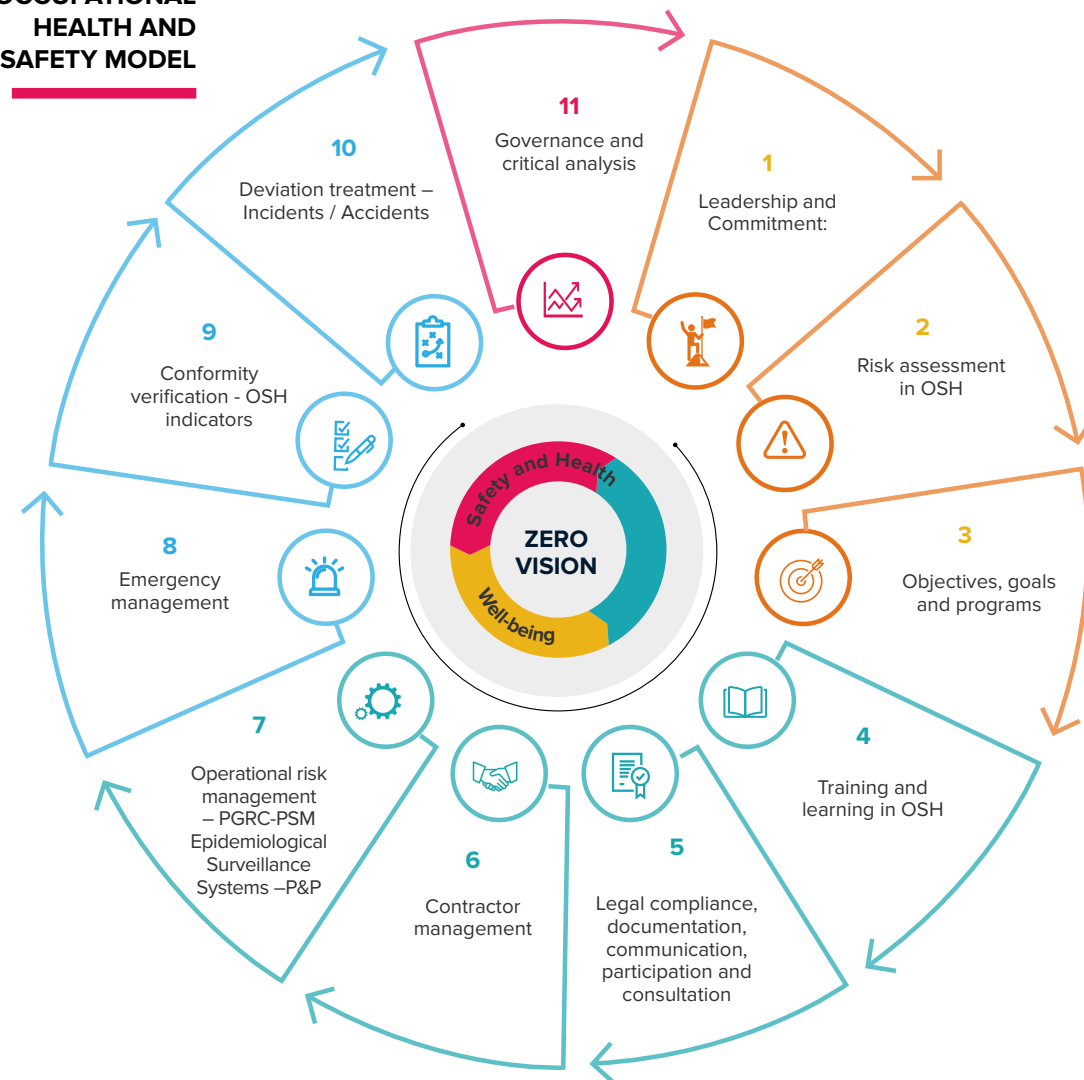
## Well-being, occupational safety and health

IN JANUARY 2022 WE ACHIEVED FOUR CONSECUTIVE YEARS WITHOUT ANY FATAL INCIDENTS. THIS FACT EVIDENCES OUR COMMITMENT TO PROTECTING THE HEALTH AND SAFETY OF OUR EMPLOYEES (OUR OWN AND CONTRACTORS), AND THE COMMUNITIES IN THE AREAS WHERE WE OPERATE.

We have established an Occupational Safety and Health Management System (OSHMS) that not only complies with applicable

law in each country where we operate, but that also has been designed following the international standard ISO 45001 and best international practices.

### OCCUPATIONAL HEALTH AND SAFETY MODEL



As part of the OSHMS, we have a matrix to identify, assess and rate occupational safety and health hazards and risks. Before executing any operational work, the responsible team performs a Safe Work Analysis (SWA).

Thanks to the implementation of this system, no employee deaths were reported, nor any injuries caused by accidents with significant consequences, nor cases of work-related diseases or illnesses among employees or contractors.

Also, in the framework of the OSHMS, GEB offers health benefits to its employees and implements initiatives to care for and promote health. On average, 100 % of our employees who took parental leave in 2021 continued to work with us at least one year after returning from the parental leave.







# Sustainable and competitive portfolio

## Economic performance

WE ARE COMMITTED WITH THE PROTECTION AND CARE OF BOGOTÁ'S EQUITY, THE RETIREMENT SAVINGS OF COLOMBIANS AND THE INTERESTS OF OUR SHAREHOLDERS. WE BELIEVE IN THE VALUE OF PUBLIC PROPERTY AND IN OPEN CAPITAL. WE STAND OUT AS A PROFITABLE, FOCUSED AND SUSTAINABLE BUSINESS GROUP WITH AN INNOVATIVE PORTFOLIO THAT PRODUCES POSITIVE SOCIAL AND ENVIRONMENTAL IMPACTS.

In 2021, we reported EBITDA of COP 4.4 trillion, leveraged by structural savings and efficiencies based on technology.

We achieved the maximum dividend distributed to our shareholders: COP 147 per share as ordinary dividend (+5% compared with 2020), plus an extraordinary dividend of COP 126 per share. The extraordinary dividend included COP 95 per share of retained earnings, which were declared by Emgesa and Codensa after signing a new AMI with Enel.

Total return on equity, calculated based on the daily average price and total dividends declared in 2021 of COP 273, was 21.7%, compared to the market's 8.5% ROE.

EBITDA margin in 2021 was COP 4.4 trillion, compared to COP 3.7 trillion in 2020.

The leverage ratio or net debt/ EBITDA decreased to 3.0x thanks to stable cash flow and the reception of retained earnings from Emgesa and Codensa, related to the agreement with Enel Américas.

We closed the year with 9,525 shareholders (3,928 more than in 2020).

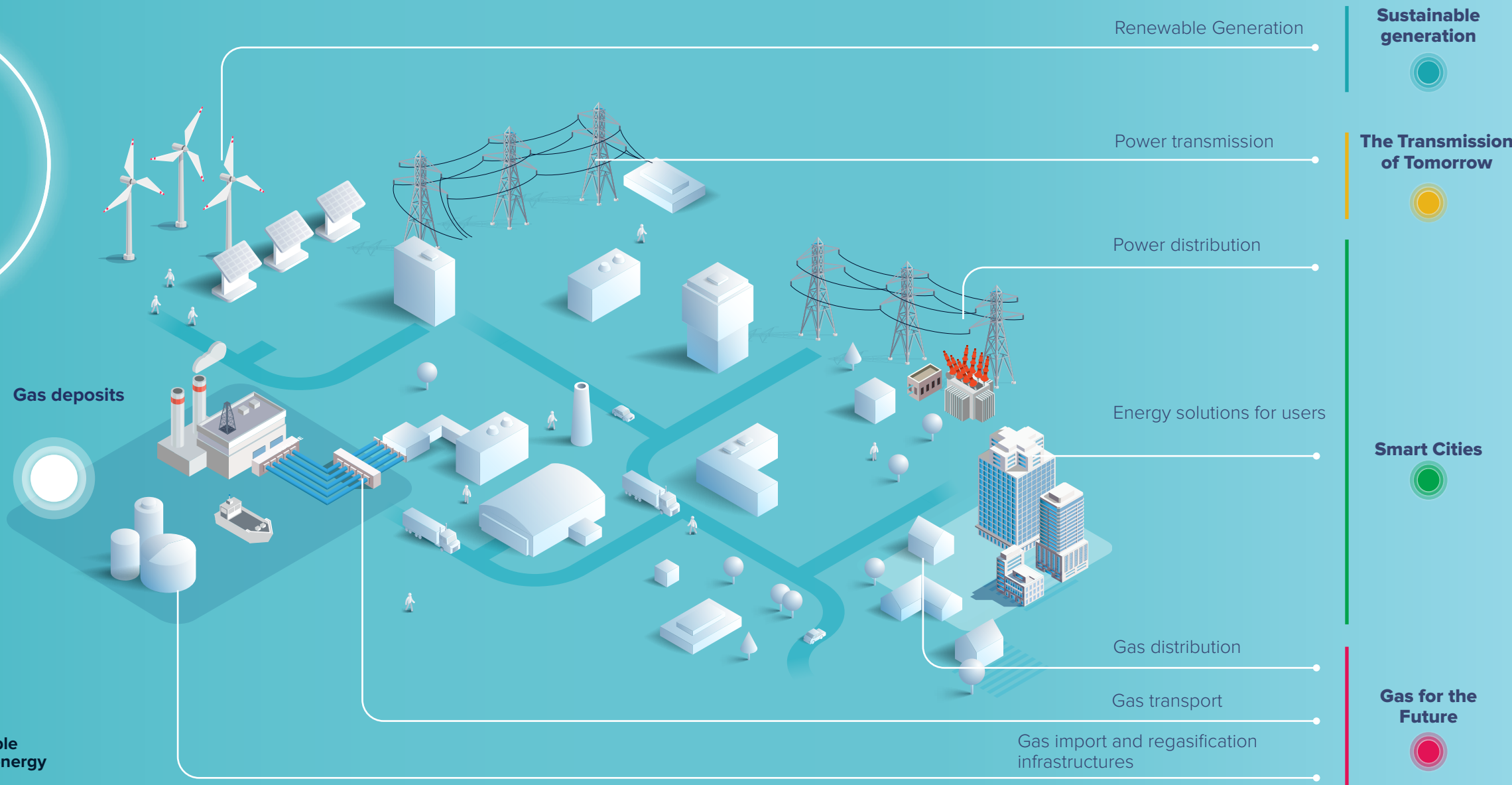


Bogotá, Colombia.



# Growth strategy

ORGANIC GROWTH AND ACQUISITIONS IN ENERGY INFRASTRUCTURE FOR THE SUPPLY OF GAS AND ELECTRICITY.



**FOCUS ON ENERGY MARKETS**

## Improving lives through sustainable and competitive energy



Provide energy so that the people of Bogotá and the countries where we operate and those who work in the company, can develop their potential and **improve their quality of life.**

**Energy** as the backbone of GEB's business and a driver of development.



Management of **competitive** businesses with attractive returns for shareholders and low costs for communities.

**Sustainability** as an enabler of operations and as an opportunity to maximize positive impact and generate value.



## ENVIRONMENTAL CARE



Boosting NCRE would save significant greenhouse gas emissions.

- **1.4 - 2.3 MT CO<sub>2</sub>** per year starting in 2030 thanks to an installed NCRE capacity of 1,600-2000 MWh.
- Boosting gas, a fuel with a smaller footprint.

## ENERGY COMPETITIVENESS



Operational excellence to increase competitiveness by 2030:

- Potential reduction in the final gas price of **3 - 6%**.
- Potential reduction in the average unit cost of electrical energy by **3 - 5%**.

## QUALITY OF LIFE



Investments in social and environmental impact (COP 300 - 600 billion until 2030)

- Setting **reforestation and emission reduction** goals.
- Boosting **energy transformation** in cities (Bogotá *smart*).

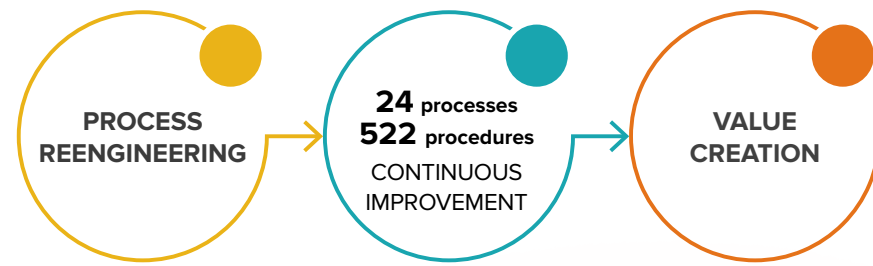
# Operational excellence and service quality

Operational excellence is a necessary condition to ensure the achievement of corporate objectives, the fulfillment of our clients' and investors' expectations, our Integrated Management System, and our Sustainability Strategy. Leveraging and strengthening our competitive advantages, through managing knowledge and implementing best

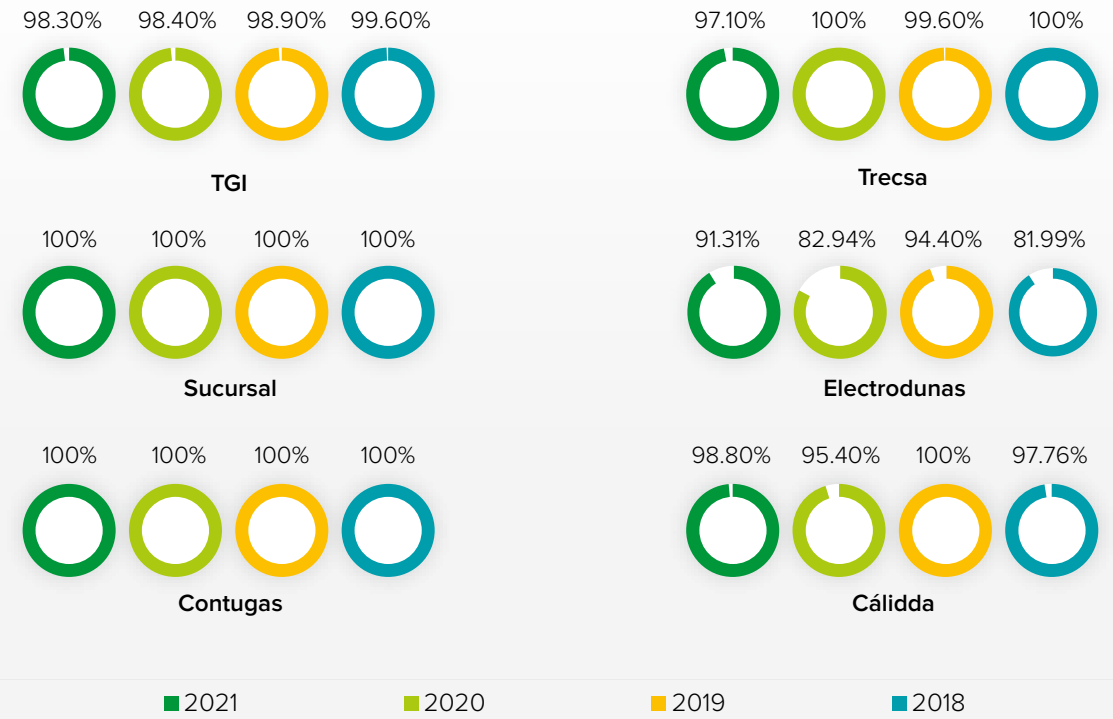
practices of operative and socio-environmental management is one of our strategies to create value.

In 2021 we re-engineered processes to identify and ensure control mechanisms for decision-making. This allows implementing processes aligned with the context of our operations and with securing the information in GEB's various information systems.

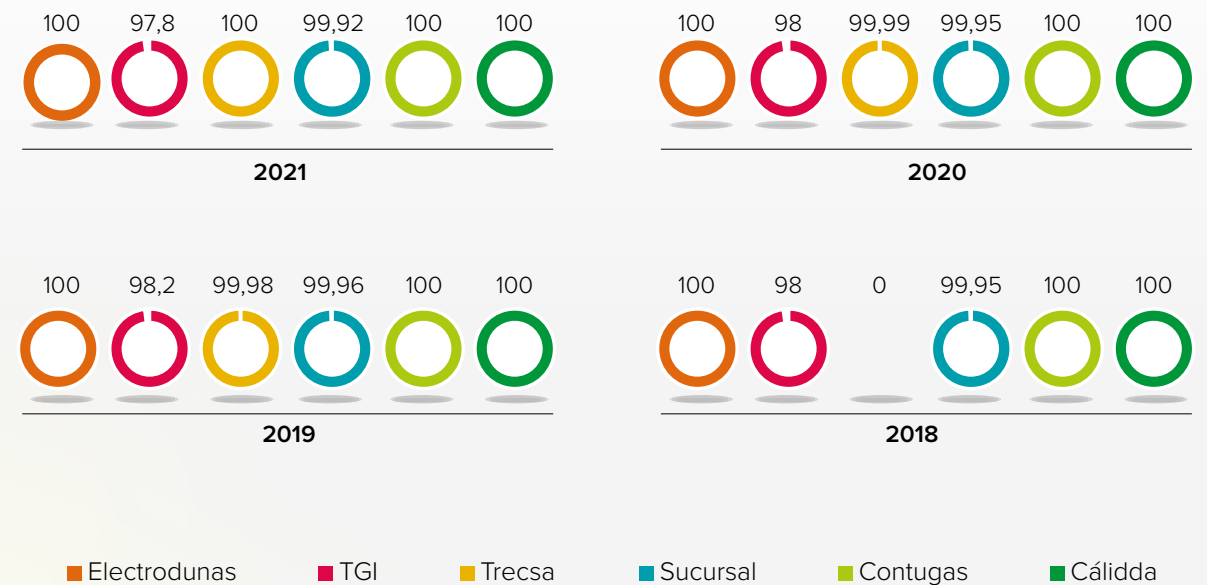
In 2021 we re-engineered processes to identify and ensure control mechanisms for decision-making.



## Maintenance plan compliance



## Availability of infrastructure for operation.





## Energy transition and low carbon development

THE BUSINESSES OF GEB AND ITS SUBSIDIARIES ARE INCREASINGLY FOCUSED ON GENERATING WELL-BEING AND SOCIAL EQUALITY THROUGH THE GENERATION, TRANSPORTATION AND DISTRIBUTION OF RENEWABLE ENERGY, PRODUCED FROM NON-CONVENTIONAL SOURCES OF ENERGY (NCRES) AND PROMOTING THE USE OF NATURAL GAS AS A TRANSITION FUEL.

In 2021, by means of the agreement signed between GEB and Enel Américas, we increased our equity interest in non-conventional renewable energy assets (wind and solar farms); hydrology projects in Colombia, Panama and Costa Rica, contributing to the energy transition.

We also seek to become leaders in energy transformation by

venturing into the business of Non-Conventional Renewable Energy Sources (NCRES) and also become leaders in the transformation of cities.

In Peru, Cálidda has contributed to widespread growth of natural gas use in the cities of Lima and Callao. In Guatemala, Trecsa installed 348 solar panels at a high-voltage substation.

### GEB INVESTMENTS TO ENERGY TRANSITION IN 2021

Percentage of equity interest in GEB investments on energy transition.

### GEB investments to energy transition (USD)



51.24% of investments made by GEB are in energy transition projects.

Likewise, GEB, through the construction of the Colectora project in Colombia's northern coast, will allow incorporating to the National Interconnected System (NIS) the energy generated in wind and solar farms of the Departments of La Guajira and Cesar. This will increase the participation of non-conventional renewable energy sources in the country's energy mix.

## Colectora project

Colectora substation 500 kV and Colectora – Cuestecitas y Cuestecitas transmission lines – La Loma 500 kV.

### DISTANCE

**475 km**  
approximately

**114 km**  
2 double circuitlines to lay a circuit

### SCOPE

- A new substation in Colectora **500 kV**
- Expansion of Cuestecitas substation **500 kV**
- Expansion of La Loma substation **500 kV**

## La Guajira

**247 km**  
1 line with double circuits

### DEPARTMENTS AND MUNICIPALITIES

#### La Guajira

- 1 Uribia
- 2 Manaure
- 3 Maicao
- 4 Albania
- 5 Riohacha
- 6 Distracción
- 7 San Juan del Cesar
- 8 Villanueva
- 9 Urumita
- 10 La Jagua del Pilar

#### Cesar

- 11 Valledupar
- 12 La Paz
- 13 Becerril
- 14 El Paso

### Línea Negra

Our intervention in **Línea Negra de la Sierra** represents 134 km of the project, which is located in **Albania, Riohacha, Distracción y San Juan del Cesar**. Also, in this region the **Wiwa indigenous people** are found, one of the indigenous town councils that make up the **Consejo Territorial de Cabildos Indígenas de la Sierra Nevada de Santa Marta** (Territorial Council of Indigenous Town Councils of the Mountain Ranges of Santa Marta).

### CONVENTIONS

- Substation
- Transmission line
- Route within Línea Negra





# Innovation and digital transformation

# 55

INNOVATION IS THE ENGINE TO DEVELOP CAPABILITIES THAT GENERATE FUTURE VALUE. IN COMBINATION WITH THE DIGITAL TRANSFORMATION, IT FACILITATES THE SUSTAINABILITY OF THE BUSINESS OVER THE MEDIUM AND LONG TERM, AND ENABLES US TO EVOLVE, ADAPT AND REMAIN A STEP AHEAD OF THE GRADUAL AND DISRUPTIVE DYNAMICS IN OUR ENVIRONMENT.

We increased the number of employees engaged in R&D activities from 37 to 55.2 FTE (full-time equivalents).

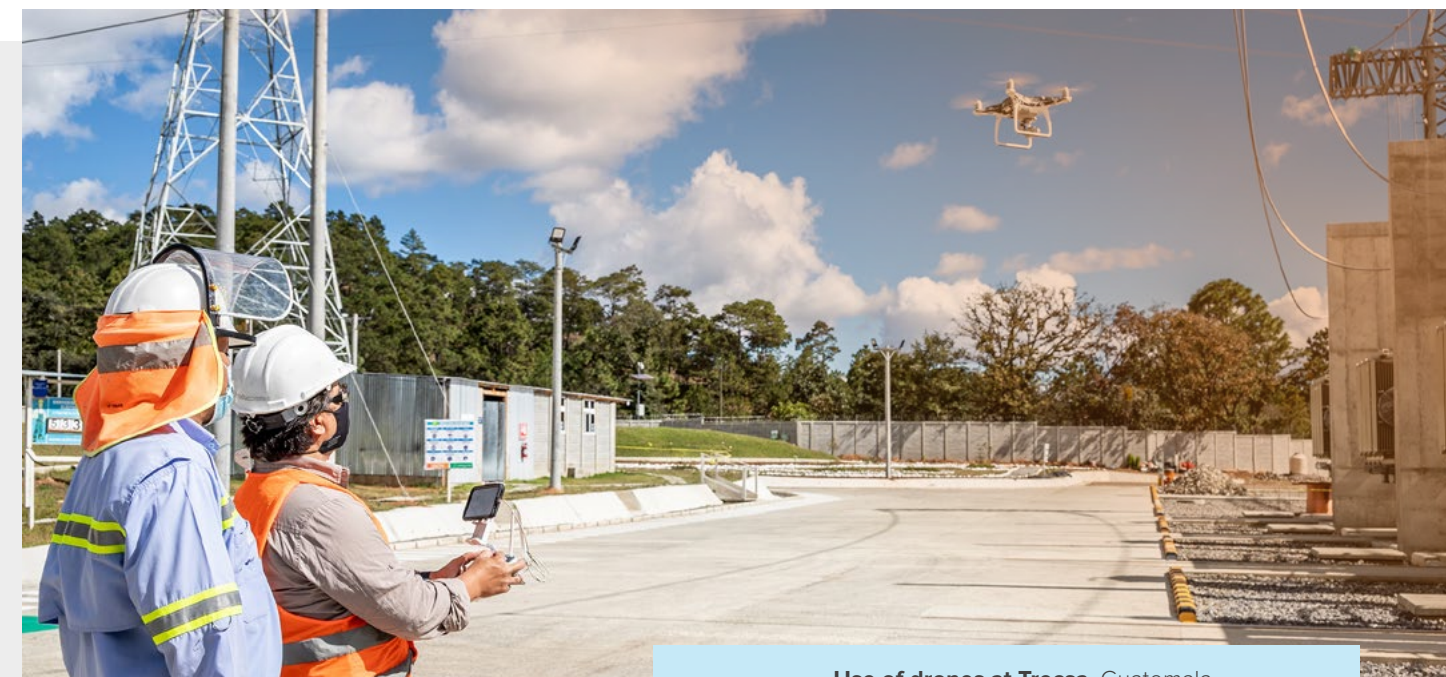
In 2021, we launched an Innovation Management System, guided by good practices of research, development and innovation (R&D+i). It is implemented through a road map for a culture of innovation and open innovation.

In 2021 we achieved a significant increase in investments related to research and development, from investing 2.03% of our sales in 2020 to 3.87% in 2021, to **total R&D+i investment of USD 32,988,523.**

In 2021, we started exploring six open innovation programs to

collaborate with other ventures and universities. Three of them progressed to the planning stage with the purpose of executing them in 2022.

We also worked jointly with our subsidiaries to achieve synergies and savings in IT services, licensing, information security, project management, Microsoft and SAP Success Factors. Similarly, regarding information systems, we defined and initiated the implementation of the new Service Model for S4 HANA with a scope covering GEB and its subsidiaries.



Use of drones at Trecca, Guatemala.





Executive Summary  
Sustainability  
**report**  
2021

