



2018 SUSTAINABILITY REPORT

TURNING ENERGY INTO GOOD DEEDS

USD 750 million

was the amount of the international bond issue by TGI, **3.5 times over-subscribed**.

70%

reduction in the severity index of work accidents in our Transmission Business.

COP 1.96 trillion

was the result of the Group's **shareholding democratization plan**, the largest securities market operation in Colombia in the last four years.

Bolívar-Cartagena

For the first time, we built an **underground transmission line**.

92%

of OECD principles **fulfilled** to strengthen our corporate governance.

Río Córdoba



This project will increase capacity to **supply close to 25% of electric energy demand** in Magdalena, Cesar and La Guajira.

2018

M I L E S T O N E S

Colectora

We were awarded this project to transport the **energy to be produced by the wind farms in La Guajira** to the rest of the country.



184,000

record number of natural gas connections of Cálidda, in Peru.

526

kilometers

of transmission lines built as part of the **Electric Energy Transportation Expansion Plan** (PET, for the Spanish original) of TRECSEA in Guatemala, with a 74% completion rate.



54,404 customers

Contugas **achieved its target of 50,000 customers**, which was not expected until 2020.

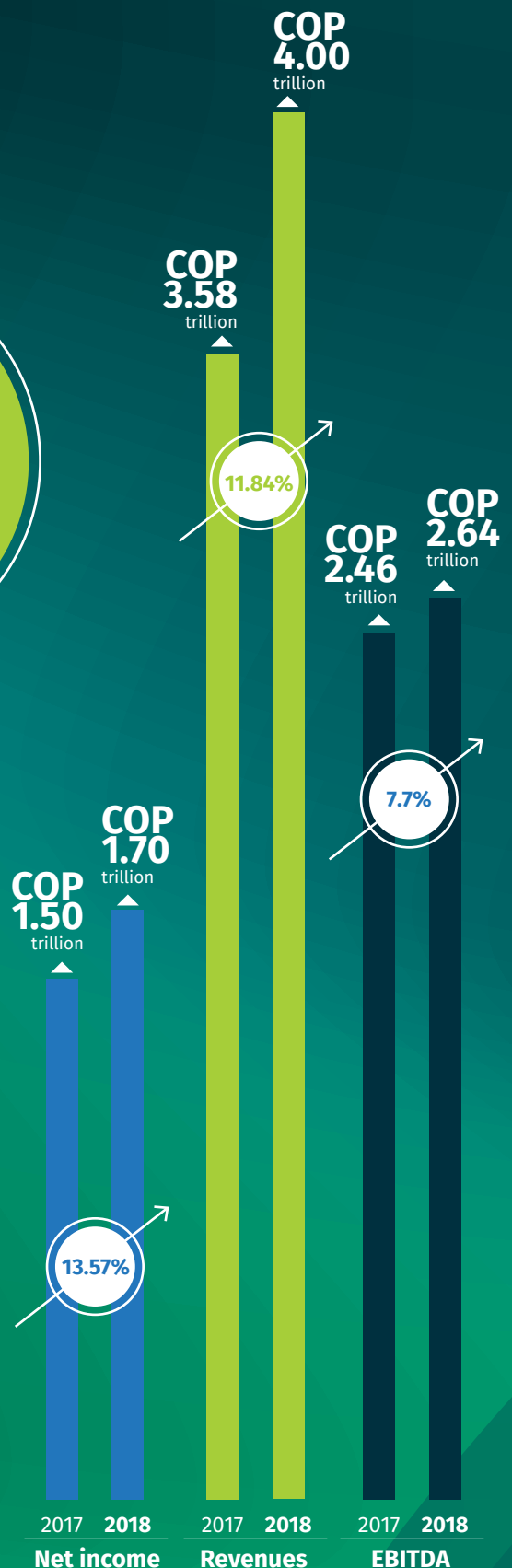
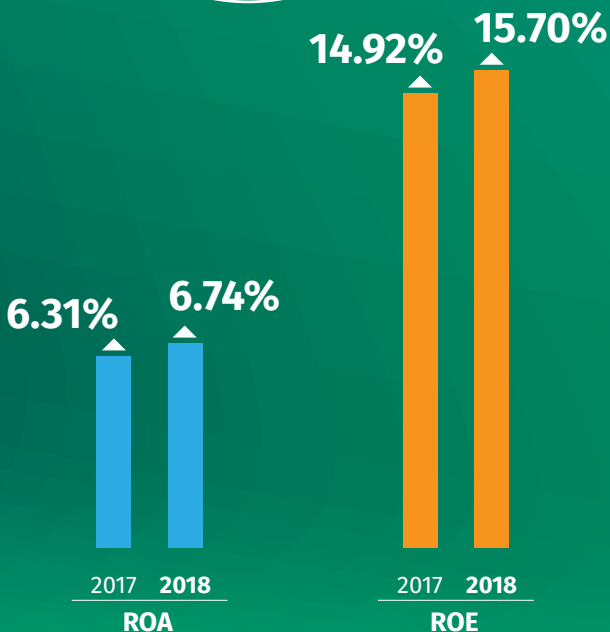
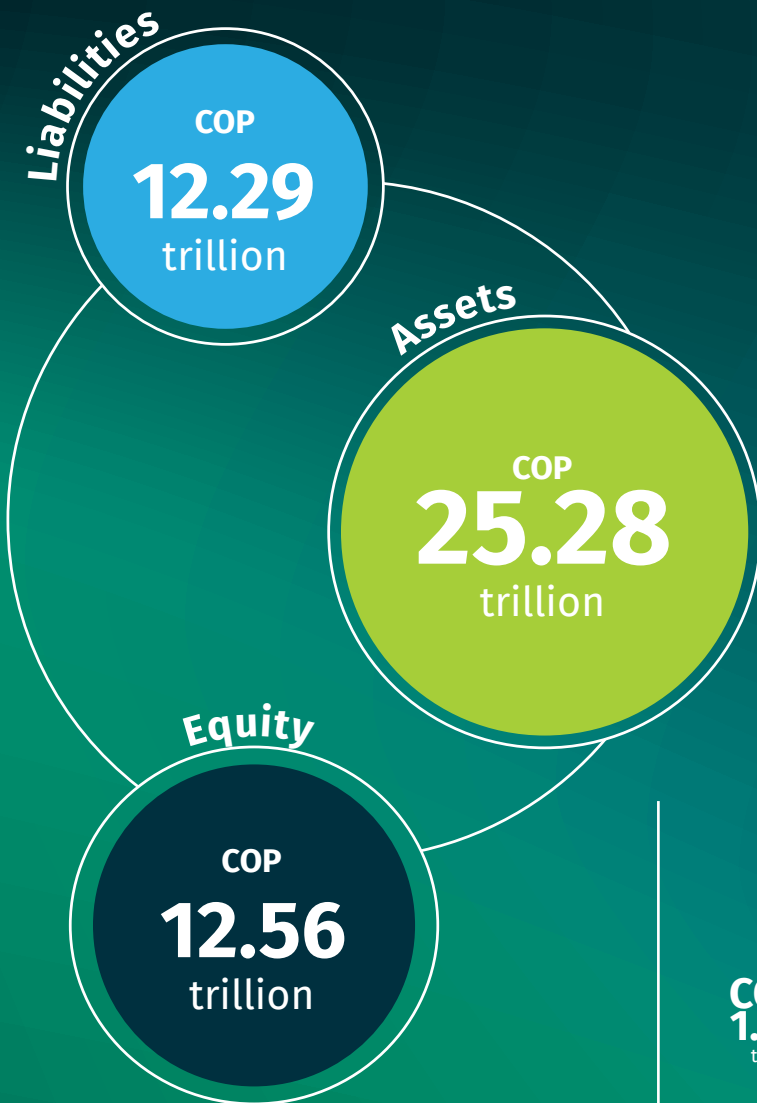


Grupo Energía Bogotá

Relevant Figures (102-7) (Own)

Financial position

Consolidated results



Electricity

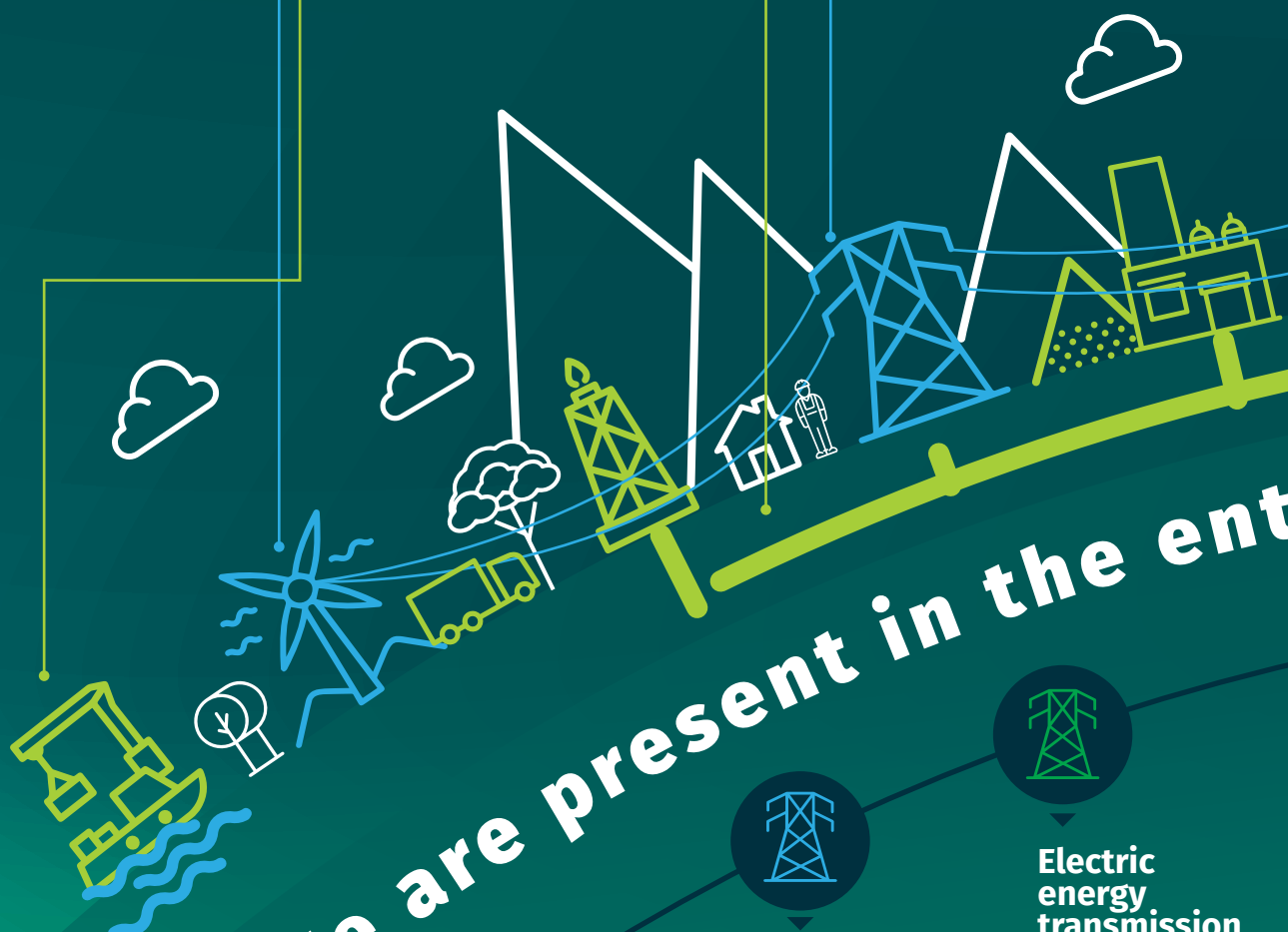
Natural Gas

Energy generation

Energy transmission

Production

Transport



We are present in the entire

Companies



Electric energy generation

Our market share in Colombia is **20.4%** through our **51.5%** shareholdings in Emgesa.*



Energy transmission in Colombia

Our Transmission Business has a market share of **18.84%**.



Transmission Branch



Electric energy transmission in Peru

We are leaders with market share of **66.6%** through ISA REP and ISA Transmantaro*, in which we hold shareholdings of **40%**.



(* Non-controlled companies)

Energy distribution

Energy commercialization

Distribution

Commercialization



Core energy value chain

(102-6) (102-7)



Electric energy transmission in Guatemala

We are leaders in the market through our companies TRECSA and EEBIS.



Electric energy transmission in Brazil

Our market share is **0.75%** through our company Gebbras.



Natural gas transport

Through our company TGI, we are leaders in Colombia with **54%** market share.



Energy distribution

In Colombia, our market share is **22.9%** through our shareholdings of **51.5%** and **16.2%**, in Codensa* and EMSA*, respectively.



codensa



Natural gas distribution

Through our companies Cálidda and Contugas in Peru, our market share is **76.5%**. In Colombia, our market share is **32.3%** through our shareholdings of **25%** in Vanti*.



Regional presence

Guatemala
No. 1
in electric energy
transmission

Brazil

0.75% of the
electric energy
transmission
market

Colombia

No. 1
in natural gas
transport

No. 2
in electric
energy
transmission

Peru

No. 1
in natural gas
distribution and electric
energy transmission

(102-4) (102-6) (102-7)

Capacity (102-6) (102-7)



ELECTRIC ENERGY TRANSMISSION

13,741 kilometers of networks through our controlled and non-controlled companies



GAS TRANSPORTATION AND DISTRIBUTION

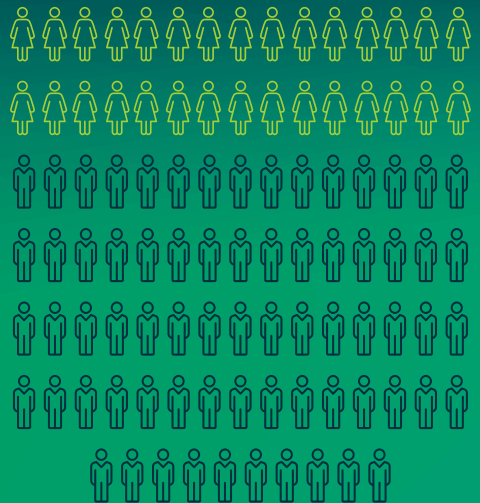
4,415 kilometers of gas pipelines and **24,241** km of distribution networks through our controlled and non-controlled companies

3.1
million
gas distribution
customers*



3.8
million
electric
energy
distribution
customers*

EMPLOYEES (102-7) (102-8)



1,686
Total

70%
men

30%
women

* Including controlled companies and non-controlling interests

Profile

Over 120 years of history

(102-6) At Grupo Energía

Bogotá, we have come a long way in positioning ourselves as one of the main energy groups in Colombia, Peru, Brazil and Guatemala.

We operate throughout the energy chain, including transmission, generation and distribution of electric energy and transportation and distribution of natural gas through our own subsidiaries and stakes of interest in large companies.

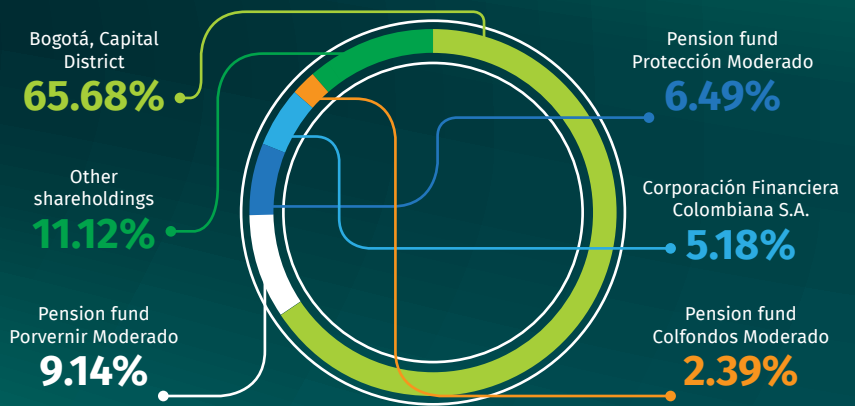
In Colombia, **we are the leading company** in natural gas transport through our company Transportadora de Gas Internacional (TGI) and **number 2** in electric energy transmission.

In Peru, **we are the leading company** in natural gas distribution through our companies Cálidda and Contugas and leaders in electricity transmission.

In Brazil, through our company Gebbras, we operate **1,100 km** of transmission lines that carry electricity to the city of São Paulo.

And in Guatemala, **we are the leading company** in electric energy transmission through our companies Transportadora de Centroamérica S.A. (TRECESA) and EEBIS.

Shareholdings (102-7) (Own)



Recognitions



We were included in RobecoSAM Sustainability Yearbook 2018 and were recognized as industry mover in the gas utilities sector.



For the seventh consecutive year, we were included in the Dow Jones Sustainability Index, leading the emerging markets category in gas industry.



We received the Andesco Award in the category of "Best Corporate Governance".



We became members of the Chartered Institute of Procurement & Supply (CIPS) for our best practices in supply and procurement chain management.



For the fifth consecutive year we received recognition from the Colombian Securities Exchange Investor Relations program for our high information disclosure standards.



We were included among the 100 leading companies of the Colombian Corporate Reputation Monitor (Merco, for the Spanish original).

SUSTAINABILITY
REPORT
2018

TURNING ENERGY INTO
GOOD DEEDS



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**Concept, graphic design,
journalistic editing and production:**
Taller de Edición S.A.

Cover photograph:
Linda Lorena Martínez, TGI employee at the
Mariquita and Padua stations.

Back cover photograph:
Landscape of Boyacá in the Sogamoso Proj-
ect's area of influence Photograph by our
employee Darío Corredor





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About this report

(102-50) We hereby present the 2018 Sustainability Report of Grupo Energía Bogotá, which includes information on the economic, social and environmental performance of the Group and its companies in Colombia, Peru, Guatemala and Brazil, covering the period from January 1 to December 31, 2018.

(102-49) (102-51) (102-52) Our report is published annually; the last edition was published in March 2018 and it covered 2017 management and operations. Any clarifications or exceptions regarding coverage of information are explained throughout the document.

(102-32) Our report has been formally reviewed and approved by the Group's President, by the principal members of the President's Committee and by the Board of Directors and its committees.

(102-45) In this edition, we report the 2018 results of the Group and the Strategic Business Groups (Transmission and Transportation, Distribution and Generation), including the corporate strategy, risk management and the sustainability and shared value model, all in line with our materiality and the Sustainable Development Goals (SDGs), for each of the companies that form part of the business group.

Additional information on each of the companies that form part of the Strategic Business Groups is available in their specific reports.

(102-54) Each chapter contains information on management, results and goals in the various dimensions of sustainability, according to the Global Reporting Initiative (GRI) standard's "core" option, which is identified by means of the appropriate codes for each indicator. The contents have also been structured so as to highlight and communicate the material matters defined by the Organization.

(102-56) The firm KPMG performed limited assurance assessments on certain performance indicators. Its independent review report is included in the Annexes section.

(102-53) If you have any questions, please contact Jacqueline Guevara Gil or Juan Manuel Díaz Hernández at the following e-mail addresses: jguevarag@geb.com.co and sostenibilidad@geb.com.co, or by phone at +57 (1) 326-8000, extension 1765.



To view the digital version of this report, scan the following QR code:

Dear shareholders,

(102-14) We have many reasons to feel proud about the results of Grupo Energía Bogotá. Thanks to you, dear shareholders, who have trusted us, and to all our employees who every day invest their best energies, we can say that today we are greater in Colombia, Peru, Guatemala and Brazil.

2018 was a year of good financial, operating and social results for the Group. We achieved our planned goals and objectives. We posted revenues of COP 4 trillion, equivalent to growth of 12% compared to 2017, and our net income increased by 13.5% to over COP 1.7 trillion.

In Colombia, we launched two important electric energy transmission projects, Río Córdoba and Bolívar-Cartagena, which will increase service reliability in the Caribbean Coast. We were also awarded the Colectora Project, which sets an important milestone in the industry, as it will enable for the first time the transportation of the energy to be produced by the wind farms in La Guajira to the rest of the country. We also created an independent organizational structure for our new Transmission Branch, which starting in 2019 will operate the Group's Electric Energy Transmission Business, consolidating our ongoing transformation.

In Peru, Cálidda stood out for its organizational culture, thanks to which it obtained an outstanding performance rating in terms of organizational climate. It also stood out for achieving a record of 184,000 natural gas connections. Contugas not only exceeded its goals, but it also reached 50,000 customers; a goal that it had been set to achieve in 2020.

In Guatemala, TRECSA reported a completion rate of 74% in the PET, the most important electric energy expansion project in Central America, while EEBIS completed the Anillo Pacífico Sur Project, the first private electric energy transmission project to be 100% completed in the country. And Gebbras, in Brazil, continues to search for new business and expansion opportunities in this important market.

In 2018, by mandate of the Capital District, we managed the process of democratizing the Group's shareholdings, in what became the largest securities market operation in the country in the last four years, and which increased the number of our shareholders by 60%.

Astrid Álvarez Hernández
President of Grupo Energía Bogotá



In connection with this process, a Shareholder Agreement was signed to protect minority shareholders, and the highest standards of Corporate Governance were implemented. In this regard, we comply with 92% of the standards of the Organization for Economic Co-operation and Development (OECD).

But what we found most satisfactory of all were the results achieved in Occupational Safety and Health, which privilege the protection of life. All our companies reported progress in this area. In our Transmission Business, the severity index of work accidents decreased by 70%, while at TGI zero accidents were reported among employees and contractors. It is an achievement that motivates us to work tirelessly on a culture of self-care and prevention, because at Grupo Energía Bogotá *¡Primero es la vida!* (Life comes first!).

Another great satisfaction for us in 2018 was the recognition and the recovery of trust we achieved in the territories where we operate. Working hand-in-hand with the communities to bring them progress and well-being is what motivates us every day. An example is *Energía para la Paz* (Energy for Peace), a humanitarian demining program at municipalities affected by the conflict in Tolima, Huila and Valle del Cauca. Thousands of Colombians residing there are starting to recover their peace of mind.

We also took big strides in our commitment to promote gender equality by adopting the women's empowerment principles of the United Nations

Global Compact and UN Women.

All these good results would not have been possible without the support of our shareholders; the passion, effort and commitment of our employees and the warm welcome given to us by the communities in the areas of influence of our projects.

Our commitment is to create greater value for a business group with over 120 years of history and to become a benchmark for the energy sector in Latin America.

We will continue to grow to be the best! Thank you for joining us in our task.



Beatriz Elena Arbeláez Martínez
Chairwoman of the Board of Directors



Employees interact with Wayúú communities at the Colectora Project, in La Guajira

Our management drives progress

2018 was a year of good financial results, of new project launches and the development of social initiatives that brought progress to the communities.



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Management and Financial Report

Dear Shareholders and Stakeholders,

It is a reality. *“Estamos convirtiendo energía en buenas acciones”* (We are turning energy into good deeds). It fills me with pride to present for the second consecutive year our Sustainability Report as a Business Group, a story of achievements, such as the great experience of bringing progress to communities that reward our great team’s efforts with a smile.

The year 2018 stood out for the new projects that came on stream, for our positioning in the countries in which we operate, for our excellent financial results and the successful progress made in the democratization process, which enabled new shareholders to join us.

It was also a year of transformation and the launch of a new architecture for our processes, which will make the Group more competitive and will enable it to become a leader, through its subsidiaries and affiliates, of the energy industry, one of the most dynamic sectors, with the greatest potential for growth, innovation and contribution to the country’s sustainable growth.

In this regard, we moved forward in the Change Management strategy, which will facilitate this transformation in a structured and efficient manner, highlighting the skills of all those who are part of Grupo Energía Bogotá.

In 2018, we continue to strengthen our corporate governance, a process we started in 2016 and through which we have achieved substantial progress. In 2018, we also complied with 92% of the OECD’s principles, which enhances the transparency of our decision-making in accordance with the highest international standards. We also drafted and approved Policies on managing Conflicts of interest; Transactions with Related Parties; and Appointment, Succession and Compensation of the Board of Directors.

Another milestone was the successful democratization of shareholdings we managed according to the mandate of the Capital District, the Group’s main shareholder. The transaction was valued at COP 1.96 trillion and became the most important operation in the Colombian securities market in the last four years. Through this democratization, the number of shareholders increased by 60% to 7,289, and a new Shareholder Agreement became effective that confirms the protection of minority shareholders and will enable us to include four independent members in the Board of Directors.

Another important development is that we put in motion a culture that privileges life. For the Group, **“Life comes first!”** for its employees, contractors and suppliers. The results were resounding: in our Transmission Business the severity index of work accidents decreased by 70%, while at TGI we exceeded our targets on accident rates among employees and contractors.

We are also proud that in the territories in which we have ongoing presence we

The democratization of shareholdings of Grupo Energía Bogotá increased the number of shareholders to 7,289, in what was the largest securities market operation in the last four years.



217 employees of TGI are in the field operating the 4,000 km of gas infrastructure

continue to make positive transformations and bringing progress and well-being to the communities, which have benefited from educational, sports, environmental and entrepreneurial initiatives and programs, among others, because we are convinced of the importance of growing hand-in-hand with the communities.

I would like to share other achievements with you. We were included for the first time in the 2018 RobecoSAM *Sustainability Yearbook* and were recognized by this important publication as industry mover in the gas utilities sector. This was achieved because we managed to position ourselves among the top companies worldwide with best corporate sustainability performance according to the Dow Jones Sustainability Index, which has included us for the seventh consecutive year.

Additionally, for the fifth consecutive year we received recognition from the Colombian Securities Exchange Investor Relations program for our high information disclosure standards, and we received the Andesco Award in the “best corporate governance” category. We also became members of the Chartered Institute of Procurement

& Supply (CIPS) thanks to our best supply practices, and we were included among the 100 leading companies in the Colombian Corporate Reputation Monitor (Merco, for the Spanish original).

Lastly, we ratified our commitment to the principles of the United Nations Global Compact, to which we adhered in 2005, to give all our best to our management of labor practices, environmental protection, respect for human rights and the fight against corruption. We also took big strides in our commitment to promoting gender equality by adopting the women’s empowerment principles of the United Nations Global Compact and UN Women.

Macroeconomic Environment

The year 2018 was very dynamic in the countries where we operate, due to elections in several of them and because of their economic trends. In Colombia, President Iván Duque took office, as did Jair Bolsonaro in Brazil and Martín Vizcarra in Peru.



City Gate at Lurín District, in Lima. The main station from which Cálida distributes natural gas to Lima and Callao

In Colombia, the economy continued to gradually recover, with growth in Gross Domestic Product (GDP) of 2.7%, higher than the 1.4% rate of 2017, according to DANE figures. The recovery was related to higher oil prices, which for several weeks reached USD 80 per barrel. Inflation remained under control, with a change of 3.18%, within the target range set by the Central Bank, while the dollar exchange rate increased to COP 3,250 per dollar. A topic that caused uncertainty was the discussion on the Financing Bill submitted by the government.

On its part, the energy sector was affected by delays in the start-up of Hidroituango, which led the Energy and Gas Regulatory Commission to call for energy auctions for 2019. During the year, energy demand grew by 3.3%, according to information by XM, the wholesale energy market operator.

In Brazil, the economy is slowly recovering, with GDP growth of around 1.4% at the close of 2018. The South American giant is climbing out of a recession it had been experiencing in recent years. Inflation continued to decrease and at year-end it totaled 3.75%, and the Brazilian Real suffered a depreciation of 16.94%. The energy market is undergoing full growth, with over 144,000 km of transmission lines in 2018, which will grow by an additional 52,000 km by 2026.

The Peruvian economy has been growing faster than in 2017 thanks to positive trends in private investment and consumption, and Gross Domestic Product (GDP) is expected to post growth of around 4.0% in 2018. Inflation is under control and remained within the target range of 2.19%, and the exchange rate closed at 3.32 Sols per dollar. Regarding the energy sector, total electric energy production grew by 3.2%.

In Guatemala, the Central Bank expects a GDP growth of around 3% in 2018, thanks to the good performance of the manufacturing, services, agriculture and electricity supply industries, among others. Inflation continued on a downward trend and closed at 2.31%. Guatemala is the largest energy center in Central America, which makes this industry one of the main drivers of economic growth in the country, attracting both local and foreign investment.

Operating Results

The consolidated financial results of 2018 were positive thanks to good overall business performance, and particularly the strong revenues of the Transmission Business and the expansion of Cálidda in Peru.

We also made noteworthy progress in the financial area thanks to optimization of long-term dividends, the optimization of the capital structure and cost of debt, as well as greater operating efficiencies. This was reflected in the growth of our revenue to COP 4.0 trillion, up 12% compared to 2017, and a 13.5% increase in net income to over COP 1.7 trillion.

Assets totaled COP 25.2 trillion, liabilities COP 12.29 trillion, equity COP 12.6 trillion and EBITDA COP 2.6 trillion. Return on equity (ROE) was 15.7%.

This good performance will enable us to pay our shareholders COP 1.2 trillion, which represents dividends per share of COP 130. It should be noted that Grupo Energía Bogotá shares in 2018 were among the TOP 10 of the 25 shares listed on the Colombian Securities Exchange.

Strategic Business Groups

Following the development and implementation of the Corporate Strategic Plan (CSP), in September 2016 three Strategic Business Groups were created: Interconnection for Market Development (IDM, for the Spanish original), Urban Energy Solutions (SEU, for the Spanish original), and Low Emission Generation (GBE, for the Spanish original), in order to grant them autonomy in their strategic focus, core capabilities and regional scope.

However, in order to make the strategy more understandable to our stakeholders (employees, investors and suppliers, among others), in October 2018 we approved changing their names as follows: Interconnection for Market Development will now be named **Transmission and Transportation Strategic Business Group**; Urban Energy Solutions is now the **Distribution Strategic Business Group**; and Low Emission Generation is now the **Generation Strategic Business Group**.



**In our transmission projects,
women are protagonists.
La Loma Substation, Cesar**

These Strategic Business Groups will maintain their focus as defined in the CSP, but they will further develop their current businesses and explore new opportunities in the country and abroad. The following are some of the main highlights.

Transmission and Transportation Strategic Business Group

This group connects large energy sources to consumption centers through electric energy transmission lines and gas pipelines. It reported EBITDA of COP 1.51 trillion.

One of the most important events was the creation of the new Transmission Branch, which starting in 2019 will operate the Group's Electric Energy Transmission Business to fully develop its competitive potential, perform projects and define and implement its growth agenda.

This is a new development of our CSP through which we set ourselves ambitious goals and strengthen each of our companies. In this process we established that we needed to work on the development of a new organizational structure that would differentiate the processes of each of our companies. For this reason, we created a new structure for our Transmission Business, to differentiate it from the rest of Grupo Energía Bogotá.

In Colombia, the Transmission and Transportation Strategic Business Group reached several milestones, with the start-up of operations of new projects and the

award of the Colectora Project by the Mining and Energy Planning Unit (UPME, for the Spanish original). Colectora involves construction of a 500 kV transmission line that is 480 km-long, with two substations: Cuestecitas (La Guajira) and La Loma (Cesar), which will enable transportation of the power produced by renewable sources, such as the wind farms of La Guajira, to the National Interconnected System (SIN, for the Spanish original).

We also strengthened our presence in the Caribbean Coast, where we began commercial operations of the projects at Río Córdoba National Transmission System (NTS) and Río Córdoba Regional Transmission System (RTS). The former involved construction of a 220 kV-substation and associated transmission lines in the municipality of Ciénaga (Magdalena), and installation of two power transformers.

The Bolívar-Cartagena (UPME 05-2012) Project also came on stream, which consists of a second 220 kV 20 km transmission line from the Bolívar Substation to the Cartagena Substation, which will cover growth in demand for electric energy and will benefit over two million residents of the department of Bolívar.

The Transmission Business is currently working on 12 additional projects that will come on stream over the next few years and which represent challenges for maintaining our operational excellence in managing our assets. These include La Loma and Colectora, in the northern region; Sogamoso, Norte and San Fernando in the central region; Armenia and Refuerzo Suroccidental in the western region, and Tesalia- Alférez, Mocoa and Altamira in the south. These projects will double our transmission lines, increasing from 1,523 to over 3,800 km, and our presence will increase from 55 to 177 municipalities in the national territory.

Our natural gas businesses achieved outstanding results. Transportadora de Gas Internacional (TGI) increased our transport capacity by 40 million ft³ and we started up operations at two compression stations: Cusiana-APIAY-Ocoa, in Villavicencio (Meta) and Paratebueno (Cundinamarca). The Zarzal-La Tebaida (Quindío) Loop came on stream, and during construction we found archaeological pieces of the Calima and Quimbaya cultures.

Another TGI achievement was the issue of international bonds in the fixed-rate market for USD 750 million, in an operation that was 3.5 times over-subscribed compared to the initial offer. We also promoted the use of natural gas for mass transport in Bogotá through the incorporation of 741 new gas-powered buses in the Transmilenio fleet, which will help improve air quality in the country's capital.

In Guatemala, Transportadora de Centroamérica (TRECOSA) made major strides in the construction of the Electric Energy Transportation Expansion Plan (PET, for the Spanish original), the most important infrastructure project in Central America, achieving a 74% completion rate: 526 km of transmission lines built. EEBIS completed construction of the Anillo Pacífico Sur Project, the first private electric energy transmission project to be 100% completed in Guatemala.



Maintenance of the Guavio-La Reforma line, in Medina, Cundinamarca. Our crew of linemen works at a height of 50 m following all occupational safety and health standards.

The new Transmission Branch is working on 12 projects that will increase the Group's presence from 55 to 177 municipalities.

In Brazil, Gebbras reduced costs through the optimization of the structure of our companies and we audited the operating and maintenance services with the assistance of a transmission expert.

Distribution Strategic Business Group

This group develops the electric energy and natural gas distribution services required by large consumption centers and mega-cities, promotes cleaner mobility and more efficient energy use to improve environmental quality. Its efforts focused on the consolidation of businesses in Peru through our affiliates Cálidda, in Lima and Callao, Contugas in Ica, and Codensa and EMSA in Colombia.

This Strategic Business Group reported EBITDA of COP 0.81 trillion.

In 2018, Cálidda achieved a record of 184,000 residential gas connections, reaching over 750,000 customers and benefiting over 3 million Peruvians in Lima and the province of Callao. We also connected over 1,700 businesses and 50 industries, and sold and installed over 40,000 gas appliances through new non-bank financing alternatives. We were ranked in 42nd place among the companies with best reputation in Peru, in our first appearance in the top 100 of the Merco ranking, and our top rate organizational culture was highlighted.

On its part, Contugas started up La Calera, the first co-generation project in Peru for the agro-industrial sector, which introduced gas to offer solutions to industry and converted a fleet of 50 buses to natural gas for vehicles (NGV), which will prevent estimated emissions of 18,000 t of CO₂. We also surpassed the target set in the BOOT con-

tract of 50,000 customers, which was not expected until 2020.

Generation Strategic Business Group

It addresses needs and opportunities aligned with strategies for the protection of climate and natural resources. It focuses on non-conventional renewable energy solutions to facilitate a transition towards a diversified and sustainable energy mix.

In 2018, it reported EBITDA of COP 0.32 trillion.

In 2018, we defined the investment guidelines and worked on the pipeline methodology to search for business opportunities in target markets in countries in the region, which are the focus of analysis to turn them into businesses for the Group over the medium term.

Vision of the Future

At Grupo Energía Bogotá, we aim to consolidate our growth agenda by venturing into new businesses and acquisitions in Colombia and Latin America. In 2018, we reformulated some approaches of our corporate strategy, which led us to adjust our overall goals to 2025, which we call our Mega Goals, and to rename our Strategic Business Groups.

The Mega Goals we have set out aim at positioning us among the five companies with best profitability in the Colombian market, with year-on-year growth of over 9% and EBITDA of more than COP 8 trillion.

To this end, we will further develop our sustainability approach in order to offer comprehensive solutions based on the principles of shared value and benefits, by evaluating opportunities across the energy value chain.

We will achieve this sustainability approach by further working on five strategic lines:

- An occupational safety and health culture at Grupo Energía Bogotá.
- Reinforcing our role as strategic connector in the countries where we operate, to position ourselves as active promoters of the regulatory agenda to drive the energy sector and facilitate the transition towards new energy paradigms.
- The promotion of efficient energies.



- The positive transformation of the territories in which we operate.
- The promotion of connections in areas where energy does not have coverage to enable progress.

Our history has endowed us with the experience of a public-private management model, which we will strengthen through the transformations in our corporate governance and operational excellence, in order to develop leading and profitable companies throughout the low-emissions energy chain in high-consuming regional centers. We will also continue to create closer and genuine bonds with the communities, improving the quality of life, empowering women, promoting the use of natural gas

At Páramo de Bordoncillo, Putumayo, we built this wooden handrail to protect moss at water springs.

and competitiveness, improving the efficiency of industrial processes and mobility.

Today, we can proudly say that we build Grupo Energía Bogotá by **Turning energy into good deeds!**

Astrid Álvarez Hernández

Astrid Álvarez Hernández
President of Grupo Energía Bogotá

**The target by 2023 is to reach over 3,800 km of lines in Colombia.
Photograph by our employee Julio Hurtado,
from the Transmission Business**



We are transforming

A new Operating Model led to the creation of the Transmission Branch, one of the Group's main businesses in Colombia.

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Change Management

The Energy of our Transformation

"We have transformed ourselves to make history". Under this premise, Grupo Energía Bogotá is now a consolidated and solid Business Group that has understood that in order to continue growing it needs to transform itself. This is what we have done over our 122 years of history, and we will continue to do so.

Transformation has become one of our Group's principles. We understood this in 2016, and as a result we redefined our corporate strategy in order to consolidate our position as leaders in the Latin American energy chain, and as one of the few groups that combine electric energy with gas in a coordinated manner.

Following two years of implementation of the approved strategy, in 2018 we updated our Corporate Strategic Plan (CSP) to adapt it to market conditions, to the current situation and to the new challenges that lie ahead for the Group.

All the above in order to address the key challenges faced by the energy sector and as a Business Group, to maintain the path of profitable growth, to achieve the Mega Goals set for 2025, to actively intervene in our companies and to continue working on the public-private Governance Model, of which we are a regional benchmark-setter.

City Gate of TGI in Buga, Valle del Cauca, is part of the infrastructure that enables the transportation of natural gas to the west of the country.



Corporate strategy



In order to implement our corporate strategy, we made two decisions:



▶ To focus the efforts of the corporate office on its role as Strategic Connector.



▶ To separate and leverage the Transmission Business as a branch (it was previously included in the Group's operations).

The Group Transformation project was born from this process with two central objectives and a cross-cutting strategy:



▶ Redesign the processes.

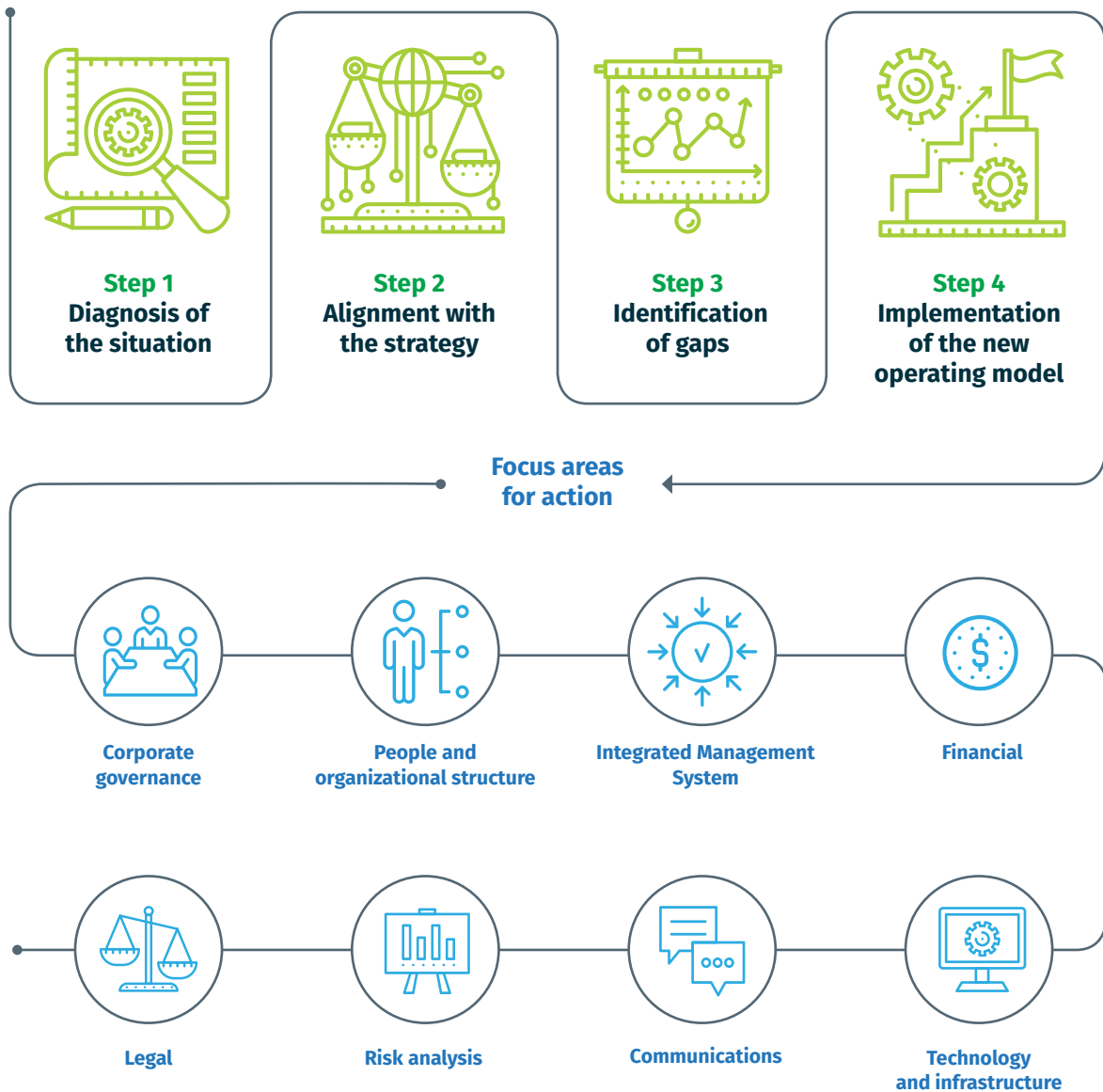


▶ Redefine the organizational structure.



▶ Change management.

Transformation Project on the Move



During 2018, we undertook this project in four stages. First we diagnosed the situation to define the operating model, based on the analysis of the existing processes and organizational structure, compared to the required processes and organizational structure, **using as reference the processes proposed by the American Productivity & Quality Center (APQC)**, aligned with the industry's good practices. We also verified that these processes would enable the incorporation and development of the Group's capabilities.

Based on this work, we decided to undertake a deep transformation of the Organiza-

tion in terms of our core capabilities: those that define the Group's DNA and that of the Transmission Business, aimed at achieving our Mega Goals.

Once these core capabilities were defined, the next step was to align them with the strategy by designing the new operating model and the required organizational structure and processes. At this point, we differentiated those that belong to the Group, those that belong to the Transmission Business, and those that are shared by both.

The third step was to identify existing gaps: we defined the initiatives that would be required to take the Group to the desired

scenario in terms of processes and organizational structure.

The identification of these gaps enabled us to design the fourth stage: the implementation of the new operating model by putting the required activities in motion to lead the Company to the desired situation.

Today, the Transformation project displays resounding results, performed in 2018 in the eight defined action focus areas:

- **Corporate governance:** we defined the responsibilities and tasks of Senior Management, reviewed and established committees and the model according to service levels.
- **Integrated Management System:** we defined the new Operating Model and the map of processes, and updated process descriptions, the architecture of metrics and mechanisms for their verification.
- **Financial:** we implemented the financial structure and defined the 2019 budget for the Transmission Business, separately from the corporate business.
- **Legal:** we defined the powers and legal representation of the General Manager of the Transmission Business, and registered in the mercantile registry.
- **Risk analysis:** we identified new risks and updated the current risk maps.
- **Communications:** we designed the communications and positioning strategy both of the corporate office and of the Transmission Business.
- **Technology and infrastructure:** we defined the physical infrastructure required to implement the new operating model, we developed and established software parameters, and took steps to ensure robust information and cybernetic security for business continuity.
- **People and organizational structure:** we defined the organizational chart, the profiles and responsibilities of each position, the population of the defined structure and the Change Management Plan.

As a result of the Transformation project, we have 23 organizational processes and 2 structures in place that are independent from the corporate area for the Transmission Business.

Transmission Business engineers at the La Loma Project, Cesar, which will improve energy service for industries in this department



Changes for the people and by the people

With the certainty that once change management is incorporated in organizations, they and their teams adapt and contribute to being quicker and more effective, at Grupo Energía Bogotá, we define it as a cross-cutting strategy for our transformation process.

We conceive change management as a continuous action, as a process that endures and never ends, that is permanent and is maintained in the long term.

To this end, we focus our tasks on two action lines:

- **With employees**, generate the capacity to accept, to change and to promote change.
- **With the Company**, adopt a methodology to ensure that change takes place.

One of the most important results in 2018 was the definition and launch of the Change Management Plan, using the Prosci methodology. It is a step-by-step methodology that is managed in each of the Company's individual projects and enables the creation of competencies for change.

In the initial actions we focused on employees, as they are the key players in making the Transformation project a reality. To this end, we selected a group of 61 leaders, who are responsible for driving change in the Organization and its different areas using a common methodology. They were provided training on the methodology.

Change is the ability that moves us and today we are one of the leading groups in the energy chain in several Latin American countries.

Our commitment

In 2019, we will continue the process of permanent transformation. From January to April we will continue to implement and strengthen the new operating model, and to identify and implement action plans to close the identified gaps.

We expect to complete this process in the first half of 2019, but this does not imply that we will put a pause in our Company's transforming power. The challenge is to continue steering the changes and process improvements using the Group's Integrated Management System to ensure management, continuity, sustainability and the occupational safety and health culture and the improvement of the defined operating model; in this manner we will ensure that we maintain our international certifications: ISO 9001:2015, ISO 14001:2015 and OHSAS 18001:2007. We will also perform a diagnosis to align the operating model with the affiliates.

The Change Management challenge is even greater: to give continuity to the Transformation project in the entire Group. To this end, we will continue to implement the Leadership Plan to ensure employees understand the underlying reasons for the changes, to create the desire to change at each position and role in the Group and to identify the most valuable opportunities to decide to undertake the best practices.



Work environment

Our image as a Business Group, the positive impact we have in the territories where we operate, our motivation for addressing the transformation and the future of the Group, are reflected in our work environment. We are filled with pride: the organizational and pride dimensions reached the highest levels in 2018.



Sourcing Model and Supply Chain Management

It makes us efficient, maximizes resources and produces savings under logistics arrangements, which additionally contribute to our supplier relations.

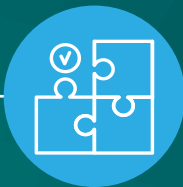


Transmission Business

We structured a transformation in the way we operate, to specialize and recognize ourselves as leaders because of our operating excellence through a corporate office and an Electricity Transmission Branch.

SUCCESS STORIES

OF OUR TRANSFORMATION



Three Lines of Defense Model

It refers to the Group's Internal Control System, which empowers us at all levels of the Organization in connection with the action standards and principles that mitigate risks.



Maturing and Value Creation Model

It unifies all projects that intend to maximize the value we create as a Group. It is the new language of Grupo Energía Bogotá.



Gender equality

Gender equality in the energy industry and the gender gaps in the territories where we operate are transformations that differentiate us.



Change management

It implies understanding the reasons for the transformation and how each one of us decides on the processes that foster a powerful Business Group.

The Cartagena Substation is part of Plan 5 Caribe, through which the National Government is strengthening the Energy Transmission System



Our Strategic Business Groups

In 2018, we were awarded the Colectora Project; we started up the Río Córdoba and Bolívar-Cartagena projects (in the photo); we achieved a record number of users in Peru and we made progress in our Electric Energy Transportation Expansion Plan (PET, for the Spanish original) project in Guatemala.



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Transmission and Transportation Strategic Business Group

(102-2) Through the electric energy transmission lines and gas pipelines we connect the sources of energy generation with the consuming centers so that our services reach those who need them most.

EBITDA

COP 1.51
trillion



- **No. 1** in the market
- **23.5%** market share in energy transmission
- **144** employees
- **99.989%** of availability in energy transmission assets

Note: ISA REP and ISA Transmantaro are non-controlled companies.

Colombia



- **No. 2** in the market
- **18.84%** market share in the energy transmission sector
- **531** employees
- **1,523** km of transmission lines
- **55** municipalities with presence in 2018. By 2023, we will reach 177 municipalities
- **99.951%** of availability in energy transmission assets
- **99%** of completion of the Maintenance Plan

- **No. 1** in the market
- **54%** market share of the natural gas transport
- **47** customers
- **424** employees
- **3,994** km of gas pipelines
- **16** departments are covered by our natural gas services
- **8** thermal power plants connected with 1,299 MW of effective power
- **99.250%** of availability in gas transport assets
- **99.6%** of completion of the Maintenance Plan

Brazil



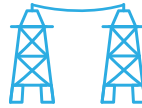
- **1,094.5** km of transmission lines
- **0.75%** of the transmission market

Colombia - Transmission Business

Our achievements in 2018



We were awarded Colectora. This project will enable us to transport energy from the wind farms in La Guajira to the National Interconnected System through a 480 km-transmission line and two 500 kV substations: Cuestecitas and La Loma.



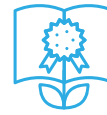
We started up the second circuit of **Bolívar-Cartagena**, with 20 km of transmission lines. As well as the project **Río Córdoba NTS and Río Córdoba RTS**, in Magdalena, with a 220 kV substation.



We launched the new transmission control center.



We completed the works at the substations **La Loma**, in Cesar, and **San Fernando** in Meta.



We obtained the environmental license for section I of the Refuerzo Suroccidental Project.



We achieved a 70% reduction in work accident severity indicators.



We strengthened the occupational safety and health culture.



We implemented the Asset Management System.

Our challenges



Ensure profitable growth for our business through new expansion project awards by the National Transmission System (NTS) and Regional Transmission System (RTS).



Implement social investments and shared value initiatives in line with the scope of the projects and our business objectives.



Continue to advance in the occupational safety and health culture in all processes to care for our employees.

We are expanding



We have **1,523 km** of transmission lines in place. We will reach over **3,800 km by 2023**.



Norte-Chivor II Project:

Construction of the Norte and Chivor substations of 230 kV and 162 km of transmission lines.



Sogamoso Project: Construction of the 500 kV Norte Substation and 383 km of transmission lines.



Armenia Project: Construction of a 230 kV substation and 38 km of transmission lines.



Tesalia Project: Construction of a 230 kV substation and 263 km of transmission lines, among other works.



La Loma 500 kV and La Loma 110 kV substations, as well as their associated transmission lines in Cesar.



— Infrastructure in operation and projects under development



San Fernando Project:

Construction of a 230 kV substation and 34 km of transmission lines. Expansion of the **La Reforma Substation** of 230 kV.



Mocoa Substation of 230 kV.



Refuerzo Suroccidental:

Construction of a 500 kV substation and 421 km of transmission lines, among other works.



Make progress in execution of the Tominé Sustainability Project, to set an example of risk management and as a contribution to the environmental quality of neighboring populations.



Include innovation and complementary technologies in all our projects.



Ensure operations of the projects in progress and obtain the environmental licenses for the Suroccidente, Sogamoso, Norte and San Fernando projects.



Implement the Asset Management System.

**Archaeological findings of the
Calima and Quimbaya cultures
during construction of TGI's
Zarzal-La Tebaida Loop**



Colombia - TGI

Our achievements in 2018



We started up two new stations for gas compression: **Cusiana-Apiay-Ocoa-CAO**, in Meta, and **Paratebueno**, in Cundinamarca.



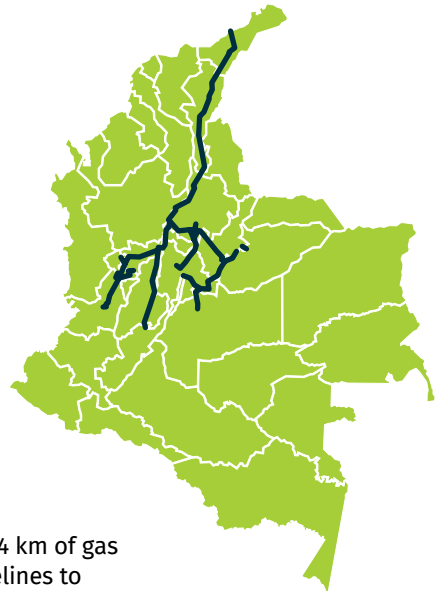
We changed the way in which we relate with the natural gas industry, becoming promoters of the agenda for this type of energy in the country, through activities such as TGI's 2018 Forum "**Gas para el Progreso (Gas for Progress)**" and the campaign "**Usa Gas, es Natural (Use Gas, It's Natural)**".



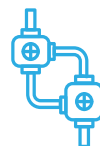
We performed **maintenance of the underwater crossing of the Magdalena River** to maintain the reliability of gas supplies to southwestern Colombia.



We successfully performed an international bond issue for USD 750 million, 3.5 times the initial offer.



— 3,994 km of gas pipelines to transport natural gas



We started up the **Zarzal-La Tebaida Loop**, a 37 km gas pipeline in Valle del Cauca and Quindío.



We promoted the use of **natural gas in 741 buses** of the new fleet of **Transmilenio**.



We strengthened the occupational safety and health culture and achieved **none fatal accidents at work**.



We expanded our gas transport capacity by **57 million ft³**.

Our challenges



Reduce work accidents of employees and contractors to reach zero by 2027.



Submit justification to allow the development of projects to import and manage liquefied gas.



Develop an agenda to promote regulatory changes that enable surpassing the limits imposed on vertical integration and promote the development of natural gas demand in the country.



Implement expansion projects under the new Sourcing Plan of the Mining and Energy Planning Unit (UPME).

Guatemala - TRECSA

Our achievements in 2018



We built **43 km of transmission lines** for the PET, reaching a total of **526 km**, for a completion rate of **74%**.

— APS Project
 — National Transmission System
 — PET Project



We have **released 1.39% of rights of way** and have **established 81% of the rights of way conveyance**.



We performed a **first survey on organizational climate and culture**, and obtained a score of **80% satisfaction**.



We **restarted** activities at the **Guate Oeste Substation**.



We completed **19** of the **23** substations of the PET project. **16 have been powered up**.



We acquired the property and obtained the environmental license for construction of the **substation at Chiantla**.



We implemented a **new organizational and leadership structure**.

We are under construction



The **PET project**, which covers **863 km** of transmission lines, will benefit **359 communities** and **will reduce CO₂ emissions by 21%**, because thousands of families will stop burning wood.

Our challenges



We will continue to engage in strategic community relations.



We will continue to manage the project and to meet the construction milestones of the PET project.



We will implement the required strategy to pay the funds related to the rights of way.

In 2018, our completion rate reached 74% in the Electric Energy Transportation Expansion Plan in Guatemala, thanks to our employees' commitment



Guatemala - EEBIS



TRECSA and EEBIS General Manager, Mauricio Acevedo, during works inspection

We completed

Anillo Pacífico Sur

One of the greatest achievements of EEBIS in 2018 was completion of works at the Anillo Pacífico Sur (APS) Project. It involved construction of seven substations and 95 km of transmission lines that will enable transportation of the energy generated by the sugar mills Magdalena, Madre Tierra, Pantaleón, La Unión and Santa Ana, to make it available to the National Interconnected System (SIN, for the Spanish original).

Completion of these works enables broadening the electric energy transmission network, ensuring a high level of reliability and security.

In addition to the economic benefits, construction of the APS created 77,000 direct jobs and 385,000 indirect jobs, contributing to the well-being of numerous Guatemalan families.

One of the challenges for EEBIS in 2019 will be to request recognition of the toll for APS from the National Electric Energy Commission, as well as payment of the margin by the sugar mills.

Brazil - Gebbras

Our achievements in 2018



We reduced costs in the structure of our companies.



We audited the services of operation and maintenance with a transmission expert.

Our challenges



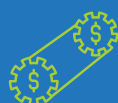
Promote the growth and positioning of Grupo Energía Bogotá in Brazil.



Complete the Cost Reduction Plan.

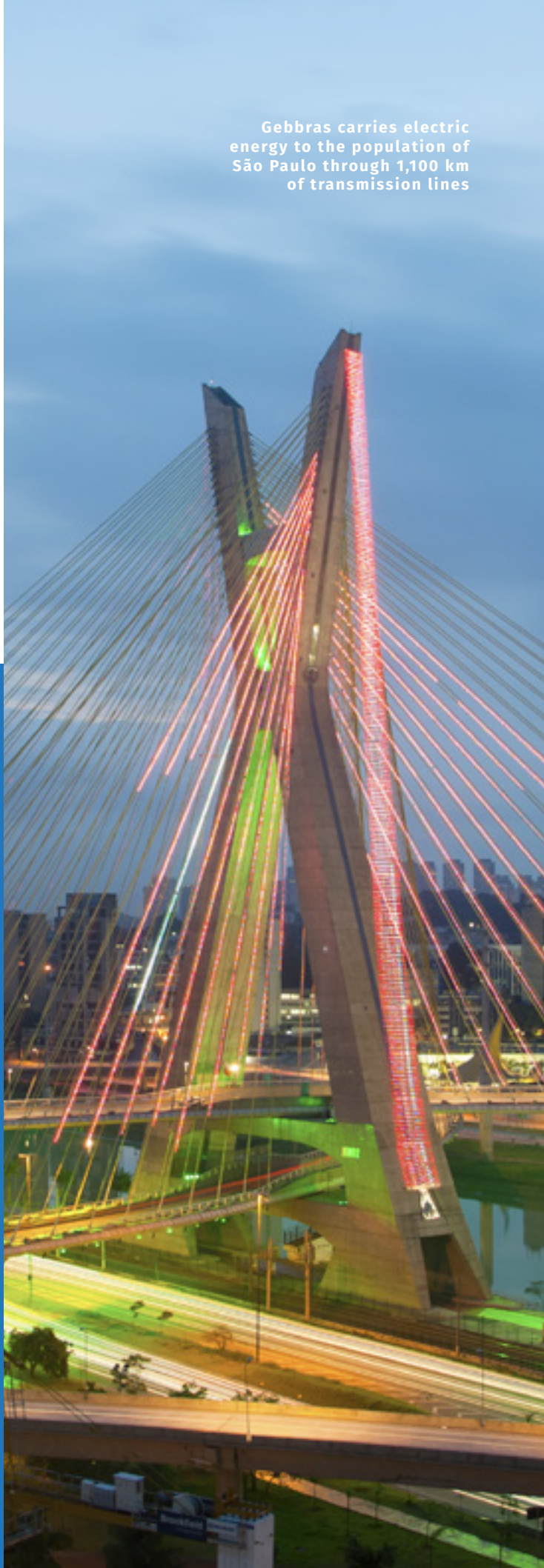


Enter into partnerships with strategic partners in order to focus on organic growth.



Improve the capital structure.

Gebbras carries electric energy to the population of São Paulo through 1,100 km of transmission lines



We are an industry mover

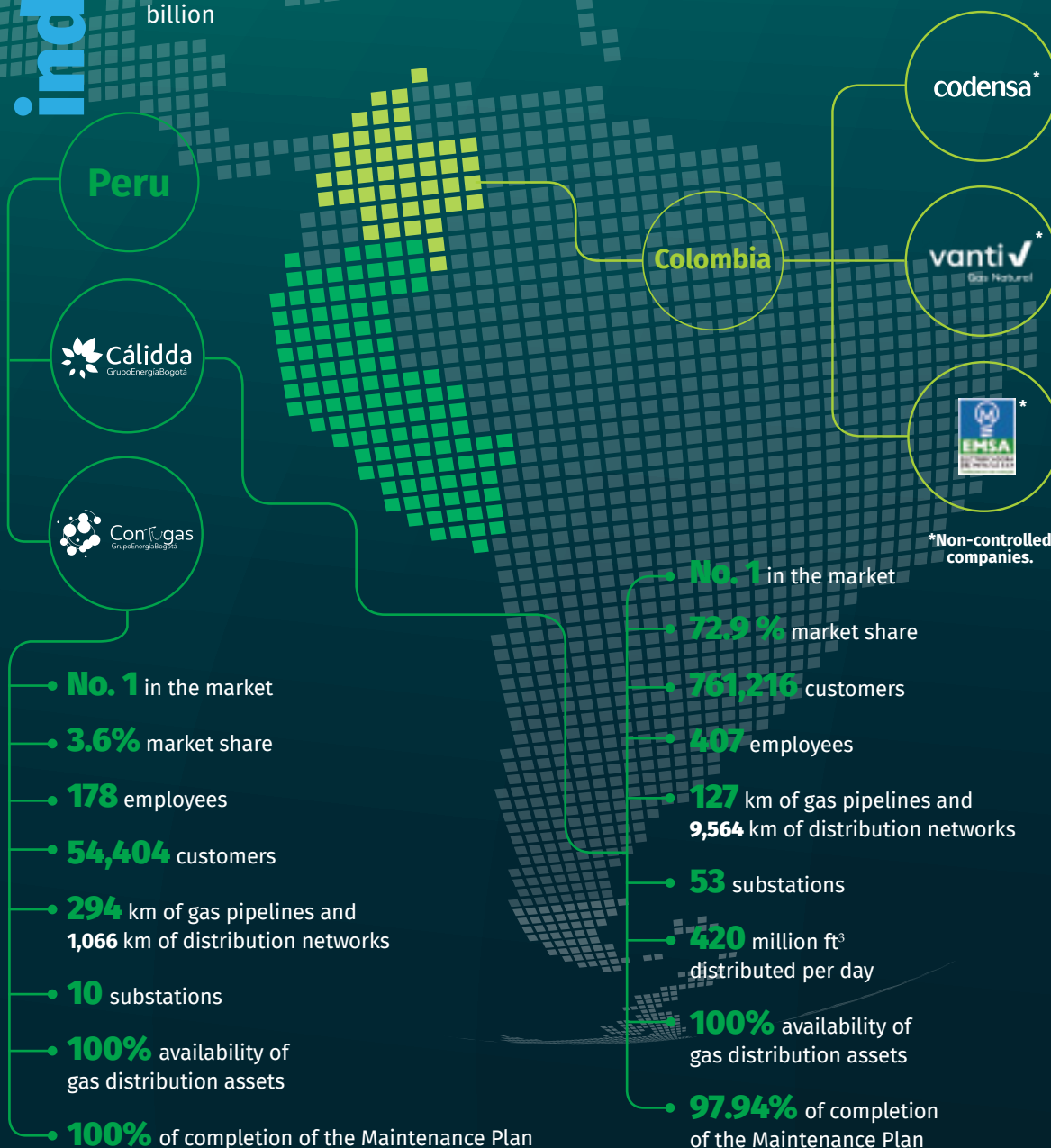
Distribution Strategic Business Group

(102-2) Through the development of electric energy and natural gas distribution services we promote cleaner mobility, the efficient use of energy and caring for the environment.

EBITDA

COP 0.81

billion



Peru



- **No. 1** in the market
- **3.6%** market share
- **178** employees
- **54,404** customers
- **294** km of gas pipelines and **1,066** km of distribution networks
- **10** substations
- **100%** availability of gas distribution assets
- **100%** of completion of the Maintenance Plan

Colombia

codensa*

vanti*
Gás Natural



*Non-controlled companies.

- **No. 1** in the market
- **72.9%** market share
- **761,216** customers
- **407** employees
- **127** km of gas pipelines and **9,564** km of distribution networks
- **53** substations
- **420** million ft³ distributed per day
- **100%** availability of gas distribution assets
- **97.94%** of completion of the Maintenance Plan

Peru - Contugas

Our achievements in 2018



10 of the 35 buses of the La Calera Company switched over from diesel fuel to natural gas.



We achieved savings of over 10% in contracting processes through the implementation of the strategic sourcing model of Grupo Energía Bogotá.



We continue to process approval of the environmental impact study that will enable us to supply natural gas to the Humay Thermal Power Plant.



We negotiated terms of reference for credit and guarantees and a syndicated loan for USD 355 million was arranged through international banks, with a demand of 1.7 times.



84% was the result of the trust indicator among our employees.



We completed the invoicing project of the Electrodonas Thermal Power Plant.



We started up operations at La Calera, the first co-generation project of the agro-industrial sector.



We fulfilled and reached our target ahead of time of 50,000 customers, established for 2020.

Our challenges



Monitor the commissioning of generation projects to enable fulfillment of the established business plan.



Manage and monitor our projects.



Consolidate our sustainable development strategy.



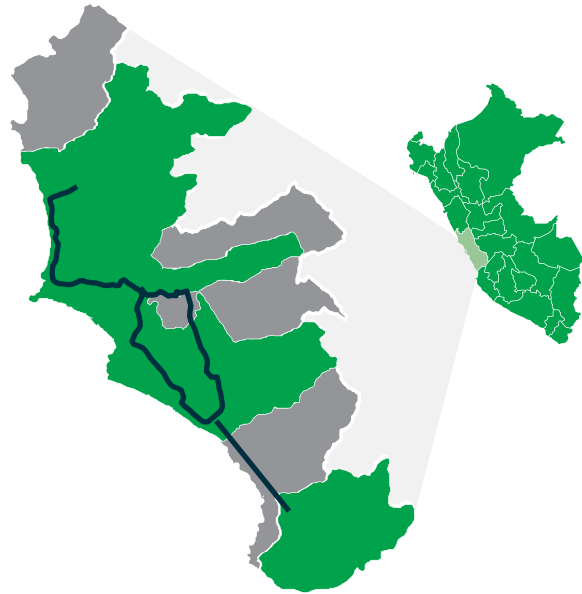
Increase the value of our Company with profitability above the industry average in order to remain financially solid.



Assure our culture of prevention and self-care.

Peru - Cálida

Our achievements in 2018



A record of **184,000 natural gas connections**, 33% more than in 2017.



Moody's, the credit rating agency, upgraded **the risk rating on our debt** in foreign currency from Baa3 to Baa2, with stable outlook, acknowledging the **successful implementation of investments** and the **positive financial results**.



We were ranked in **42nd place** among the 100 companies with **best reputation in Peru** in the **Merco ranking**.



We issued bonds worth **USD 61.2 million**, with 10-year maturity, to finance our medium-term Investment Plan.



We have over **750,000 customers** and we reach close to **three million Peruvians**.



We incorporated **17,000 new vehicles** powered by **natural gas**.



1,623 urban businesses and **44 new industries** began to use gas for their operations.



We serve **800 soup kitchens**, which benefit 68,000 people.

Our challenges



Promote service stations dedicated to natural gas for vehicles (NGV).



Reach over 880,000 customers.



Continue to develop energy-efficient solutions for industry and promote self- and co-generation at large shopping centers.



Consolidate new non-bank financing solutions to sell gas appliances and hot water plumbing.



Maintenance work at the City Gate of Lurin, in Peru





We solve

Generation Strategic Business Group

(102-2) We cover needs and opportunities related to electricity generation, searching for low-emissions energy solutions to facilitate the transition towards a diversified and sustainable energy mix.

EBITDA

COP 0.32

trillion

Our achievements in 2018

To help counteract the effects of climate change, many countries are changing their energy mix, turning to cleaner technologies. At Grupo Energía Bogotá, we are no strangers to this reality.

Colombia has one of the cleanest energy mixes in the planet: 70% of its energy is derived from hydraulic power generation and approximately 1% from non-conventional renewable energy sources, which implies that there are great opportunities to develop and transform the sector.

Given this outlook, in 2018 we redefined the Generation Strategic Business Group and moved towards a pipeline methodology to identify opportunities in Latin American target markets.

Our challenges

In 2019, this Strategic Business Group will further develop its current portfolio in the Colombian market and we will explore growth opportunities in Latin America, in order to develop our full potential in low-emission generation sources.



Windmills in La Guajira, in the Ballena Gas Pipeline's area of influence

With 4,900 ha, 16 times the size of the Simón Bolívar Park in Bogotá, the Tominé Reservoir is the green heart of the Sabana de Bogotá



Corporate Governance, Setting an Example

We are recognized for the implementation of a culture based on transparency, ethics and corporate accountability.

04

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Delivering on our commitments (103-1)(103-2)(103-3)

The consolidation and strengthening of good corporate governance practices are two of the big news of Grupo Energía Bogotá for our partners and affiliated companies in 2018. We have become an example and point of reference for other entities and companies in Latin America thanks to the full support of the Board of Directors and Senior Management. We have also attained the goal of belonging to the select group of organizations that enjoy good reputation in terms of good governance practices.

At present, we are recognized for the implementation of a culture based on transparency, ethics and corporate accountability, which contribute to:

1. effective and transparent decision-making by senior management;
2. decision-making processes guided by technical and corporate sustainability criteria;
3. the mitigation of potential political influences on Company management, in order to protect the interests of minority shareholders;
4. making decisions that generate profitability, competitiveness and sustainability for all Group companies and that strengthen the trust of our stakeholders in corporate management.



For more information on the business group agreement, scan the following QR code.

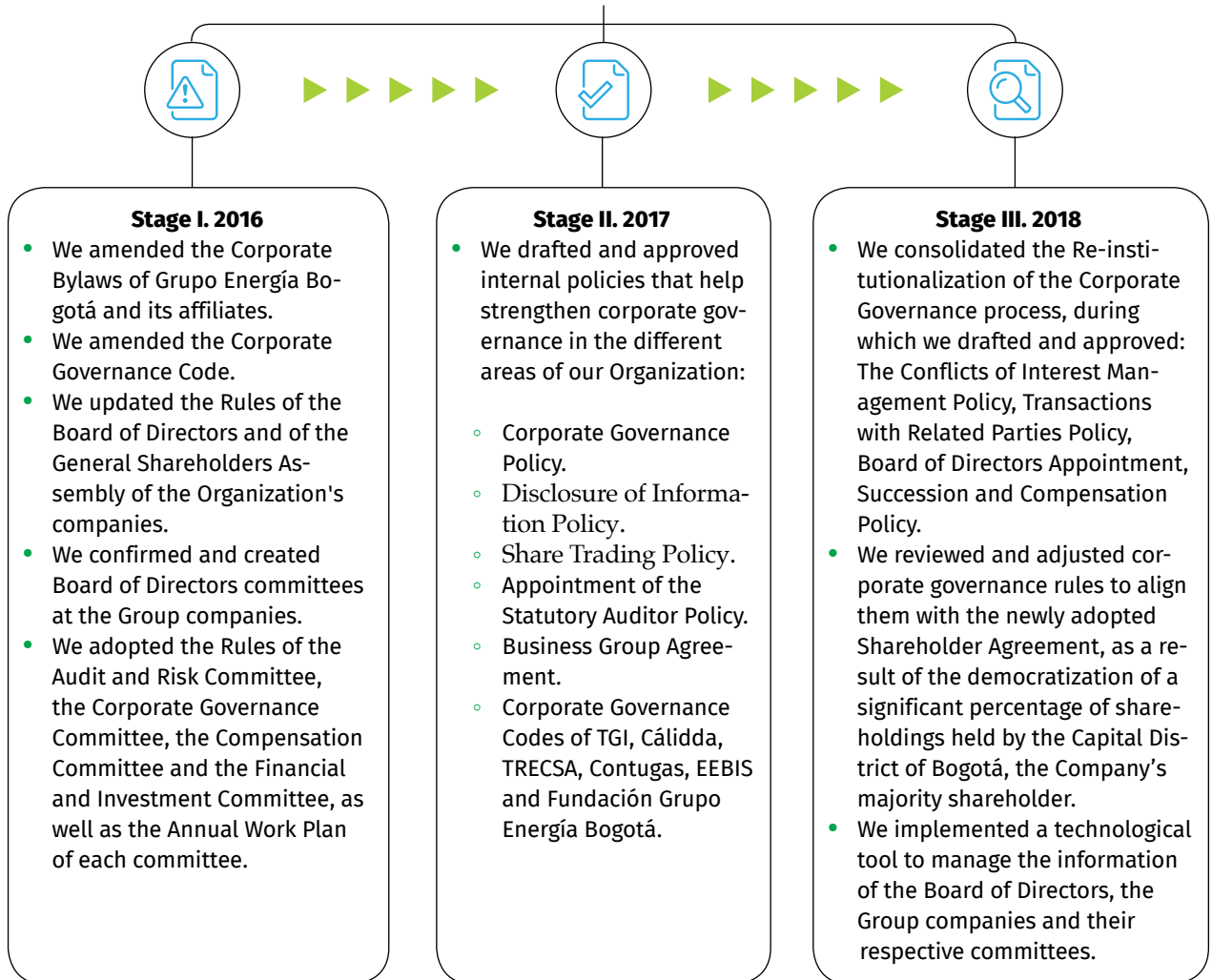
In 2018, we received the Andesco Award in the category of "Best Corporate Governance"

In 2016, we began to work on structuring a solid corporate governance arrangement based on the provisions of the new *Código País* (Circular Letter 028/2014 of the Financial Superintendence of Colombia), the provisions on corporate governance of the Organization for Economic Co-operation and Development (OECD) and the guidelines of the Development Bank of Latin America (CAF, for the Spanish original). And we have not stopped: 2017 was our year of strengthening and 2018 our year of consolidation.

Internally, we have called this process the **Re-institutionalization of Corporate Governance**, which has been divided into stages under the leadership of the Corporate Affairs Office of the Company's Legal, Regulatory and Compliance Vice President's Office.

RIGHT:
Pension funds and individuals are some of the 7,289 shareholders of Grupo Energía Bogotá

Re-institutionalization of Corporate Governance



The updates made to the corporate policies and rules resulting from the **Re-institutionalization of Corporate Governance** process enabled us to incorporate new and best practices, which protect the interests of our minority shareholders and articulate the social, environmental and economic commitments we have made.

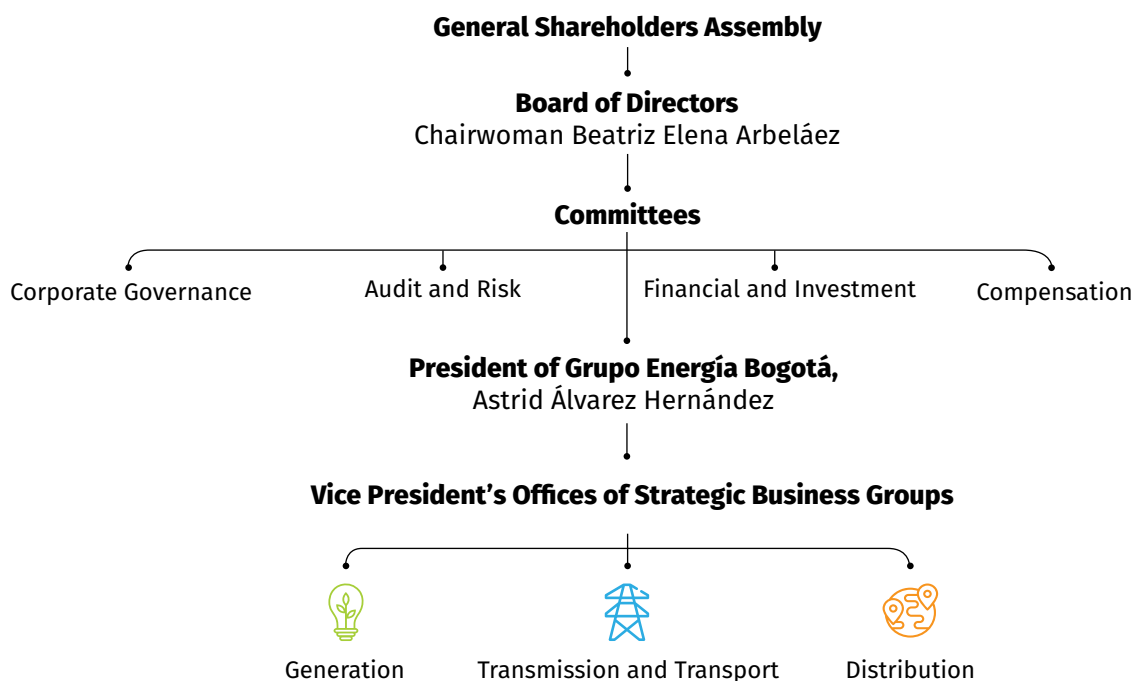
(102-28) Additionally, through a specialized firm, we carried out a performance assessment of the Board of Directors and of all the Group's boards of directors (parent company, subsidiaries and foundation). The process included an assessment of the effectiveness of each collegiate body, its dynamics and operation, the work of its com-

mittees, the topics covered and the depth of discussions of the agenda items, and their interaction with Senior Management at each company. This process, which was carried out for the second consecutive year at the parent company, and for the first time at the other companies of Grupo Energía Bogotá, took into consideration, unlike previous processes, the peer-to-peer assessment methodology for the Group's Board of Directors.

Other key aspects we worked on in 2018 included training our users and the design of a communications and training plan on the corporate governance rules adopted by the Group companies, and the achievements obtained from their implementation.

Governance structure (102-18)

The bodies that form part of our corporate governance structure direct, manage and oversee the Company. The following are the main bodies:



General Shareholders Assembly

It has its own rules and it is the highest governance body of Grupo Energía Bogotá. It is responsible for establishing guidelines and orientation for the Board members and the Companies' legal representatives, and for assessing their performance. Its members

are the shareholders, and it is consequently the main channel for providing information and interacting with them.

Only in certain specific cases can the General Shareholders Assembly delegate performance of any of its duties to the Board of Di-



President's Committee: From left to right, Mauro Mejía, Strategic Sourcing Director; Felipe Castilla, Financial Vice President; Camila Merizalde, Director of Corporate and Affiliate Affairs; Álvaro Villasante, Generation Vice-president; Astrid Álvarez, President of Grupo Energía Bogotá; Ernesto Moreno, Technical and Transmission Vice President; Andrés Baracaldo, Distribution, Transmission and Transport Vice President; and Rafael Díaz, General Auditor

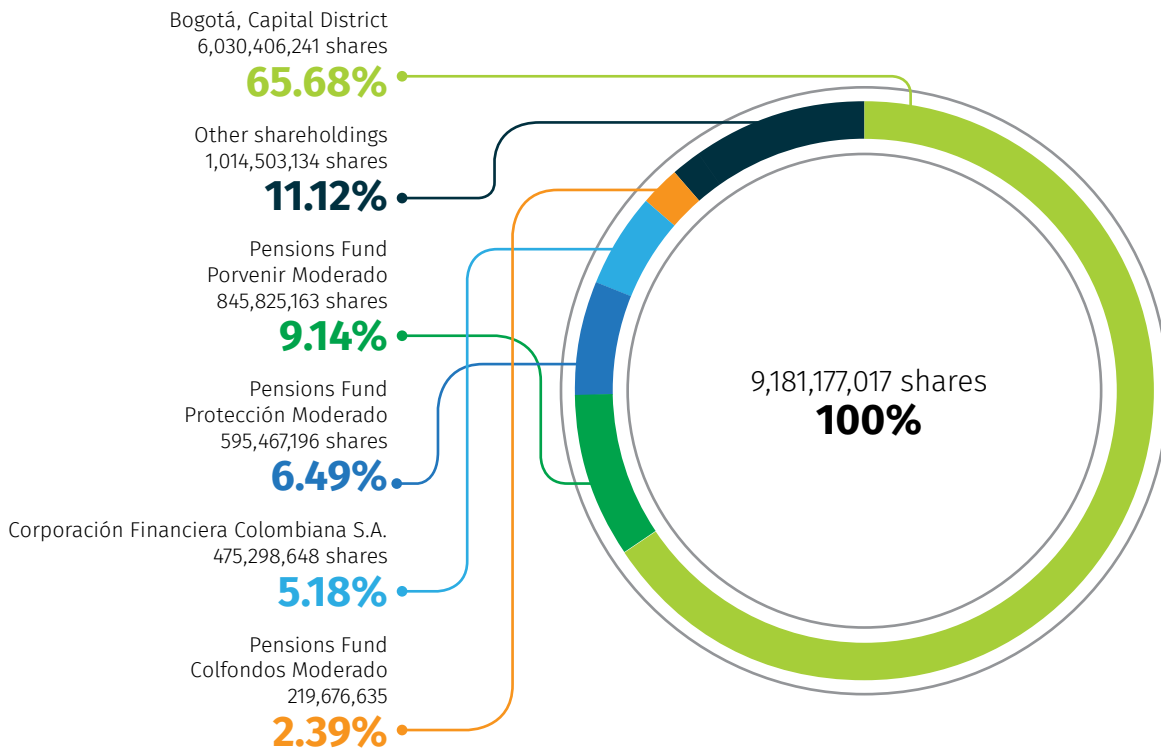
rectors or the President, always taking into consideration the provisions of paragraph one of Article 58 of the Corporate Bylaws.

Grupo Energía Bogotá S.A. E.S.P. is a stock issuer on the Colombian Securities Exchange and our majority shareholder is the Bogotá Capital District. Additionally, our minority shareholders include individuals and institutional investors, such as pension funds. We also comply with information disclosure rules and requirements established by law, the guidelines of the Financial Superintendence of Colombia, the provisions of the Comprehensive Stock Market Information System (SIMEV, for the Spanish original) and high local and international standards regarding transparency.

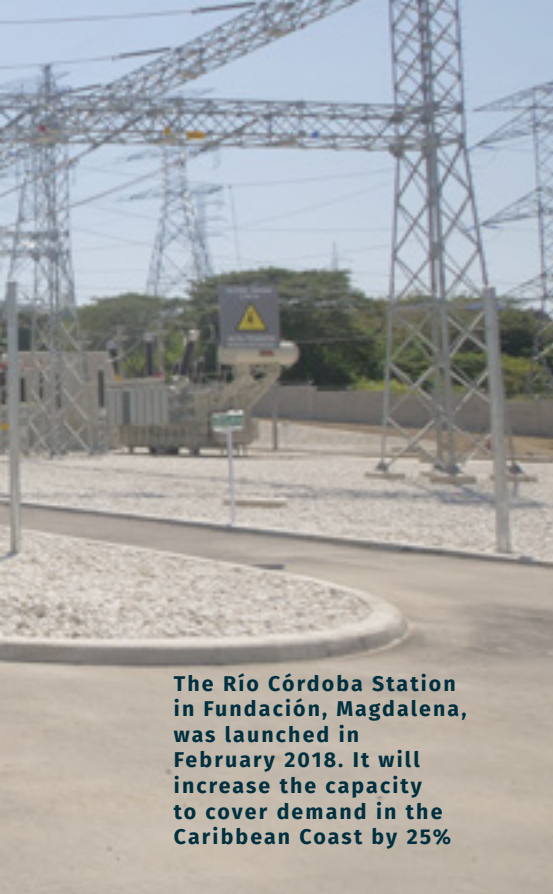
The Shareholders Agreement protects minority shareholders. For example, only 10% of subscribed shares are required to call an extraordinary shareholder meeting.



Shareholdings of Grupo Energía Bogotá following the democratization process (102-7) (Own)



*Shareholdings as of December 31, 2018, based on information provided by the Central Securities Depository (deceval). Our authorized, subscribed and paid-in capital is defined in Articles 6, 7 and 8 of the Corporate Bylaws.



The Río Córdoba Station in Fundación, Magdalena, was launched in February 2018. It will increase the capacity to cover demand in the Caribbean Coast by 25%

Given that the shareholders of Grupo Energía Bogotá are predominantly institutional, there are no family relations between the holders of significant interests. It should be noted that the second-largest shareholder, Porvenir, and the fourth-largest, Corficolombiana, both belong to Grupo Aval, one of Colombia's most important financial conglomerates.

We reiterate our commitment to high standards of corporate governance and transparency, which we have incorporated in the Corporate Governance Code, the Corporate Governance Policy and the Disclosure of In-

In 2018, we adopted and fulfilled 92% of the recommendations of the Organization for Economic Co-operation and Development (OECD) to become a point of reference on corporate governance.

formation Policy. These instruments ensure that all our acts are framed in fair treatment for all.

Additionally, our Financing and Investors Relations Management is available to answer any specific inquiries (by investors), either by phone or in writing mailed to the physical address of Grupo Energía Bogotá or by e-mail at (ir@geb.com.co).

For additional information about our investors, see the chapter on "We create value for our shareholders".

Board of Directors (102-18) (102-22) (102-26)

The Board of Directors, as the Company's highest strategic management body, establishes the Company's general policies, ensures protection of the rights and fair treatment of all shareholders, as well as the stability and development of the Grupo Energía Bogotá in the short, medium and long term.

One of its responsibilities is to ensure compliance with the law, the Bylaws, the Good Governance Code, and of the commitments acquired by the Company in performing its corporate purpose. It is also responsible for supervising Senior Management's performance, for verifying the quality of all disclosed information, for establishing risk management guidelines, and for monitoring compliance with the corporate governance policies and arrangements required by regulations or voluntarily adopted by Grupo Energía Bogotá. It has nine principal members, who are elected by the General Shareholders Assembly through the electoral quotient system for two-year terms.



To view the rules of the General Shareholders Assembly, of the Board of Directors and of each of its committees, scan this QR code.



To view the Corporate Governance Code, scan this QR code.



Board of Directors and Committees

(102-18) (102-22) (102-23) (Own)

1 Beatriz Elena Arbeláez Martínez

CITY TREASURY DEPARTMENT

Economist

- » Master's degree in Finance
- » Non-independent
- » Designated by the Capital District since 2016
- » Chairwoman of the Board of Directors
- » Financial and Investment Committee
- » 94% attendance
- » In 2018, she abstained from participating in discussions of the democratization process undertaken by the Bogotá Capital District and the presentation of statutory reform and modification of the rules of the General Shareholders Assembly.

2 Gustavo Antonio Ramírez Galindo

INVESTMENT VICE PRESIDENT AT CORFICOLOMBIANA

Electrical engineer

- » Master's degree in Economics
- » Independent
- » Designated by Corficolombiana and Fondos Porvenir since 2014
- » Chairman of the Audit and Risk and Compensation Committees
- » 100% attendance
- » In 2018, he abstained from participating in discussions about updating the valuation of Promigas, the accounting reclassification of the shareholdings of EBB Gas S.A.S. in Promigas S.A. E.S.P. and the strategy for the sale of the shares held by EEB Gas S.A.S. in Promigas S.A. E.S.P.

3 Margarita María Rehbein Dávila

Biomedical engineer

- » Master's degree in Industrial Engineering
- » Non-independent
- » Designated by the Capital District since 2016
- » Corporate Governance Committee
- » 88% attendance
- » Did not report any potential conflicts of interest in 2018

4 Jaime Eduardo Ruiz Llano

MANAGER OF COLOMBIANA DE VIVIENDAS

Civil engineer

- » Master's degree in Civil Engineering
- » Non-independent
- » Designated by the Capital District since 2016
- » Vice-Chairman of the Board of Directors
- » Financial and Investment Committee
- » 100% attendance
- » In 2018, he abstained from participating in discussions of the Tominé Reservoir Project

5 Rafael Simón Herz Stenberg

INDEPENDENT CONSULTANT AND
VICE PRESIDENT OF THE COLOMBIAN
PETROLEUM ASSOCIATION

Ph.D. candidate in Development Economics

- » Master's degree in Economics
- » Independent
- » Designated by Fondos Protección since 2016
- » Chairman of the Financial and Investment Committee
- » Compensation, and Audit and Risk Committees
- » 100% attendance
- » Did not report any potential conflicts of interest in 2018

6 Carlos Alberto Sandoval Reyes

VP OF STRUCTURING AND PROJECT MANAGER
OF FINANCIERA DE DESARROLLO NACIONAL

Business administrator and economist

- » Master's degree in Fiscal Studies and Public Policy
- » Non-independent
- » Designated by the Capital District since 2016
- » Corporate Governance Committee
- » 94% attendance
- » In 2018, he abstained from participating in discussions on Electricaribe due to a contract signed between Financiera de Desarrollo Nacional (FDN) and Electricaribe.

7 Luis Fernando Uribe Restrepo

REPRESENTATIVE OF COLOMBIA AT THE WORLD BANK

Attorney

- » Independent
- » Designated by the Capital District since 2017
- » Chairman of the Corporate Governance Committee
- » Audit and Risk Committee
- » 94% attendance
- » Did not report any potential conflicts of interest in 2018

8 Gisele Manrique Vaca

PRIVATE SECRETARY OF BOGOTÁ'S MAYOR'S OFFICE

Attorney

- » Non-independent
- » Designated by the Capital District since 2016
- » Compensation Committee
- » 100% attendance
- » In 2018, she abstained from participating in discussions on the democratization process undertaken by the Bogotá Capital District.

9 Roberto Holguín Fety

INDEPENDENT CONSULTANT

Economist

- » Non-independent
- » Designated by the Capital District since 2017
- » Financial and Investment, and Corporate Governance Committees
- » 94% attendance
- » Did not report any potential conflicts of interest in 2018

Board of Directors Committees (102-22)

In order to perform its duties, the Board of Directors receives support from the Corporate Governance, Audit and Risks, Financial and Investments, and Compensation Committees. Each has its own separate operating rules and members assigned by the Board of Directors to perform their duties over the same term, though they can be removed at any time.

The Committees are responsible for presenting periodic reports on the matters within their purview, and for proposing and supervising compliance with the corporate governance measures adopted by the Group.



1 Audit and Risk Committee

(102-29) (102-30) (102-31) It fulfills the duties assigned to it by law, the Bylaws and its rules. Among other matters, it is responsible for supervising and assessing the fulfillment of the Annual Internal Audit Plan, which covers the Company's business risks and processes, and the Internal Control System, to recommend and issue opinions to the Board of Directors.

- **Gustavo Antonio Ramírez Galindo***,
Chairman
- *Luis Fernando Uribe Restrepo
- *Rafael Simón Herz Stenberg

2 Financial and Investment Committee

It reviews new business opportunities and redefines existing investments in order to make specialized recommendations to the Board of Directors, which it supports in decision-making on matters within its purview. It also monitors the financial management of the Company and Grupo Energía Bogotá.

- **Rafael Simón Herz Stenberg***,
Chairman
- Beatriz Elena Arbeláez Martínez
- Jaime Eduardo Ruiz Llano
- Roberto Holguín Fety



One of the main responsibilities of the Committees is to protect all shareholders' and investors' rights.

3 Corporate Governance Committee

It proposes and oversees compliance with the corporate governance measures adopted by our Company and makes recommendations related to our guiding Governance Model.

- **Luis Fernando Uribe Restrepo***,
Chairman
- Margarita María Rehbein Dávila
- Carlos Alberto Sandoval Reyes
- Roberto Holguín Fety



4 Compensation Committee

It is responsible for reviewing and discussing matters related to employee compensation: fixed and variable remuneration, incentives and benefits, employer-employee relations and industrial relations, with the objective of making specialized recommendations to the Board of Directors, which it supports as regards decision-making and advice related to the appointment and compensation of Board and Senior Management members.

- **Gustavo Antonio Ramírez Galindo***,
Chairman
- Gisele Manrique Vaca
- *Rafael Simón Herz Stenberg



*Independent members.

Board of Directors appointment process (102-24)

As set forth in the Rules of the Board of Directors (Article 3) and its Appointment, Succession and Compensation Policy, we assign people who meet the highest professional and personal standards, regardless of their race, nationality, or religious, political or philosophical views. During the elections, the General Shareholders Assembly takes into consideration criteria such as experience in the fields of finance, law or related sciences, as well as their experience in the sector of public utilities or in the Company's businesses. The overall profile is also taken into consideration, including track record, recognition, prestige, availability, leadership, good name, professional qualifications and integrity.

The shareholders submit candidates to verify their requirements, which is performed by the Compensation Committee and the Corporate Governance Committee to ensure they fulfill the highest professional and personal qualifications. The resumes of the candidates can be viewed on our website.

During the respective General Shareholder Assembly's meeting, the Compensation and Corporate Governance committees submit their reports on fulfillment of the conditions and requirements by the candidates (Rules of the General Shareholders Assembly, Article 18).

According to the Rules of the Board of Directors, independent members of this collegiate body must fulfill the independence criteria defined in Law 964/2005. Additionally, according to Article 8, in order for a Board member to be considered independent (in addition to the conditions set forth in applicable legislation), the following requirements must be fulfilled:

1. Not being or having been an employee or director of the Company or any of its affiliates or subsidiaries, including persons who have had such status during the last year prior to their appointment, except in the case of the reelection of an independent member.
2. Not being or having been within the last year from the appointment an employee or director of shareholders who, directly or by agreement, direct, guide or control the majority of voting rights or determine the composition of the majority of management, direction or control bodies of the Company or any of its controlled, related or associated entities.
3. Not being a shareholder who, directly or through agreement, directs, guides or controls the majority of voting rights of the Company or determines the composition of the majority of its management, direction or control bodies.
4. Not being or having been a partner or employee or having a relative within the third degree of consanguinity or a spouse who is or has been a partner or employee in the three (3) years prior to the appointment of associations or companies that provide advisory or consulting services to the Company or companies that belong to the same economic group as the Company, and such associations or companies receive revenues from such services equal to or greater than four thousand and seventy (4,070) legally valid monthly minimum wages or two percent (2%) of its total revenue, whichever is greater.



To view the Corporate Governance Policy, scan this QR code.



Monserrate Basilica in Bogotá, Colombia

We performed the self-assessment of the Board of Directors with excellent results in terms of commitment, protection of our Group and independent decision-making.

5. Not being an employee or director of a foundation, association or company that receives any contributions or sponsorships from the Company.
6. Not being or having been a manager or having a relative within the third degree of consanguinity or spouse who is or has been a manager within the last three (3) years from the appointment of a company in which the Company's President or Board of Directors members form part of the Board, except when the Board member is as an independent member.
7. To not depend exclusively on the revenues received as professional fees as member of the Company's Board of Directors.
8. Not receiving or having received from the Company, and not having a relative within the third degree of consanguinity or spouse who receives or has received

from the Company, for twelve (12) continuous months over the last three (3) years from the appointment, any remuneration other than professional fees as Board member, of the Audit Committee, or any other committee created by the Board of Directors.

9. Not being or having been a partner or employee or not having a relative within the third degree of consanguinity or spouse who is or has been a partner or employee over the last three years from the appointment, of the firm appointed as statutory auditor of the Company.

Board of Directors Compensation Policy (102-35) (102-36) (102-37)

By decision of the General Shareholders Assembly and pursuant to what is set forth in the Appointment, Succession and Compensation Policy, Board members are paid professional fees in an amount "equivalent to five (5) legally valid monthly minimum wages for their participation in each meeting and up to two Board meetings within the same month. The members of the Board of Directors' committees will be paid professional fees for their participation in each meeting in an amount equivalent to seventy-five percent (75%) of the professional fees currently paid for Board meetings and up to two Committee meetings within the same month."

(Own) We would like to point out that, at Grupo Energía Bogotá, we do not have a variable compensation scheme for Board members; consequently, all amounts are associated to the participation in the meetings and Board members are excluded from any compensation schemes involving options on shares.

Ordinary General Shareholders Meeting held on March 22, 2018, during which the financial results of the previous year were presented





Meeting of employees of the Group and its affiliates in Lima, Peru, during the Significant Connections II event

Assessment procedure of the Board of Directors and Senior Management (102-28)

Each year, the Board of Directors, with the support of an external advisor (Governance Consultants S.A.) and subject to prior assessment by the Corporate Governance Committee, performs a self-assessment process as collegiate body on its operations, the matters it discusses, the fulfillment of its duties and expectations, and the work of its committees. Every year, the General Shareholders Assembly presents a report on the results.

The self-assessment of the Board of Directors was carried out in December 2018, along with a peer-to-peer assessment, also involving Senior Management. The results were highly positive. The main strengths include:

- commitment and contribution of its members to the development of Grupo Energía Bogotá
- protection of the interests of our Company and all its shareholders
- independent decision-making
- rigor, discipline and effectiveness of the Board of Directors
- adequate management of proprietary and confidential information
- management of conflicts of interest

The self-assessment and evaluation of the Board of Directors included the analysis of the effectiveness of each collegiate body, its dynamics and operation, the work of its committees, the topics discussed and the extent to which points on the agenda were covered, and interaction with the Senior Management teams at each company.

The results have been an input for important discussions at the Group's boards of directors and for structuring action plans to continue moving forward in a robust direction process in accordance with best local and international corporate practices.



Scan this QR code to view the Rules of the Board of Directors and its committees.

Senior Management (102-19) (102-20) (102-26)

It is led by the President of Grupo Energía Bogotá, who appoints its members in accordance with the corporate structure defined by the Board of Directors.

Senior Management reports to the Board of Directors on the Company's economic, social and environmental management. Given that Grupo Energía Bogotá is

the Group's parent company, Senior Management, in accordance with the corporate strategy, performs its duties at the corporate level, defining guidelines and making decisions related to the coordination and the development of synergies between the Group companies and the Strategic Business Groups.

Team of general managers of the affiliates, 2018



Jaime Alfonso Orjuela Vélez
CEO (ag.) of TGI



Fredy Zuleta
General Manager of the Transmission Branch



Jorge Olazábal Gómez De la Torre
General Manager of Cálidda



Mauricio Acevedo Arredondo
General Manager of TRECISA and EEBIS



Elda Patricia Díaz Gazolo
General Manager (ag.) of Contugas



Marcos Díez
CEO of Gebbras



Milena Díaz Hidalgo
CEO of Energy Re



Parent Company

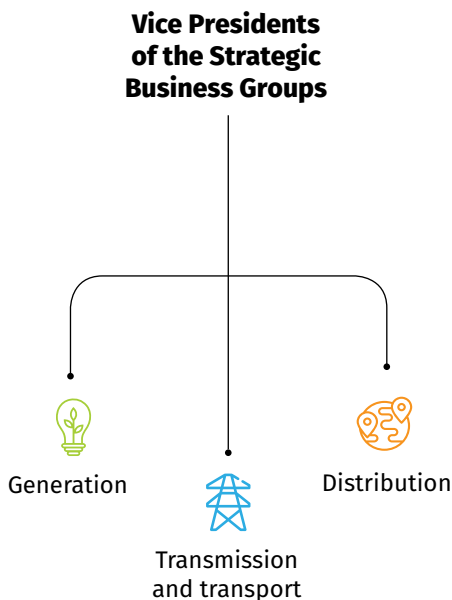
Grupo Energía Bogotá is comprised by a parent company organized into Strategic Business Groups, which act as strategic controllers of the associated companies, establishing guidelines and policies on significant matters in order to ensure consistent leadership for our companies and unity of purpose and direction for the Group.

The companies are independent legal entities with separate management and governance structures, which are interrelated with the parent company and the Strategic Business Groups in the manner defined in the Corporate Intervention Model.

The Group ensures transparency, ethics, accountability and protection of shareholder rights.

Strategic Business Groups

They group together the Grupo Energía Bogotá companies according to their corporate purpose, as follows:



Each Strategic Business Group has a specialist liaison officer who understands the dynamics of the industry and the business, and who has the capabilities to support the deployment of strategies at the affiliates and acts as the point of contact between the parent company and the subsidiaries. This specialist has the title of Vice President of the Strategic Business Group.

Monitoring compliance with corporate governance rules

The Legal, Regulatory and Compliance Vice President's Office of Grupo Energía Bogotá monitors compliance with the Corporate Governance Code and all other internal rules. Our shareholders may file complaints through the Board of Directors or the Corporate Governance Committee in order to guarantee effective fulfillment of such rules.

In 2018, the Board of Directors supervised compliance with corporate governance rules and the assessments performed by control bodies (internal and external); no material findings were reported that would compromise compliance. Neither shareholders nor investors filed any claims related to non-compliance with the Code.

Shareholder information and communications

Grupo Energía Bogotá is committed to high standards of corporate governance and transparency, which we have incorporated in the Corporate Governance Code, the Corporate Governance Policy and the Disclosure of Information Policy. These instruments ensure that all our acts are based on fair treatment for all our shareholders and stakeholders.

The disclosure and publication of information is the main mechanism through which we ensure transparency, ethics, accountability and respect for shareholder rights, as well as for creating relationships based on trust with all our stakeholders. As issuers of securities, we also comply with information disclosure rules and requirements established by law, the guidelines of the Financial Superintendence of

Colombia (SFC, for the Spanish original), the provisions of the Comprehensive Stock Market Information System (SIMEV, for the Spanish original) and high local and international standards regarding transparency.

As pointed out earlier, in 2018, Management and the Board of Directors of Grupo Energía Bogotá carried out stage III, during which the following internal rules on corporate governance were approved, fulfilling the commitments made in 2017:

- Policy on Management of Conflicts of Interest
- Policy on Transactions with Related Parties
- Policy on Appointments, Succession and Compensation of the Board of Directors

(102-25) Our Policy on Management of Conflicts of Interest establishes general guidelines to disclose, manage and solve such conflicts that may affect the managers and employees of Grupo Energía Bogotá and of the Group companies.

The Policy on Transactions with Related Parties defines the rules and principles to be followed by the Group companies when transactions are made with affiliates, particularly involving transfers of resources, services or obligations that by their nature are formalized by means of a service contract or agreement, regardless of the amount. The principles and rules of this policy are aimed at ensuring transparency in transactions,

We increased the number of independent Board members, from 25% to 44.4% of the total, i.e. 4 Board members.

under conditions of equality and impartiality, in order to protect the rights of all our shareholders, and to establish adequate review, approval and disclosure mechanisms to ensure they do not run counter to the financial interests of Grupo Energía Bogotá.

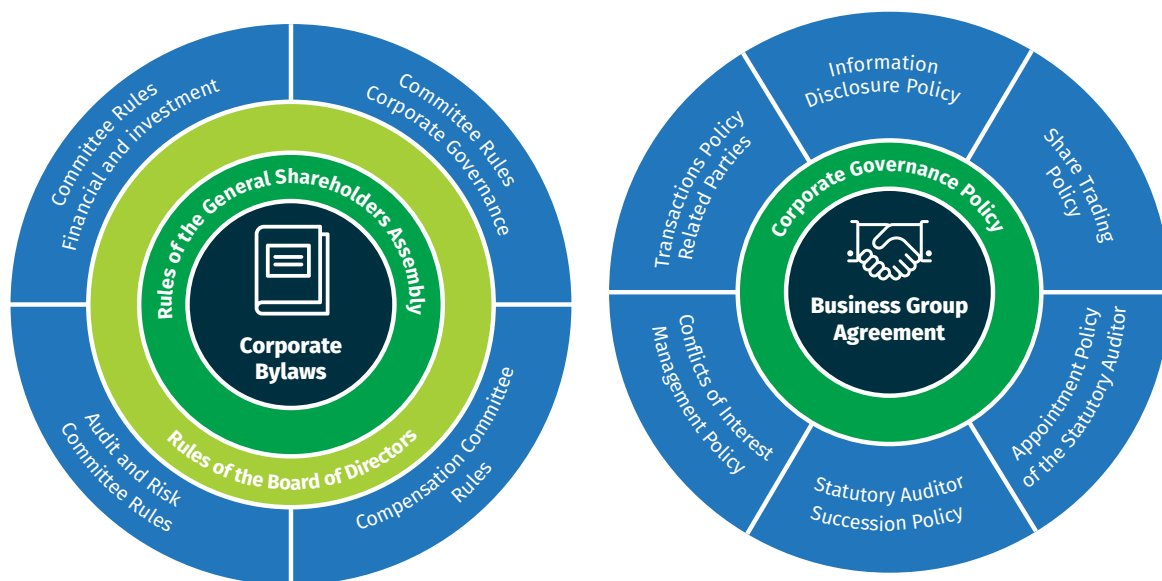
Lastly, the Policy on Appointments, Succession and Compensation of the Board of Directors establishes guidelines and measures for the appointment, succession and compensation of the Board of Directors of Grupo Energía Bogotá S.A. E.S.P., in order to attract, retain and motivate the best talent, preserve and consolidate the institutional memory, maintain the professional qualifications of our Board members and establish adequate compensation for them.

In line with the above, at Grupo Energía Bogotá we now have an excellent corporate governance regulatory framework, which can be summarized as follows:



Award to Grupo Energía Bogotá in the Best Corporate Governance category during the Andesco congress in July, 2018

Corporate Governance Regulatory Framework



Another activity worth highlighting in 2018 was the implementation of the Diligent Boards technological tool to unify management of information of the boards of directors, management committees, steering committees and councils at Group companies. The tool ensures integrity and confidentiality, enables accessing information from different technological devices and ensures control over different document versions through updates. This has helped reduced mailing and printing costs, has enabled central organization of information and efficiency in time and workloads for managers, which makes the tool a good fit for the Group. This ensures efficient management of information of the Board of Directors and the Committees of Grupo Energía Bogotá, TGI, Cálidda, Contugas, TRECSA and EEBIS.

Additionally, during Stage III, we designed the communications and training plan on the corporate governance rules adopted by Group companies.

Lastly, we should mention the adoption

and amendment of several corporate governance rules of Grupo Energía Bogotá as a result of the new Shareholder Agreement signed as part of the democratization of the Capital District's shareholdings, our majority shareholder.

The Extraordinary General Shareholders Assembly, at its session number 82 on October 2, 2018, approved the following decisions:

- To reform the Corporate Bylaws and amend the Rules of the General Shareholders Assembly in order to adopt the provisions contained in the Shareholder Agreement signed by the Capital District and delivered to Grupo Energía Bogotá S.A. on July 31, 2018.
- To reform the Corporate Bylaws and amend the Rules of the General Shareholders Assembly in order to reinforce certain corporate governance measures.
- To approve the Policy on Appointments, Succession and Compensation of the Board of Directors.

Statutory Reform

Due to its relevance in strengthening the Company's corporate governance, we highlight the following statutory reforms made in 2018:

Previously

Minority shareholders only had the right to call an Assembly meeting with 25% of total shares outstanding.

The minority shareholders did not have a major role in Assembly decisions.

They only accounted for 25% of shareholders.

Minimum criteria established by law.

Any of its members could be elected to this role.

All decisions of the Board of Directors were adopted by simple majority.

The 10 minority shareholders did not have the right to include a candidate in the list.

After

A meeting can be called with only 10% of total shares.

On matters related to changing the main corporate purpose, issuance of shares and sales of substantial Company assets, among others, the favorable vote of minority shareholders will be required to reach the threshold of 70% of total shares.

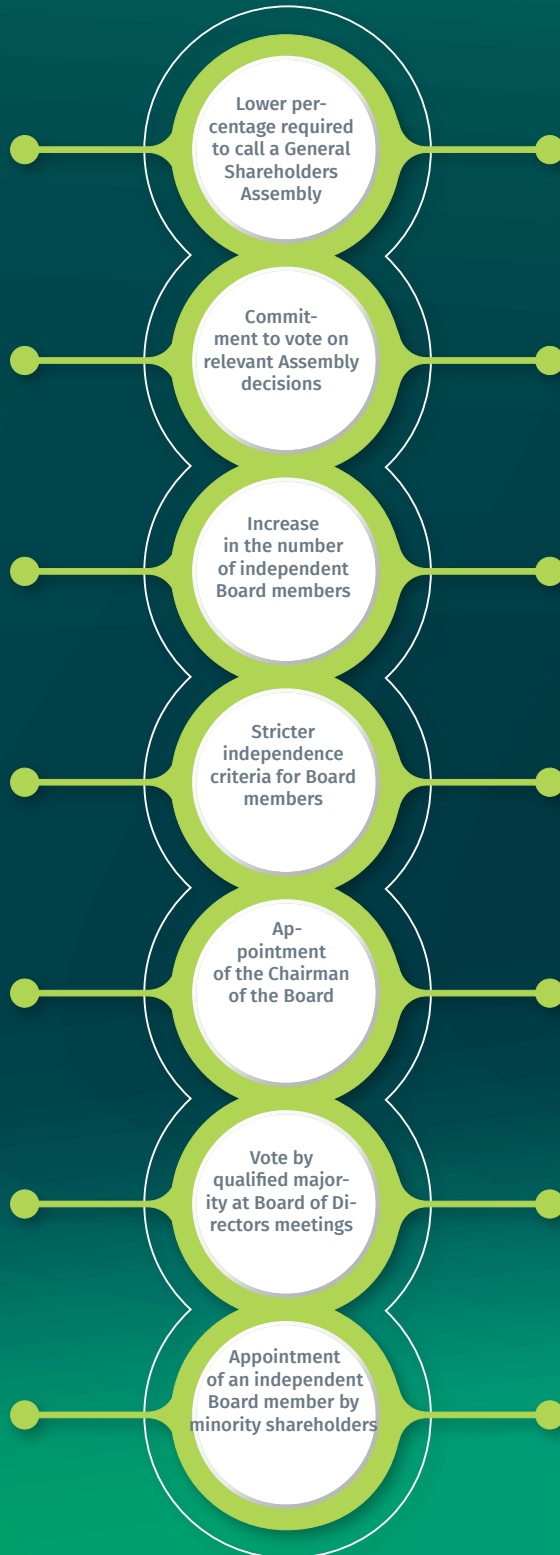
They will be 44.4%, i.e. 4 members.

Stricter independence criteria are established based on the practices of leading companies in the region and companies listed on the New York Stock Exchange.

He/she must be an independent member, allowing for greater independence in Company management.

On matters related to relevant assets and changes to the strategic plan, among others, a qualified majority will be required for deliberations (seven members) and to decide (six members).

Ten shareholders or the four minority shareholders with largest shareholdings in Grupo Energía Bogotá will have the right to assign an independent candidate to the list of candidates to the Board of Directors submitted by Bogotá, Capital District.



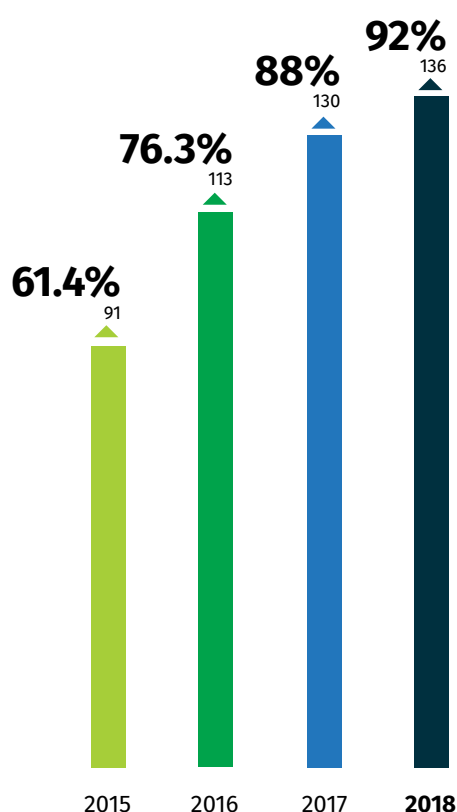
In 2019, pursuant to the commitment acquired by the Bogotá Capital District in the Shareholder Agreement, changes and amendments will be made to the Company's other corporate governance documents: Corporate Governance Code, Corporate Governance Policy, Business Group Agreement, Senior Management Appointment Policy, among others.

Also, in 2018, we translated all internal

corporate governance documents of Grupo Energía Bogotá into English, and published them on our corporate website (<https://www.grupoenergiabogota.com/>), which was updated and is continuously monitored.

Lastly, it is relevant to mention that to date we comply with 92% of the OECD recommendations on corporate governance, as described below:

Number of measures adopted by Grupo Energía Bogotá



148

total recommendations in

Código País

Survey chapter	Total measures	Number of measures adopted	% adopted
Shareholders equal treatment and rights	14	14	100%
General Shareholders Assembly	19	15	80%
Board of Directors	73	67	92%
Control architecture	29	27	93%
Transparency and financial and non-financial information	13	13	100%

All the above efforts have been developed, coordinated and communicated jointly with the other Group companies thanks to the Workshop for the Alignment of Corporate Governance Processes held in 2018, with attendance by all the affiliates.

The Company's legal and corporate governance management is guided and executed based on the Business Group Agreement, the Governance Code and the Corporate Governance Policy. The Business Group Agreement establishes guidelines for the development of man-

agement, direction and control processes of Grupo Energía Bogotá S.A. E.S.P. and its companies. It is based on the recommendations of the Best Corporate Practices Code (*Código País*), compiled in Circular Letter 028/2014 of the Financial Superintendence of Colombia, the "*Lineamientos para un Código Latinoamericano de Gobierno Corporativo*" (Guidelines for a Latin American Corporate Governance Code) of the Development Bank of Latin America (CAF, for the Spanish original) and the OECD recommendations on good corporate governance practices.

As issuers of securities and as suppliers of public services, at Grupo Energía Bogotá, we are aware of the importance of establishing and maintaining high standards of corporate governance and transparency, and for this reason we constantly design and implement new and ambitious initiatives to strengthen them. The commitments resulting from the above translate into a specific process we call the Re-institutionalization of Corporate Governance, stage III of which we implemented in 2018.

The corporate governance structure is part of the Internal Management System of Grupo Energía Bogotá, whose activities are controlled by the Internal Auditing office, by the Office of the Comptroller of the Bogotá Capital District and external auditors.

Also, at Grupo Energía Bogotá we constantly monitor the progress made in corporate governance at the national, regional and even international level through:

- participation in forums, events and workshops;
- feedback from relevant authorities on the implementation of recommendations and measures, particularly those derived from the Code of Best Corporate Practices (*Código País*), compiled in Circular Letter 028/2014 of the Financial Superintendence;
- the comparison of internal rules with similar companies, with the objective of continuously strengthening our corporate governance.

In 2018, the most relevant milestone in terms of corporate governance was the implementation of Stage III of the Re-institutionalization of Corporate Governance process, which focused on strengthening rules and the adoption of the following policies:

- Policy on Management of Conflicts of Interest
- Policy on Transactions with Related Parties
- Policy on Appointments, Succession and Compensation of the Board of Directors

This rules strengthening process also involved amending the following Group corporate documents, as a result of the Shareholders Agreement signed by the Bogotá Capital District as part of the

democratization of a percentage of its shareholdings:

- Corporate Bylaws
- Rules of the General Shareholders Assembly
- Rules of the Board of Directors
- Rules of the Corporate Governance Committee
- Rules of the Audit and Risk Committee
- Rules of the Compensation Committee
- Rules of the Financial and Investment Committee

In compliance with the provisions of the Shareholder Agreement, we adopted the Policy on Appointments, Succession and Compensation of the Board of Directors.

The purpose of these new and amended rules is to strengthen our Company's corporate governance and particularly to incorporate the statutory reforms made in 2018 in the Group's corporate documents.

Our objective over the next five years is to consolidate Grupo Energía Bogotá as a leading company in Colombia in terms of corporate governance. To this end, over the next two years we will work on implementing Stage IV of the Re-institutionalization Process, which focuses on monitoring and ensuring compliance with internal rules. We will also implement a communications plan to publicize the Company's efforts regarding corporate governance.



Participation by President
Astrid Álvarez at the 17th International Forum on Corporate Governance



Grupo Energía Bogotá employees

Ethics, Transparency and Anti-corruption

(102-16) (103-1) (103-2) (103-3)

High standards of ethical behavior are essential in the actions of all employees of Grupo Energía Bogotá in order to create value and as a factor that builds trust among partners, suppliers, citizens and stakeholders in general.

The corporate values that guide our ethics culture are framed in:



Transparency: enables us to manage in an objective, clear and verifiable manner.



Respect: it facilitates interaction by recognizing collective interests, individual diversity, sustainability of natural resources and institutions.



Integrity: it is essential in order to act with firmness, righteousness, honesty and consistency.



Equity: we act with justice, fairness and impartiality, seeking to cause positive and inclusive social impact.

Also in this regard, "we are committed to an attitude of 'zero tolerance'" towards fraud, money laundering, terrorism financing and corruption. We therefore promote a culture of transparency in our management efforts and encourage the commitment of companies, managers and employees to avoid unethical conducts. All Group companies have equivalent instruments aimed at preventing unethical behaviors and fighting against fraud and corruption.

In order to perform detailed monitoring of the implementation of the corporate instruments for prevention, detection and investigation of situations associated with fraud and corruption, we have an Internal Control System that has been structured under the COSO (Committee of Sponsoring Organizations of the Treadway Commission) standard, and which is subject to annual independent assessment.

In order to ensure compliance and to preserve the integrity of the Internal Control System, the companies apply the "Three Lines of Defense" Model, according to the standard promoted by the European Confederation of Institutes of Internal Audit (ECIIA), in which the responsibilities within the system are defined as follows:

Each year, the Board of Directors' Audit and Risk Committee approves the overall strategies and policies related to the Internal Control System and the Annual Audit Plan, which are established based on currently identified business risks.

In order to exercise control and promote compliance with the Organization's rules and principles, we have established several mechanisms, including the Business Group Agreement, the Corporate Governance Code, the Code of Ethics, the Ethical Channel, the Internal Control and Prevention of Fraud and Corruption Policy and the Information Disclosure Policy. We also carry out initiatives aimed at the prevention, detection and investigation of events of fraud and corruption in all our companies through the following tools:

Prevention (102-16) (102-17)

Employees informed and trained on prevention* (205-2)

Position category	Total employees	Employees informed		Employees trained	
		No.	%	No.	%
Senior Management	16	17	106%	17	106%
Middle Management	44	37	84%	37	84%
Advisor/staff	260	265	102%	265	102%
Professionals	148	137	93%	137	93%
Support/assistants	89	78	93%	78	93%
Total	557	534	96%	534	96%

* The number of people is not necessarily equal to all personnel.

Internal Control and Prevention of Fraud and Corruption Policy

It establishes the commitment to adopt and maintain an Internal Control System that enables attainment of the objectives and the promotion and consolidation of an ethics culture based on the corporate values; it also establishes guidelines to identify, detect, assess, mitigate, monitor, investigate and prevent risks of fraud and corruption that may arise.

Each year, the Board of Directors' Audit and Risk Committee approves the overall strategies and policies related to the Internal Control System and the Annual Audit Plan.

(102-29) (102-30) (102-31)

Code of Ethics

It establishes and defines the behaviors and rules for action for the Group and its affiliates in their relations with managers, employees, suppliers, contractors, customers, and all our stakeholders in general, as well as their actions in the markets in which we do business.

Both the Board members and the employees signed the annual renewal of their adherence to the Code of Ethics and their Statement of Conflicts of Interest.

SIPLA Manual - Anti-money Laundering and Countering Terrorist Financing System

In accordance with Basic Legal Official Letter 029/2014 of the Financial Superintendence of Colombia, the Group, given its status of issuer of securities, is required to fulfill the established provisions and to implement control mechanisms on Anti-money Laundering and Countering Terrorist Financing for its shareholders. Consequently, we published a manual that contains the policies, controls and procedures adopted to prevent the associated risks.

In order to assure good practices and mitigate the risks associated with Money Laundering and Terrorist Financing, with the continuous support of the Compliance Officer, the following activities and controls were performed:

- The Central Securities Depository (deceval) issued monthly certificates on the Anti-money Laundering and Countering Terrorist Financing Program in connection with the Company's



TGI engineers at the Mariquita Station, Tolima

outstanding shares. To date, no suspicious or unusual operations by shareholders have been reported.

- The compliance officer submitted the semi-annual report to the Board of Directors, listing the activities carried out to prevent such crimes.
- As part of the Ethics and Compliance Training Program, we included a chapter related to Anti-money Laundering and Countering Terrorist Financing, with the objective of disseminating the regulatory framework and the controls established to prevent these crimes.
- An annual verification meeting led by the statutory auditor was carried out to validate that we have the required controls in place for Anti-money Laundering and Countering Terrorist Financing, based on which he issues his opinion in the Financial Statements. To date, we have not received any reports that would indicate any event of non-compliance with these regulations.

Anti-Corruption Plan and People Service

In compliance with the provisions of Article 73 of Law 1474/2011, we have prepared an Anti-corruption Plan that covers the following:

- Identification of risks of corruption and management actions to counter them
- Anti-paperwork strategy
- Accountability
- People Service Strategy
- Mechanisms for transparency and access to information
- Additional initiatives: Code of Ethics, Ethical Channel, Anti-Fraud and Anti-Corruption Policy, Anti-Money Laundering and Countering Terrorist Financing System (SIPLA, for the Spanish original) Manual, Policies and Procedures of communications and capacity building on the fight against corruption.

Fraud and Corruption Risk Management System

An assessment was performed of the preventive controls established for critical Company

processes, which are subject to monitoring and internal audits by risk managers. We delivered training to our employees, suppliers, Board members, in-house contractors and contract supervisors on matters related to the components of the Ethics and Compliance Program: Code of Ethics, Ethical Channel, conflicts of interest, Anti-money Laundering and Countering Terrorist Financing System, law on transparency and access to information, data protection, trans-national bribery law, supervision authorities and strategic preventive litigation.

Validation in Restrictive Lists

We performed 28,750 validations in the restrictive lists for individuals and legal entities that maintain business relations with the Group (suppliers, employees, rights of way lessors, leases, among others), using a software that allows individual queries in such lists and other broader databases, including databases on terrorists and criminals associated with financial crimes.

Detection

Ethical Channel

This is the channel through which we guarantee the rights of all our shareholders, managers, employees, contractors and other stakeholders to report any situations they consider potential events related to fraud and corruption and unethical behaviors, aimed at conducting corporate affairs in a transparent and sustainable manner.

Additionally, the channel enables submitting inquiries to solve ethical dilemmas. All through a channel that guarantees confidentiality, safety and reliability, by being managed by an independent third party.

(102-29) We also have a channel management manual in place that defines the procedure for preliminary verification and investigation of reports received through the Ethical Channel, for adequately managing alleged known irregularities and taking appropriate action, both preventive and reactive, aimed at improving all risk management processes. This activity is supervised by the Board of Directors' Coexistence, Ethics and Compliance, and by the Audit and Risk committees. At Group companies that do not have a Coexistence Committee in place, these responsibilities are assigned to the Human Resources department.

(102-17) The following are the communication channels that are part of the Ethical Channel:



Toll-free telephone numbers:

Colombia: 01800-518-2937

Peru: 0800-55-392

Guatemala: 1-800-8350-428



E-mail:

canaleticogeb@lineadedenuncias.com



Website

Ethics and transparency

Ethical Channel

Our asset's green corridor
in operation, in Mocoa, Putumayo



Events Reported Through the Ethical Channel (Own)

Type of report	Number	Status at December 31, 2018	
		Review in progress	Closed
Work issue	16	2	14
Accounting fraud	3	0	3
Misappropriation of assets	12	1	11
Corruption and bribery	16	0	16
Money laundering	0	0	0
Intellectual property violations	1	0	1
Other	1	0	1
Total	49	3	46

Internal and External Audits (102-29)

Based on the Annual Audit Plan approved by the Board of Directors' Audit and Risk Committee, 15 audits were carried out in 2018 that enabled the leaders of the audited processes to identify opportunities for improvement and to close gaps in order to strengthen the Internal Control System of the Group and its companies. The internal audits were carried out in accordance with the International Professional Practices Framework for Internal Audits.

In 2018, we received 49 inquiries on ethical dilemmas through the Ethical Channel. No corruption events have been confirmed. (102-17) (205-3)

Investigation

Protocol for Reports Received through the Ethical Channel

We have a protocol in place that provides guidelines for reception and analysis of reports filed through the Ethical Channel, and which serves as a tool for addressing the reports received in accordance with the procedures defined by the Company.

If the event involves a member of the Group's management team, the case is investigated directly under the rules that apply to the Board of Directors' Audit Committee.

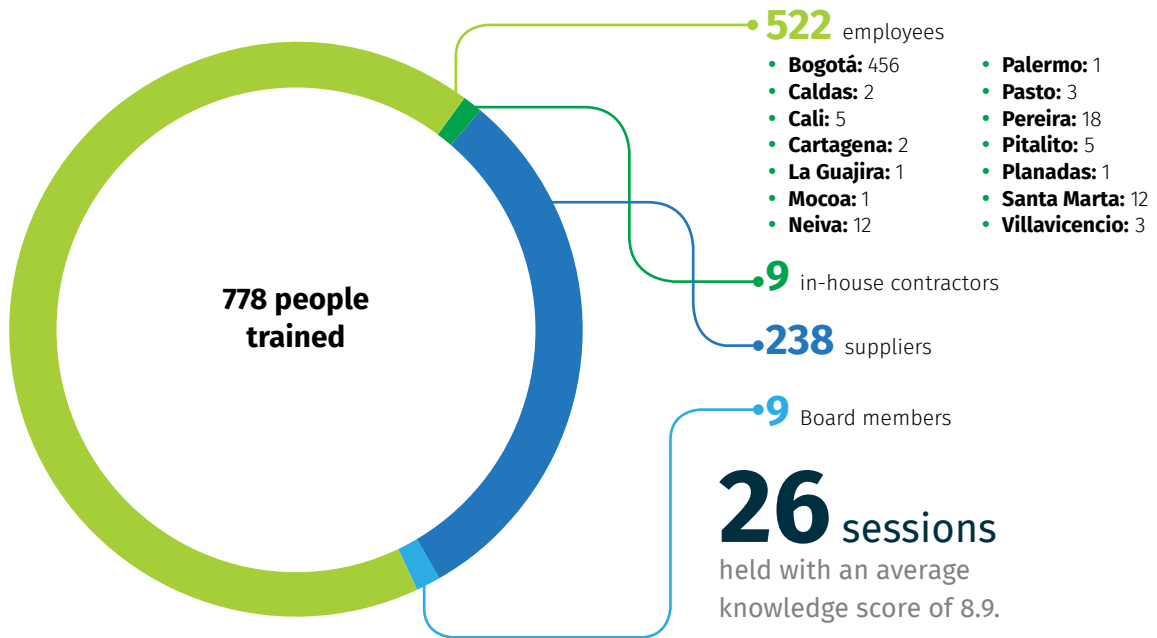
Schedule of the Ethics and Compliance Training Program (102-27)

In 2018, we defined a schedule for the Ethics and Compliance Training Program, with activities to strengthen the ethics culture among all employees and other stakeholders.

The training programs were aimed at employees, suppliers, Board members, in-house contractors and contract supervisors on matters related to the Code of Ethics, Ethical Channel, conflicts of interest, Anti-money Laundering and Countering Terrorist Financing System, law on transparency and access to information, data protection, trans-national bribery law, supervision authorities and strategic preventive litigation, as follows:

- Annual training on the Ethics and Compliance program and workshop on the control architecture to strengthen the ethics and transparency culture.
- Raising awareness at all levels on the importance of the three lines of defense of the Internal Control System (being "the first control filter" in corporate processes).
- Reinforce knowledge on conflicts of interest, the Ethical Channel, the Code of Ethics and Anti-money laundering

Training for stakeholders (205-2)



These are other training and awareness-raising programs carried out in 2018:

- 1. Procedure for verification on lists** for the Group's and TGI's Sourcing department: 10 employees.
- 2. Ethics and Compliance Program for the democratization process:** 36 contact center agents.
- 3. Ethics and Compliance Program for contract supervisors**, in order to reinforce the contents of the Code of Ethics, Ethical Channel, conflicts of Interest and supervision authorities: two sessions with 46 employees.
- In May, during the **Significant Connections II** meeting in Lima (Peru), the **Control Architecture** of Grupo Energía Bogotá was presented at a workshop with affiliate members, which was later replicated at the Group with all employees.
- 5. Training on data protection:** In January, we delivered training for employees to reinforce knowledge on this matter.
- 6. The Challenge:** Knowledge contest through trivia games on the lines of defense, for four weeks.

- 7. Give yourself peace of mind:** This communications piece reinforces the guidelines on not giving or receiving gifts to/from counter-parties, in abidance of the Code of Ethics.
- 8. Annual Suppliers Meeting:** We held a meeting to communicate the Ethics and Compliance Program.

Participation in initiatives

Corporate Transparency Measurement

We participated in the Corporate Transparency Measurement, aimed at improving transparency and anti-corruption standards through the identification of risks of corruption, in order to strengthen corporate management through the assessment of elements such as clear rules, openness, communications with stakeholders and control. This measurement is made by *Transparencia por Colombia* and covered only public sector companies, which enabled identifying strengths and opportunities for improvement in our Ethics and Compliance Program.



50 km to the northeast of Bogotá lies the Tominé Reservoir, near the municipalities of Sesquilé, Guasca and Guatavita, Cundinamarca



Aerial view of Tenjo, Cundinamarca.
Photograph by our employee José René
Peña, of the Maintenance Department

Collective Action

The Compliance areas of Colombian electricity sector companies launched this initiative aimed at creating transparency standards. They developed a matrix on the risk of Money Laundering and Terrorist Financing for the electricity sector and created the Technical Anti-Corruption Committee with the objective of analyzing and assessing new standards related to the commitments acquired by the Collective Action, and to develop specific proposals to progressively renovate and update the action. We are members of the committee.

Latin American Network of Compliance Officers

It is a network that brings together corporate compliance officers in task groups that work on specific themes related to anti-corruption policies, including Ethical Channels, Law 1778/2016 (anti-bribery law), conflicts of interests, disabilities and incompatibilities, information security, FCPA and international rules on prevention of corruption that

affect Colombia, selection of personnel and training in values, Money Laundering and Terrorist Financing Risk Management System and corruption risk prevention systems, professional secret/duty to report, among others. The network provides updates on standards and best international practices to enable strengthening our internal processes.

Active Anti-Corruption Companies

On February 21, 2018 we were included in the list of Active Anti-Corruption Companies - Business with Principles, for having a Compliance Program in place with high standards for the prevention of corruption. The Secretary for Transparency of the Presidency of the Republic of Colombia included us in the list following a thorough assessment of our program.

Achievements

The following are the main achievements of 2018 in this area:

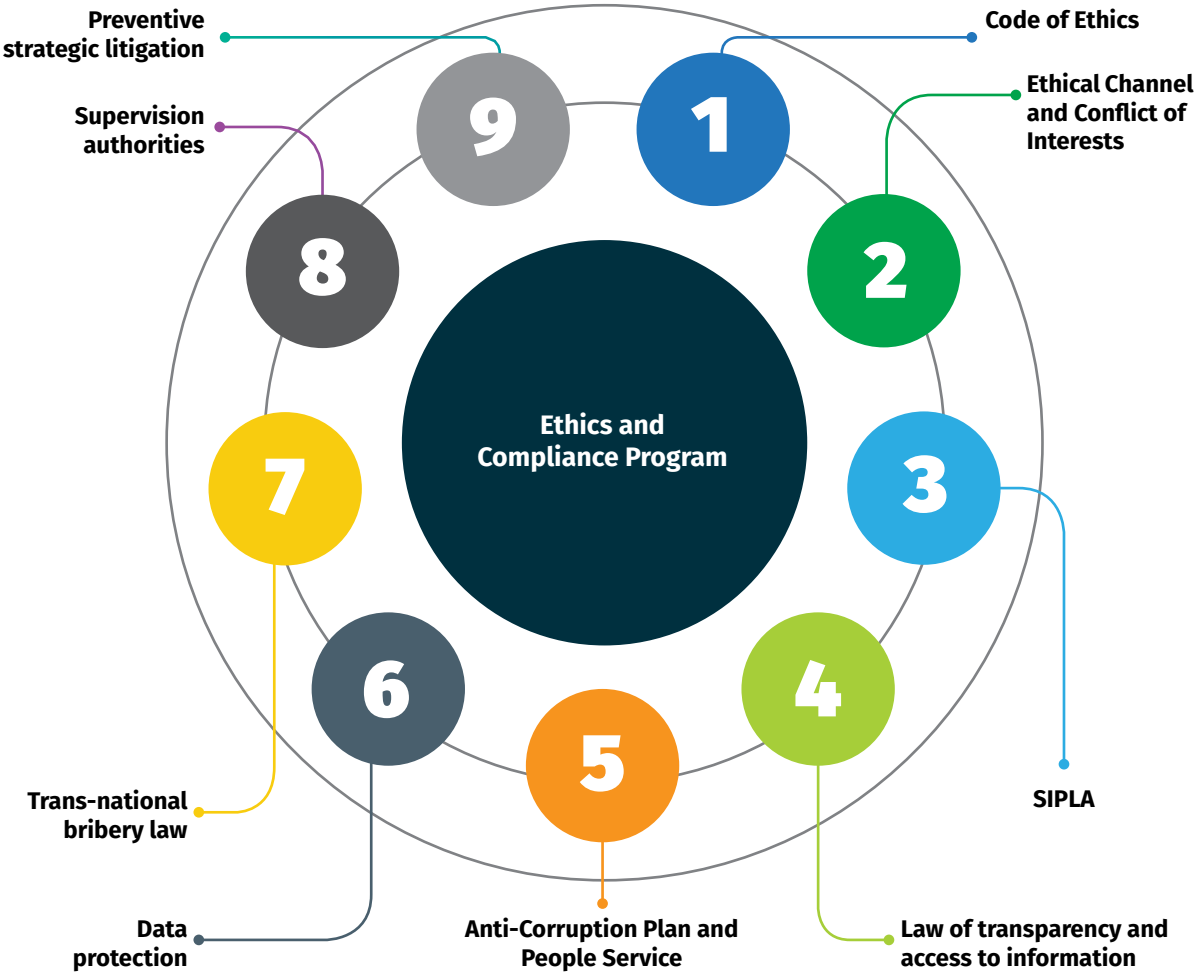
1. Establishment of the Compliance Office, including design of its structure and responsibilities.
2. Participation in the various scenarios of corporate governance:
 - **President's Financial and Investment Committee.** We amended the committee's rules to include the Group's Compliance Officer as a permanent member. Weekly participation.
 - **President's Processes and Learning Committee.** We amended the committee's rules to include the Group's Compliance Officer as a permanent member. Weekly participation.
 - **Group Audit and Risk Committee.** We amended the committee's rules to include the Group's Compliance Officer and general auditor as permanent members. Quarterly management report by the Compliance Officer.
 - **Audit and Risk Committee - Affiliates.** We amended the committee's rules to include the Group's Compliance Officer and general auditor as permanent members. Quarterly management report by the Compliance Officer.
 - Quarterly participation in the Cálidda, TRECSA, EEBIS and Contugas committees.
 - Presentation of items and support for local compliance management.
 - **Audit and Risk Committee - Non-controlled.** Support in reviewing and presenting recommendations regarding the materials available for the Emgesa and Codensa committees.
 - Support on specific compliance matters for the Promigas Audit and Risk Committee.
 - **Group Ethics and Compliance Committee.**
3. Review by the General Auditor of the main controls on the risk matrix to strengthen the Internal Financial Control System in accordance with the 2018

The development of the Ethics and Compliance Program of Grupo Energía Bogotá, based on international standards and regulatory requirements, was one of our key achievements in 2018.

Annual Audit Plan. The results of the review were satisfactory, with only minor recommendations regarding the process.

4. We continued strengthening the Group's control architecture through the implementation and strengthening of the three lines of defense of the Internal Control System based on the highest international standards on this matter.
5. Strengthening of the control architecture through training and face-to-face workshops, contests and advertising materials (brochures and videos), aimed at familiarizing all employees with the Three Lines of Defense Model and its advantages at the corporate and personal level.
6. Development of the Group's Ethics and Compliance Program. Since the creation of the Compliance Office we began to work on designing the Group's Ethics and Compliance Program, based on international standards and regulatory requirements, without losing sight of the reality of the business and its particularities. The following are the results of this effort:

Structure of the Ethics and Compliance Program (102-17)



Mónica Jiménez López
Compliance Officer
mjimenezl@geb.com.co
Ext. 1541

Jorge Alexis Rodríguez
Compliance Adviser
jrodriguez@geb.com.co
Ext. 1580

Catalina Casas Arévalo
Compliance Adviser
ccasas@geb.com.co
Ext. 1896

1 Code of Ethics

It is a document that establishes and defines the principles of behavior and the rules of action for the employees of Grupo Energía Bogotá and its affiliates, based on our corporate values (transparency, respect, integrity and equity). Our Organization is committed to a policy of “zero tolerance” towards fraud, money laundering, terrorism financing and corruption.

2 Ethical channel and conflicts of interest

It is used to prevent, detect, mitigate and correct any events of fraud, corruption, illegal acts or any improper conduct that is harmful for any Group company. It also receives inquiries and requests for clarification on ethical dilemmas.

Conflicts of interests are situations in which integrity and judgment may be influenced by the possibility of choosing between the interests of our Company, the interests of an employee or the interests of a third party. In the event of a potential conflict, the most important thing is to report it as soon as possible and before making any decision, to enable us to manage it.

3 SIPLA

It is the Comprehensive System for Anti-money Laundering and Countering Terrorist Financing (SIPLA) that has been implemented at our Company. It consists of warning signs: behaviors and characteristics of certain transactions or persons that could lead to detecting money laundering or terrorism financing. These signs should be reported immediately.

Another important element is the verification of stakeholders on restrictive lists, for which it is required to fill out the official form and send by e-mail to oficialdecumplimiento@geb.com.co.

4 Law of transparency and access to information

Law 1712/2014 regulates the right to access public information, the procedures to exercise this right and the guarantees and exceptions to publishing information.

5 Anti-corruption Plan and service to citizens

Law 1474/2011 establishes regulations aimed at strengthening mechanisms for the prevention, investigation and penalization of acts of corruption and the effectiveness of control of public management. Each year, we develop, implement and publish the plan, in compliance with this law.

At Grupo Energía Bogotá, we are committed to a policy of “zero tolerance” towards fraud, money laundering, terrorism financing and corruption.

6 Data protection law

Law 1581/2012 further specifies the constitutional rights of all persons to know, update and correct the information collected on them in databases or files.

7 Trans-national bribery law

Law 1778/2016 establishes regulations on the responsibilities of legal entities for acts of corruption abroad. The Group has adopted a policy to prevent such conduct.

8 Supervision Authorities

Several bodies control and oversee Grupo Energía Bogotá. The Compliance Office coordinates timely and adequate response to the requirements of control entities.

9 Preventive strategic litigation

It is aimed at anticipating and thereby preventing legal issues and litigation in a broad range of Group activities, such as preserving our corporate image and reputation, managing information, equity planning, and corporate compliance, among others.

Guatemalan women knitting handicrafts
at a community in TRECSA's area of influence



Sustainability is in our DNA

At Grupo Energía Bogotá, we understand that our shared value initiatives bring progress and well-being to the communities in which we operate



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Sustainability

Beyond philanthropy and social responsibility

An imperative of our corporate strategy is to ensure the growth and competitiveness of our companies in the countries in which we operate. It is about sustainability, which we define as a framework for action that guides our companies in building more egalitarian, fair and peaceful societies.

Over the last two years, our Sustainability Policy has enabled us to move beyond the concepts of philanthropy and social responsibility; we are clear that bringing progress and well-being to the territories involves more than installing electric energy transmission lines or gas pipelines. We need to continue building closer and genuine relations with employees, communities, authorities, opinion formers, shareholders, investors, customers and suppliers on topics related to building social and environmental capital, education, competitiveness and transformation, entrepreneurship and infrastructure.

The focus of our management in the territories where we operate is on contributing to the sustainable progress of communities through projects that produce

positive and permanent transformations in the areas where we are present and that are aligned with territorial and environmental plans and the Sustainable Development Goals (SDGs).

In our updated Corporate Strategic Plan (CSP), in 2018 we defined a new vision in our role as strategic connectors, in which we affirm that our corporate management must be driven by sustainability, shared value and social investment. This is all aimed at facilitating the tasks that enable us to grow and create value in our operations.

During the process of updating our CSP, we adjusted our definition of sustainability, based on the concepts of shared value and social investment, defined as the corporate ability to understand and manage the environment and innovate and adapt its businesses, in order to create profitability and share benefits in the territories in which we operate, with a long-term vision. In other words, we changed our approach towards business to favor ways that represent progress in the economic, social and environmental conditions of the communities, thus

LEFT

Colombian knit work by the Wayúú communities of La Guajira in TGI's Ballena-Barranca Gas Pipeline's area of influence

sharing benefits, resources and experiences to build solutions that will positively and permanently transform the territories affected by our operations.

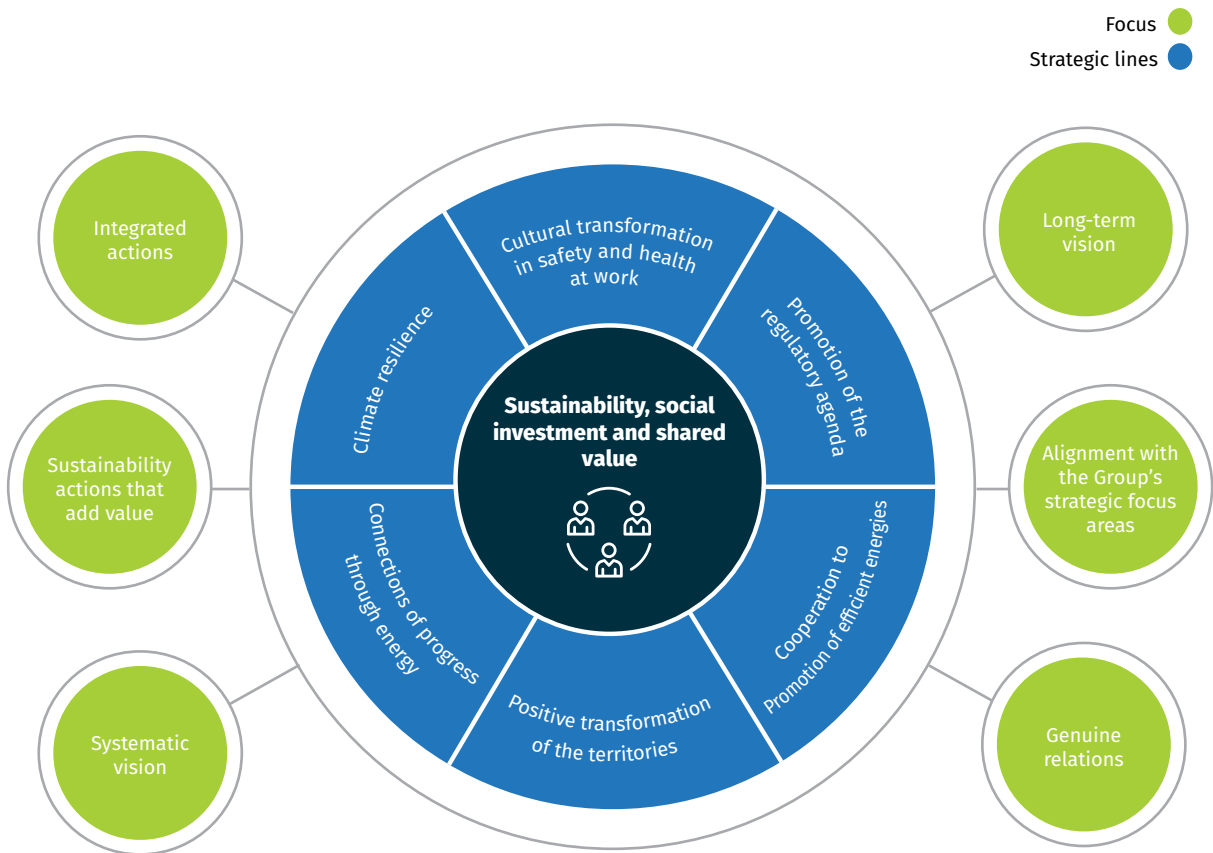
We also decided to strengthen our sustainability vision in the six strategic lines that support a Sustainability Model that is aligned with the planning instruments of the territories in which we operate, all in the framework of the SDGs:

- **Cultural transformation in occupational safety and health.** We promote and consolidate this culture as a primary corporate value to protect lives when carrying out our business and everyday activities.
- **Promotion of the regulatory agenda.** We promote the regulatory agenda to drive

the energy sector beyond the particular interests of the Group.

- **Cooperation to promote efficient energies.** We become an integrator for various public, private or civil society organizations and academic institutions in the development of common actions aimed at promoting the adoption of low-emissions energy and efficient energy use.
- **Positive transformation of the territories.** We transform the territories crossed by our infrastructure projects through actions that promote progress and shared benefits.
- **Connections of progress through energy.** We turn energy sources into enablers of progress. Our companies bring energy to areas that are not connected to the grids, thereby promoting growth of newly connected communities.
- **Climate resilience.** We promote business opportunities associated with climate change and environmental and social challenges.

Sustainability model

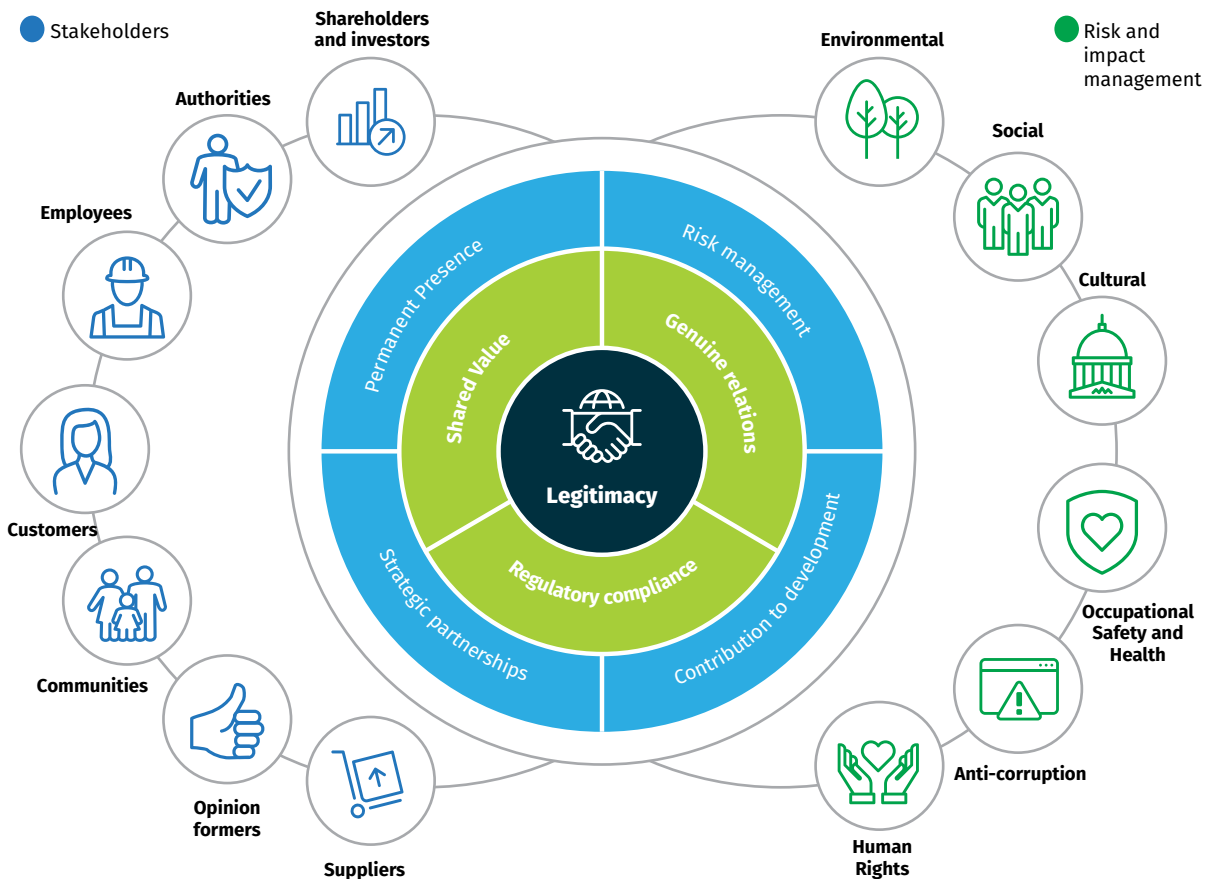


By updating our CSP, we matured our Sustainability Model. To this end, we created the Occupational Safety and Health Office and strengthened the Sustainability Department (previously Sustainable Development), which is responsible for leading and providing guidance on the implementation of the Sustainability Policy in specific areas: land management and environmental, social and shared value management, including specialized offices for ethnic

relations and resettlement management. This department has its own management and monitoring indicators, based on the dynamics of the social environment, which enables Grupo Energía Bogotá to ensure its presence in the territories, with the premise of becoming generators of progress.

It is also responsible for ensuring our legitimacy among our stakeholders; i.e. being perceived as a positive influence for the sustainable development of the territories, in abidance of laws and regulations.

Sustainability policy



The following are the three central aspects of this legitimacy:

- **Genuine relations**, focused on permanent, close and transparent dialogs that recognize players in the territory based on their habits and customs, to build long-term relationships.
- **Regulatory compliance**, focused on the implementation of measures to comply with operating, environmental and social regulations in the territories, as well as monitoring legislative, regulatory and

tax trends in order to be competitive in the markets and protect the rights of stakeholders. We are also convinced that we need to go beyond legal compliance in order to fulfill our values.

- **Shared value** enables us to apply our skills, resources and management capabilities to lead progress and sustainable development in a more effective manner, thereby creating a virtuous cycle of growth, legitimacy and development in a territory.

Our corporate management is driven by sustainability, shared value and social investment to ensure progress.

Projects that bring progress

In 2019, we will continue to mature our Sustainability Model, Shared Value and Social Investment as a strategy to manage the Organization’s permanence over the long term. We also strongly believe in the relationship between strengthening our presence in the Latin American energy chain and the delivery of innovative solutions that generate new development opportunities for communities.

Our value proposition, included in our shared value portfolio, is that we will contribute as legitimate actors to the progress and well-being of communities through performance of projects that produce positive and permanent transformations in the territories. The principles for execution of this portfolio are based on development with a territorial, ethnic and gender approach, based on reaching a consensus on solutions and partnerships, as well as strengthening skills and competencies. During 2018, we launched dozens of shared value initiatives to bring progress and well-being to communities in Colombia, Peru and Guatemala.

The following were the prioritized sectors for our shared value projects in 2018:

- **Energy for transformation**, which promotes access to sustainable energy solutions for communities that are not connected or that experience deficient energy services, as well as the respon-

sible use of energy and the capacity of the communities to build sustainability into the solutions on their own. These solutions apply to social services such as health care, education, sports facilities, etc., also involving digital connectivity with the participation of partners.



- **Energy for competitiveness.** We support improved conditions for productivity by privileging the use of renewable energy and strengthening collective groups of farmers, particularly those devoted to organic crops or products of origin, and entrepreneurs, particularly those that promote female empowerment, tourism of nature and community cooperative companies devoted to safeguarding environmental services that provide, among other things, plant material, plantation management and conservation of biodiversity. The main activities we carry out are training, technical assistance, infrastructure for productivity, resource management and support to improve the production chain.



- **Education and development.** We promote leadership competencies and capabilities in community actors, civil servants, teachers and Group employees. We strengthen the social fabric in communities by transferring knowledge on entrepreneurship and cooperatives, particularly for women. We strengthen technical, work and social competencies and occupational safety and health. We promote processes of cultural appropriation by ethnic groups in order to strengthen their practices, recognition and survival.



- Social infrastructure. We assist communities and local governments in raising funds and formulating projects to develop social infrastructure for progress: road works, community spaces for events and recreation, rural schools and water supply and basic sanitation systems, among others. When the projects prioritized by the communities or local administrations are complex or large in scope, the Group may assist in the process of project formulation and raising finance with other partners.



The interaction between the SDGs and our contributions to development have enabled us to identify other priorities, such as female empowerment and the protection of life through a culture of safety and health.

Alignment with Sustainable Development Goals (SDGs)

Prior to starting up and implementing these projects, we took into consideration their contribution to the attainment of the Sustainable Development Goals (SDGs), particularly the nine goals prioritized by the Organization because of their transformational power in the territories, with actions defined in the Sustainability, Shared Value and Social Investment model. The following are the nine prioritized goals:



- 1 Environmental Management
- 2 Occupational Safety and Health
- 3 Corporate Governance
- 4 Smart Cities
- 5 Low Emission Generation
- 6 Stakeholder Relations

Woman from the Wayúú
community in TGI's
Ballena-Barranca Gas
Pipeline's area of influence





Biking at the Tominé Reservoir, “the green heart of Grupo Energía Bogotá”

The four specific actions defined in the Sustainability, Shared Value and Social Investment Model are:



Permanent presence in the territory to generate and facilitate timely and ongoing relationships with the community, to strengthen our legitimacy at the center of the Sustainability Model.



Risk management to identify, control and minimize risk levels, to enable us to implement our projects and contribute to achieving the strategy and continuous improvement.



Strategic partnerships, defined as joining efforts between the public and private sectors, as well as civil society, to develop viable and high-impacting projects that generate competitiveness and equality in the territories.



Contributions to development, through the implementation of projects aligned with the territorial and environmental planning policies, to achieve true impact and permanently transform the territories and the communities in the area.

In 2019, we will continue to work on maturing the Shared Value Project management model through social development initiatives to multiply the impact in the territories in which we are currently present.

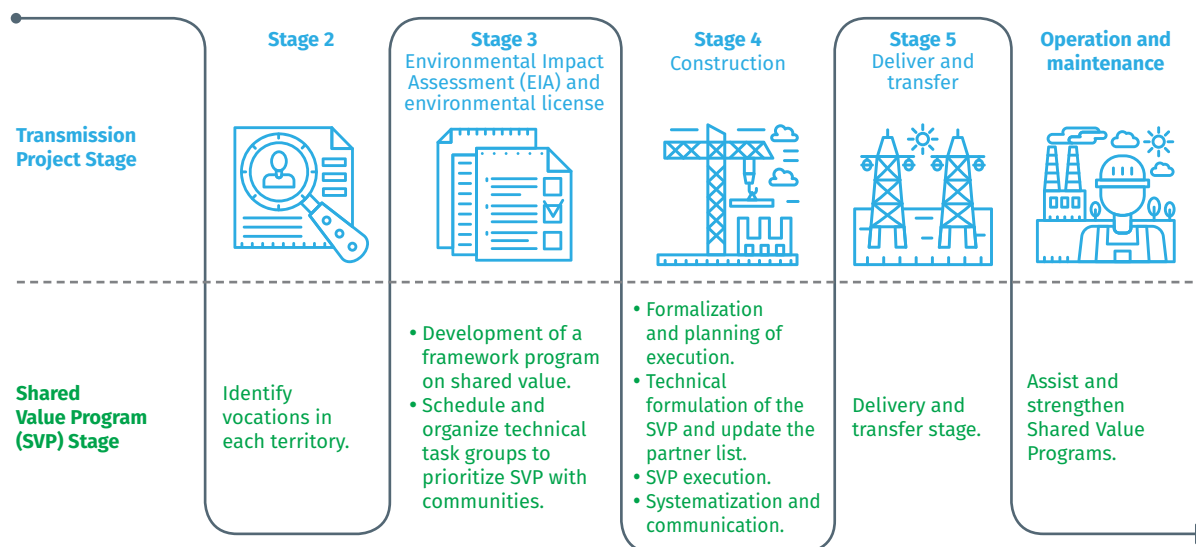
When we reformulated our corporate strategy in 2016, we performed a comprehensive assessment to understand the long-term challenges we would face by prioritizing the SDGs. In 2017, we integrated them into our Sustainability Report and aligned our management, business results and performance, with special emphasis on the respect for human rights, protection of the environment and the precautionary principle, as well as best workplace practices and ethical action to build trust.

In 2018, we have understood that the

SDGs interact with each other and enable us to develop value propositions for sustainable development. We put them in motion through projects and programs that are aligned with the Group’s Maturing and Value Creation Model, and with the other transformations discussed in this report, which prepare us to become one of the fastest-growing companies in Latin America.

Taking into consideration the prioritized sectors and strategies, the following was the action route for the shared value projects we carried out in 2018:

Action route for the Shared Value Programs



These are some of the most relevant shared value initiatives and projects we launched in our areas of influence in 2018:

- **Energy for Peace** seeks to restore the rights of victims that were violated during the armed conflict at 11 municipalities, 82 districts and 5 ethnic groups in Valle, Tolima and Huila. The objective is to recover their territory through operational and humanitarian demining, while at the same time providing safe conditions to perform the Tesalia Alférez Project.
- **Recreation, sports and entrepreneurial projects** with communities in the urban areas of Cartagena in our Bolívar-Cartagena Project’s area of influence.
- Through our *Unidos con Energía* (United with

Energy) volunteer program, we carried out activities to embellish parks and different areas in Bogotá and other areas of the country.

- Activities with youth of the District Institute for Protection of Children and Youth (Idipron, for the Spanish original) at the Tominé Reservoir.
- In Peru, we assisted women heads of household who work at people’s soup kitchens by installing free gas connections, and we have a positive influence of improving air quality for the city of Lima. We already have 800 soup kitchens connected to gas.
- In Guatemala, we promoted the empowerment of women by supporting their knitting culture and embroidery of typical dresses.

Sustainability, shared value and social investment are in our DNA. In 2018, we attended several events to acquire new knowledge and strengthen our model, in order to continue learning about good international practices.

- **Partnering for Green Growth (PG4 Summit).** In Copenhagen (Denmark), where we reiterated the importance of looking at our investment in sustainability as an opportunity to grow and to be more competitive.
- **Business Social Responsibility (BRS) Congress.** In New York (United States), where we learned how shared value is having a positive impact on companies and on the way of doing business.
- **Iberian-American Summit.** In Guatemala, where we presented the contributions of the private sector in attaining the Sustainable Development Goals (SDGs).
- **Sustainable Connections II.** An internal event of Grupo Energía Bogotá where we discussed the best opportunities for addressing sustainability.
- **Introduction to shared value workshop.** With the social impact consulting firm FSG, during which we reached agreements on the relevance of shared value for our purposes.

Our Stakeholders

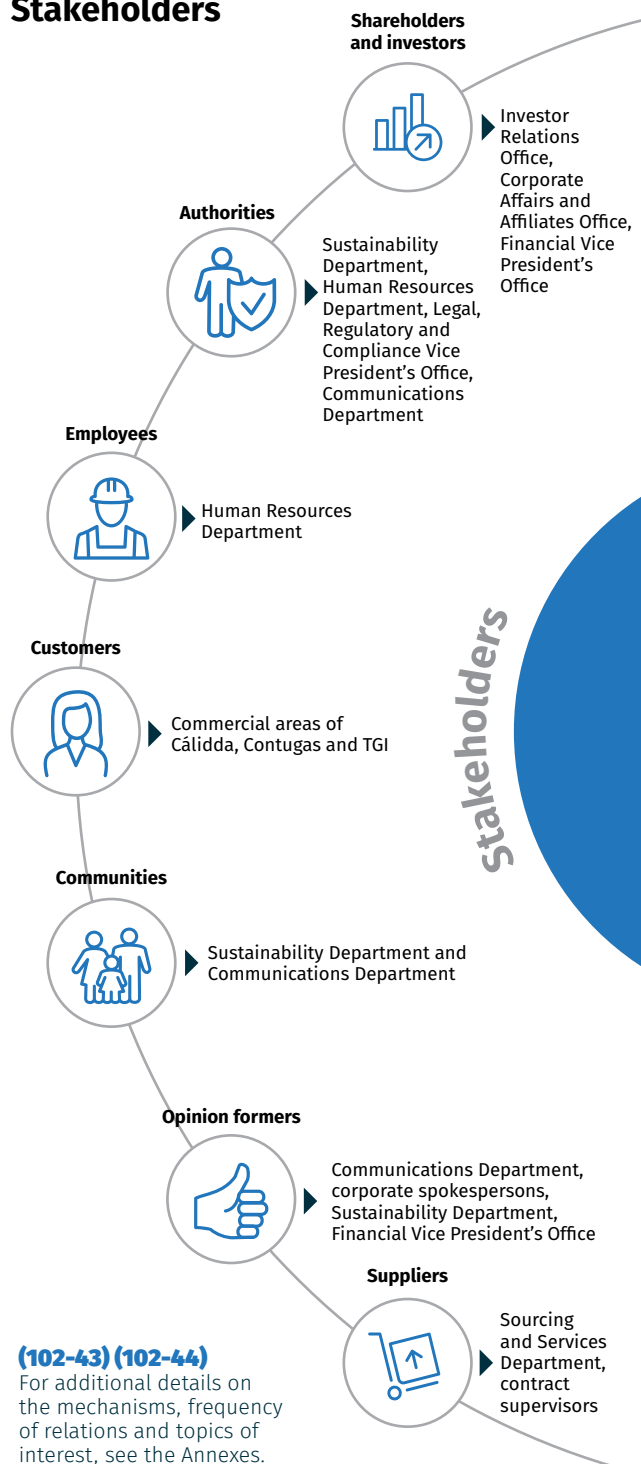
(102-42) (102-40) (102-43) We are a strategic connector not only for operations and business, but also for all the territories where we relate with our stakeholders. In permanent communication, with specific messages on positive transformation, and the legitimacy we achieve through our model require relationships based on trust. In this regard, the genuine relations that form part of our corporate identity have enabled us to get to know each territory and to identify different stakeholders.

We study the territories in which we operate to identify risks and opportunities in order to establish priorities with stakeholders, according to criteria defined by the various areas that manage communication channels and corporate relations, who also update their agendas every year and develop plans aimed at addressing the interests, level of influence, actual requirements and

opportunities to meet expectations related to the creation of shared value and distributed value.

The stakeholder relations channels are primarily managed by the following actors:

Stakeholders



Citizens who stand out with their good deeds

In Bogotá, and throughout Colombia, thousands of people wake up every day to work for others and to make our country a better place to live. They are unsung heroes who help, without expecting anything in return, with large or small deeds that help build a kinder and more inclusive society.

These are the people to whom Grupo Energía Bogotá paid tribute during the second edition of the *Ciudadanos con Buena Energía* (Citizens with Good Energy) Award, an event held in December that highlighted stories that inspire and leave their mark on other citizens.

Ten nominees were selected and three stories were awarded:



Juan Camilo Chávez

Inspired by his sister's soul, he took the initiative of warning young people about the dangers of social networks.

Ana Inés Vásquez

With her community, she gave a world class gift to Bosa (locality of the district of Bogotá), which was recognized as the cleanest neighborhood in Latin America.



Natalia Ortiz

She leads the *Jerónimo, Soy Muy Feliz* Foundation, which creates spaces to generate emotional benefits for children with cancer and their families.





Astrid Álvarez, President of Grupo Energía Bogotá, with communities in La Guajira, Colectora Project's area of influence

Ethnic relations

As a Group, one of the most important achievements in terms of human rights in 2018 was to help reconcile the visions of different communities where our projects are located, always respecting their customs and culture.

We currently have an Inter-cultural Relations Protocol in place, the purpose of which is to enable communities to participate in the environmental impact assessments and in decision-making. The protocol was developed taking into consideration the "International Labor Organization Convention 169 (ILO, 1989) on Indigenous and Tribal Peoples", which was adopted by Colombia through Law 21/1991. It provides guidelines for the protection of the rights of peoples and to ensure respect for their integrity, culture, land and natural resources, and to enable them to take part in decisions that affect their development.

Our Organization is committed to good ethnic relations because it strengthens the development of the communities, the respect for their customs and their quality of life, a constitutional right we must guarantee.

As a Group we have established a philosophy of respect for human rights which we apply throughout our businesses and territories, taking into consideration the particularities of each country. For example, in Guatemala, where 70% of the population is indigenous, prior consultations are carried out following the guidelines of the International Labor Organization's (ILO) Convention 169. In the case of Peru, we should communicate a project's impact and management to the communities during prior consultations. However, it is not mandatory for ethnic groups to participate in decisions related to managing the project's impacts, as is the case in Colombia.

During 2017, we held consultations with three community councils for the 110 kV La Loma Project, which is currently in the licensing stage. In 2018, we filed the request for the Refuerzo Suroccidental Project, section 102, where the indigenous community Embera and the councils of San Antonio, El Castillo and Afrotiple are present. Once the project is drafted, the environmental impact assessment will be presented to the communities.

In Colombia, we also held prior consultations with four peoples from Sierra Nevada de Santa Marta, where we communicated the impacts and benefits of the Colectora Project and began to identify the 145 Wayuú communities in La Guajira and Afro-Colombian communities in the territory.

We also carried out ethnic relations activities in Guatemala in the areas where TRECESA carries out its projects. Thanks to the construction of a road, 1,500 people are now able to transport their products and supplies, thereby improving their income.

As a result of these efforts, no complaints, penalties or rulings have been filed at our Human Rights offices that would imply interrupting operations or project execution. In the event any should arise, we will always manage them within the legal framework and with assistance from the Ministries of the Interior of each country.

Materiality

The consolidation of our Business Group and our Strategic Business Groups is

As a result of our ethnic relations, no complaints have been filed at the Human Rights offices in Colombia, Brazil, Guatemala and Peru.

aimed at creating value over the long term. To achieve this, our genuine relations with stakeholders have enabled us to define relevant topics for our corporate strategy, for our management and for our shared value projects.

(102-46) In order to communicate our efforts and results we have followed the guidelines of the GRI standard to focus on what is important, where it is important and who it is important for, based on the positive and negative impacts of our operations.

To this end, an exercise to prioritize topics was carried out in 2017, based on internal and external inputs of our companies and their sustainability contexts. In 2018, we carried out a review to validate these topics in our consolidation as a Group, and we designed an exercise to be carried out in 2019 covering the Business Group, which will enable us to identify new topics to continue positioning ourselves as key players for sustainable development who are legitimately recognized by our stakeholders.

The following were the main inputs taken into consideration in this materiality exercise:

External inputs

- Global indicators and standards such as the Dow Jones Sustainability Index and SASB for energy and gas
- Most frequently viewed website contents
- External publications of interest

Internal inputs

- Corporate strategy and Corporate Strategic Plan (CSP) monitoring
- Meetings with stakeholders
- Frequent inquiries through FAQs
- Previous materiality of Grupo Energía Bogotá companies
- Internal documents such as environmental risk matrices

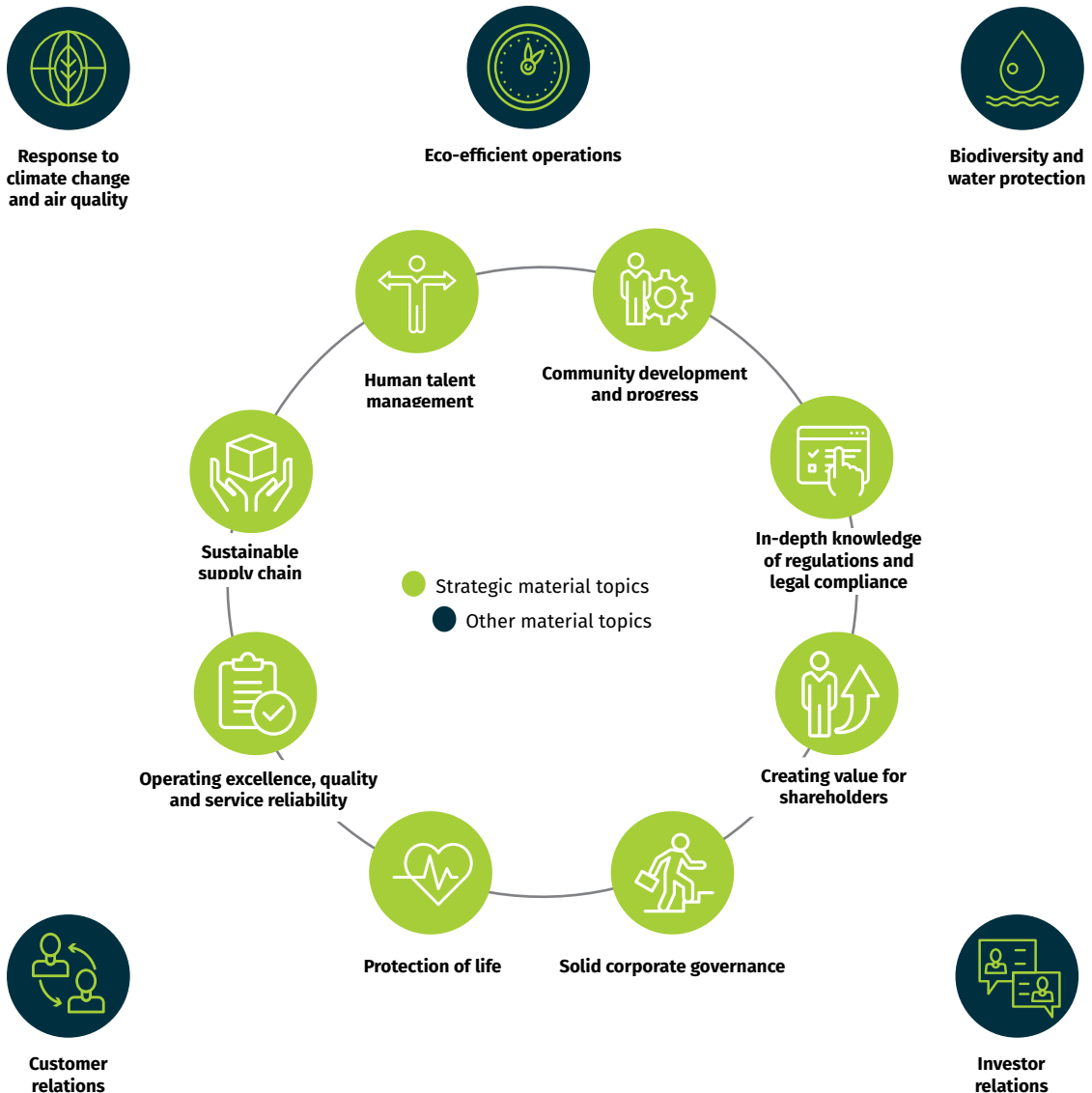
These inputs were reviewed using the following step-by-step process:

- Review of the criteria, topics of interest and recurring topics on which frequent queries are received.

- Identification of recurring topics of interest.
- Prioritize the topics based on inquiries with stakeholders and the corporate strategy.
- Validation of the topics through internal bodies and the Sustainable Development Management.
- In a future exercise to be held in 2019, review and reformulate from a Business Group perspective.

As a result of this process, we prioritized eight material topics that contribute to the attainment of the SDGs, with special emphasis on the guiding principles of our companies and human rights management:

Material topics of Grupo Energía Bogotá (102-47)



We manage our risks

(103-1) (103-2) (102-11) Risk management enables us to identify and establish the most suitable controls to minimize the risks faced by our businesses, as well as to assess and mitigate risks in the territories that may affect the communities where we operate. This contributes to the attainment of the strategic objectives and to the operating excellence we expect from each of our processes. It also contributes to building trust in relations with shareholders and investors and other stakeholders by disclosing relevant information on risk levels and the effectiveness of the controls implemented.

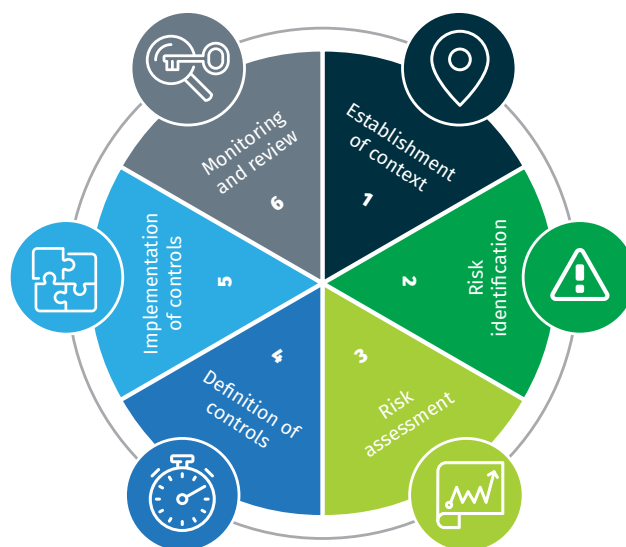
Risks are identified by means of an analysis of the context and the internal and external conditions that may have positive or negative influences on the Group's strategy and its operations. Additionally, by identifying the transferable risks, we manage our insurance policies and acquire the coverage required to mitigate financial costs for any claim events.

The effectiveness of our risk controls are monitored and reviewed by the Group in the framework of the **Internal Control System's three lines of defense**.

- **The team and process leaders**
- **The Risk and Insurance Management**
- **The Internal Audit Department based on the Annual Risk-Based Audit Plan**

Our efforts are guided by the Comprehensive Risk Management System, with support from the technical areas of the Sustainability Department in the case of specific risks, and the Three Lines of Defense Model of the Internal Control System during the monitoring and review stage. We also have a Risk Management Policy in place with relevant procedures. The responsibilities are defined within the system's governance structure, with support from the Internal Audit Department and the Board of Directors Audit and Risk Committee, which approves the guidelines and regularly monitors the effective implementation of the controls.

Comprehensive Risk Management Model



(103-3) Every quarter, we perform a risk management review of all companies controlled by the Group, and each company presents its results to the Audit and Risk Committee, including any relevant changes in the risk matrices and the control monitoring results. The committee's recommendations and guidelines are implemented in order to improve the Risk Management System.

(103-2) The following were the risk management results in 2018:

- Identification of the risks of the new operating model for the Transmission Branch and updating the business's strategic risk matrix. This identification enables to establish of controls and mitigation measures to contribute to the adequate implementation of the changes at the organizational and structural level to be made in 2019.
- Adoption of a Risk Policy and an impact analysis methodology both at the Group and our controlled companies, which defines the guidelines and framework for action at all organizational levels. Risk management of the projects and of the Maturing and Value Creation Model are also aligned with this policy.



Scan this QR to view the Risk Management Policy



Handicraft maker in Manaure Viejo, La Guajira, in the Colectora Project's area of influence. Photograph by our employee Juan David López

- Consolidation of a risk management culture through a training program performed with the expert consultant Marsh Risk Consulting at the Group and controlled companies. In total, 150 team members were trained, including managers, risk managers and employees responsible for risks.
- Each strategic and bidding process performed during the year was reviewed to calculate risk levels, mitigate impacts and enhance competitiveness. We also provided ongoing assistance in identifying strategic risks at our controlled companies and for new business opportunities of the Generation, Transmission and Transport Strategic Groups.
- We monitored risks by processes in the framework of the external audit for ISO 9001 quality certification, focusing on the responsibilities of the first line of defense in the Group's control architecture (process leaders and implementers) on identifying and managing our risks.

(103-2) See the Annexes for more information on our strategic and emerging risks.

The following are our future risk management challenges:

Short term

- We will align risk management by process with the new organizational structure and changes.
- We will review and update the risk appetite of Grupo Energía Bogotá and our affiliates, and will make appropriate updates to each of our current risk matrices.
- We will implement best methodological practices for measuring the effectiveness of risk controls.

Medium term

- We will consolidate a technological tool to manage risks at all levels of the Organization to facilitate analysis, interpretation and presentation of the information for adequate decision-making.
- We will mature the Business Continuity Management Model.

Long term

- We will manage opportunities by identifying and capitalizing on positive risks.

We promote development through Grupo Energía Bogotá Foundation

During 2018, in the framework of its Strategic Plan, Fundación Grupo Energía Bogotá completed the consulting for its technical, economic and financial structure, including detailed plans for the Tominé Sustainability Project, which are key inputs for the development of the first stage of the project, the objective of which is to position this reservoir as a tourism attraction for enjoyment, recreation and eco-tourism, which will benefit the entire population of the Sabana de Bogotá and the rest of the country.

The studies and designs were developed in performance of Agreement 100775 (Grupo Energía Bogotá-TGI-GRB), for the implementation of the Foundation's Strategic Plan, as defined in 2016 by the Council of Founders.

In late 2018, we also defined the sustainability strategy, according to which in 2019 the Foundation will carry out activities to

We are aligned with the 2030 Development Agenda. The companies involved in this initiative have the potential of growing two or three times faster than average GDP over the next 10 to 15 years.

enhance genuine relations with stakeholders at Group companies, aimed at strengthening bonds of trust that unite us in the common objective of carrying out responsible and sustainable management from an environmental and social perspective.



Group corporate volunteers at the Las Cruces Neighborhood in Bogotá.

Tominé, the green heart

In the Sabana de Bogotá, we will contribute to the development of a great space for the enjoyment of all residents of Bogotá and national and international visitors. It is the Tominé Reservoir, an asset of Grupo Energía Bogotá with an area of 4,900 ha, located between the municipalities of Guatavita, Sesquilé and Guasca, in Cundinamarca.

In addition to being a water reserve and valuable environmental water regulator for the country's capital, it is used to generate energy at the Paraíso-La Guaca Line. In order to ensure the sustainability and to mitigate risks at this asset, we plan to use the land that surrounds the reservoir for sports, cultural and recreational activities.

In 2018, we completed the technical studies on the viability of the Tominé Project, we drafted detailed designs and assisted the Bogotá Capital District in raising COP 80,000 million from the General Royalties System. These resources were approved by the Collegiate Administrative and Decision Body (OCAD, for the Spanish original) on December 11, 2018.

As part of the community relations strategy in the asset's area of influence, we worked on informing about the project through over 40 information meetings, and we carried out activities such as *Cine Tominé* (Tominé Film), with participation by over 500 children from Guasca, Guatavita and Sesquilé.

Through a partnership with the District Development Department, 22 farmers from the 3 municipalities participated in 14 farmer's markets in Bogotá, and through a partnership with the local Chamber of Commerce, SENA and Artesanías de Colombia, entrepreneurs from these municipalities received courses on tourism, food handling, handicraft production, and environmental care, among others.

Through a partnership with the City Education Department of Bogotá, the City's Recreation and Sports Institute and the *Empresa de Acueducto de Bogotá*, we carried out youth camps called *La Ciudad de los Sueños* (The City of Your Dreams), with over 3,200 children from city schools in Bogotá, who enjoyed a three-day and two-night pedagogical outing at Tominé. Under the same format and through a partnership with the District Institute for Protection of

Children and Youth (Idipron), we organized youth camps called *Mi huella en Tominé* (My Footprint in Tominé), which benefited 150 homeless youths, who worked on maintenance activities while they had an experience related to their life projects.

We also held a photography and drawing contest on the plants and animals of Tominé, with the participation of children and teenagers from all the schools in the three municipalities. Also, on Children's Day we handed out school kits to 2,500 pupils from rural schools. Lastly, we held a Christmas Carols event in Guatavita, where 250 people enjoyed the talent of the Children's Symphonic Band from this municipality.

We participated in sports, recreation and cultural activities to publicize this area. For example, we promoted the Tominé Bicycle tour in partnership with the City's Tourism Institute and the City's Recreation and Sports Institute in the surrounding area of the reservoir, with the participation of over 500 athletes.


Jointly with the National Police, we assisted in a security diagnosis in Guatavita, Guasca and Sesquilé, and we presented the results to the mayors and other municipal authorities, aimed at developing a coordinated plan and minimizing security risks.

**Tominé Reservoir,
"the green heart of
Grupo Energía Bogotá"**



Enit and her triplets are beneficiaries of our *Energía para la Paz* (Energy for Peace) program, which aims to bring progress and security to municipalities affected by the armed conflict, such as Planadas, Tolima



A photograph of two young boys smiling and standing in front of a building. The boy on the left is wearing a dark patterned polo shirt with a red collar, and the boy on the right is wearing a white shirt with small red polka dots. The background shows a building with a red roof and wooden pillars.

We create shared value

Shared value enables us to apply our skills, resources and management capabilities to lead progress and create a virtuous cycle of growth, legitimacy and development.

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Economic Dimension

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TGI Compressor Station at Mariquita, Tolima

6.1 We create value for our shareholders



S&P Global Ratings and Fitch Ratings ratified and renewed their investment grade risk ratings with stable outlook, and for the fifth consecutive year we received the Investor Relations (IR) award of the Colombian Securities Exchange for our commitment to adequate disclosure of information.

The Group and its affiliates work on creating value for our shareholders. TRECSA Financial Management employees

(103-1) One of our main objectives is to build trust among our shareholders, national and international investors, analysts, risk rating agencies, government entities and the securities exchange, among others.

(103-2) To this end, we pursue active management based on our financial policy on matters related to the budget, adequate management of assets and liabilities, financial risk management of our investments and fulfillment of high standards of information disclosure for our stakeholders through press releases, reports and presentations. Our starting point is a solid financial plan that enabled our ongoing consolidation in 2018 as one of the main business groups in the energy industry in Colombia and Latin America.



Our Group's achievements are the result of our strategic objectives, which were focused on maximizing long-term dividends, optimizing capital and debt structures and improving the efficiency of our financial management. In 2018, we achieved the following objectives:

- We structured an interest rate hedging program approved by the Board of Directors for USD 490 million.
- We defined and updated the 2018-2025 Corporate Strategy's Financial Plan, based on the analysis of EBITDA as a proportion of Group equity at its affiliates and subsidiaries for internal measurement of targets.
- We improved our financial profile and increased the average maturity of our liabilities through debt management and by entering into a syndicated loan with international banks worth USD 749 million at a more favorable rate, in order to substitute EEB 2021 bonds.
- This good business performance will enable us to pay our shareholders COP 1.1 trillion, which represents dividends per share of COP 130 in 2019.

(103-3) Our overall purpose at Grupo Energía Bogotá is to ensure adequate financial and risk management through ongoing monitoring of indicators that enable us to create value for our shareholders.

Every month, we monitor the budget and counter-party credit limits, which enabled us to maintain manageable expenses and to access sources of financing. We also calculated the main financial indicators used by analysts and risk rating agencies to monitor the Group.

By maintaining frequent contact with our stakeholders we have established feedback channels to assess performance and fulfillment of good market practices,

TGI performed a successful international bond issue for USD 750 million, which was 3.5 times oversubscribed, a signal of the market's confidence in our Company.

aimed at improving, adjusting and standardizing processes, reports and responses to requests.



▶ **Risk rating agencies** measure each year's performance and results.



▶ **Financial analysts** issue reports covering the Company and target share prices.



▶ **Banks** provide a Group outlook for maintaining credit lines and servicing loan requirements.



▶ **Current and potential investors** are provided timely responses to their requirements through proactive relations.



▶ **Supervision authorities** ensure compliance with current regulations (Colombian Securities Exchange, Financial Superintendence of Colombia, Deceval, Office of the Comptroller of Bogotá, among others).



Scan this QR to view the corporate policies that guide our financial management and investor and shareholder relations.

For additional details on the mechanisms and frequency of relations and relevant matters for stakeholders, see the chapter on "Shared Value Model" and the annexes.

The Mega Goals we have set out to 2025 aim at positioning us among the five companies with best profitability in the Colombian market, with a year-on-year growth of over 9% and EBITDA of more than COP 8 trillion.

In order to continue consolidating and adding value for our stakeholders, we have set ourselves the goal (the 2018-2025 Mega Goals) for Grupo Energía Bogotá to be among the most profitable companies in the Colombian market, with year-on-year growth above 9%, and for its companies to generate EBITDA above COP 8 trillion from their Latin American operations.

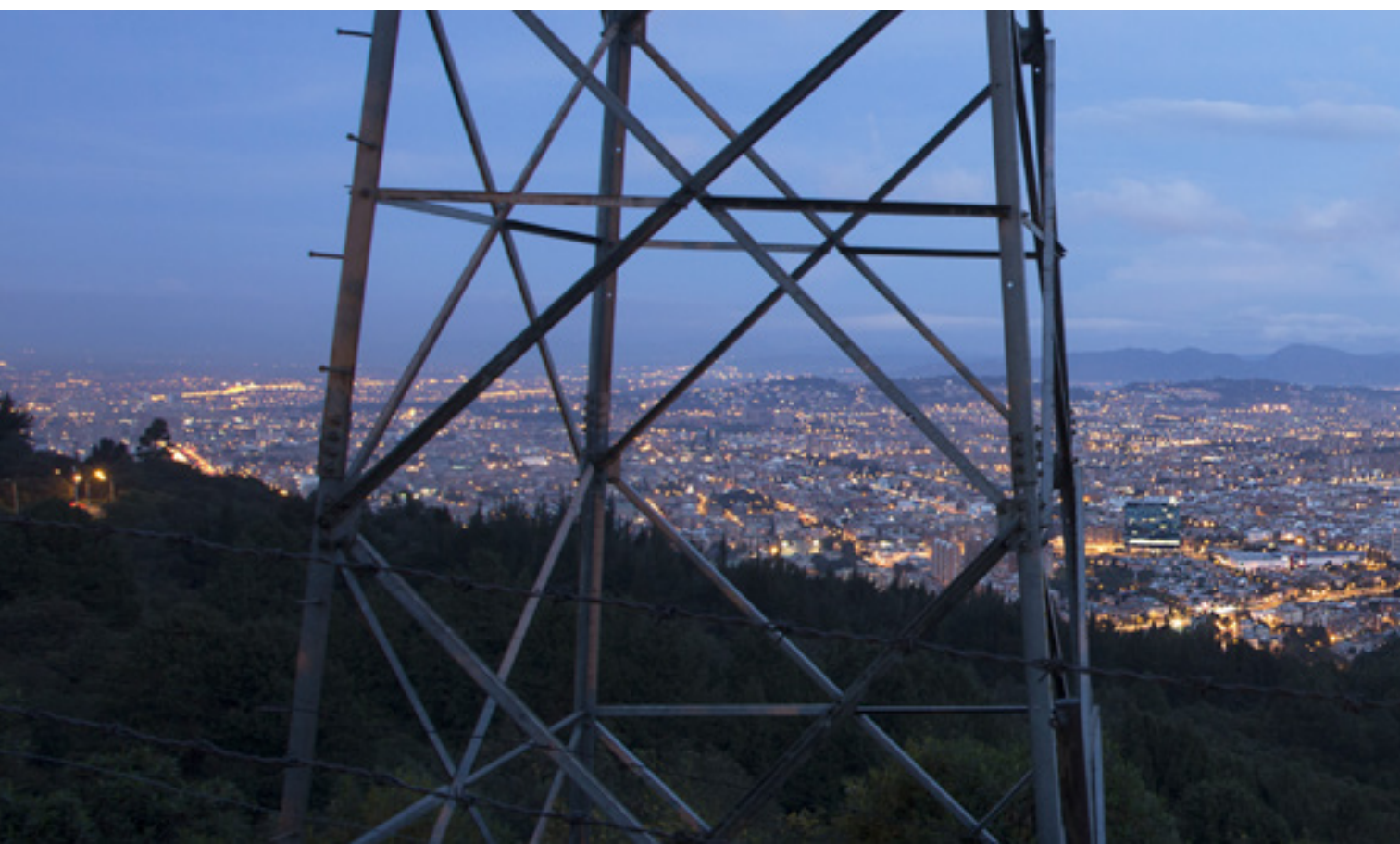
(103-2) In 2018, our affiliates also worked on creating value for shareholders as the ultimate goal of our work, always supported on the objectives of our strategic map. These were our affiliates' achievements:

TGI

In 2018, we successfully managed an international bond issue worth USD 750 million at a rate of 5.5% and a 10-year maturity, a transaction that was 3.5 times over-subscribed.

We also performed a debt management operation consisting in the early redemption of bonds coming due in 2022 and a rate of 5.70%, which produced the following benefits: Longer maturity term for the principal of the Company's debt with lower financial cost as a result of the lower rate. The bonds due in 2028 reflect the investment grade we have been awarded, which also enabled us to eliminate the covenants that were attached to the 2022 bonds.

During the year, we also monitored our financial indicators, which are essential in order to efficiently manage our resources, maximize profitability and generate profits for investors, and we performed financial assessments of projects that will increase the Company's revenues and strengthen our market position.



To this end, the following were our management focus areas:

- Identification of the optimal capital structure that maximizes the Company's value through the right combination of debt and equity.
- Optimization of our debt profile by obtaining, repaying or re-financing debt instruments so as to achieve a longer debt maturity profile and lower financial costs.
- We managed adequate insurance for risks associated to our operations, which are covered by the required policies to protect the Company's assets, operations and personnel, as well as its equity interests.

Cálidda

The effective management of the economic value we generated and distributed reflects the higher level of adjusted revenues in 2018 compared to 2017, for USD 49.6 million (22%), and higher net income for USD 10.1 million (17%). The reasons behind this performance include the rate adjustment made in May 2018 (10%), our greater number of connections (33%) and the drive of new businesses compared to 2017, mainly in terms of finance.

During the year, we also managed new

business opportunities with adequate risk management and operating and administrative controls. This enabled us to exceed our EBITDA target by 7% (USD 8.8 million) compared to 2017, for a total result of USD 146.6 million.

Contugas

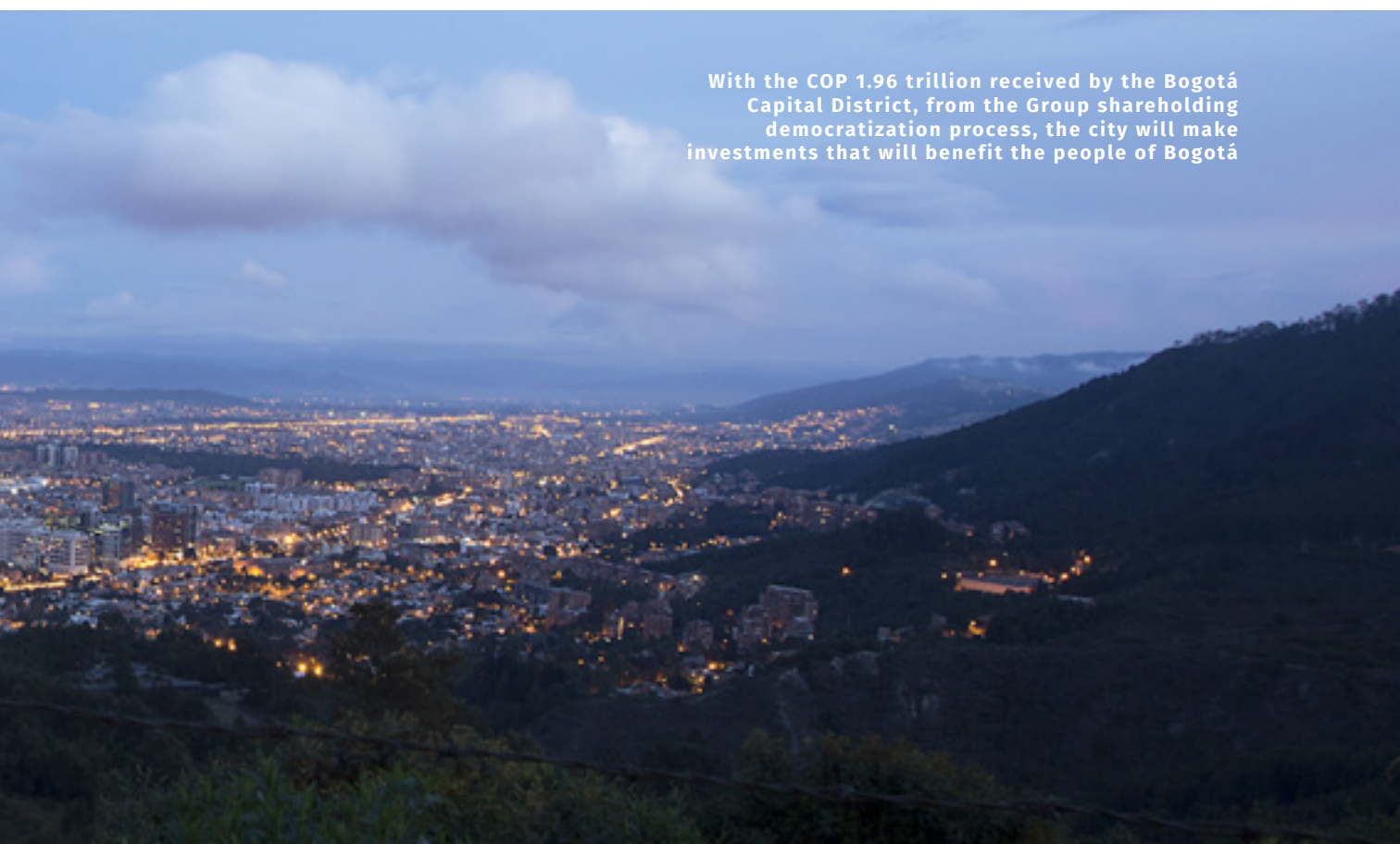
In 2018, we negotiated our loan, guarantee and syndicated loan agreements with international banks for USD 355 million, which was 1.7 times over-subscribed, generating savings of close to USD 5.3 million per year.

Also, our revenues increased by 3.3% compared to 2017 and we reported EBITDA of USD 16.6 million, up 22.6% from 2017.

TRECSA

During the year, we implemented the financial management processes through the Integrated Management System in order to standardize the Accounting, Treasury and Financial Planning processes and we established a new organizational structure to separate administrative from financial processes.

Thanks to these efforts, we achieved EBITDA of USD 10.24 million, up 10% compared to 2017.



With the COP 1.96 trillion received by the Bogotá Capital District, from the Group shareholding democratization process, the city will make investments that will benefit the people of Bogotá

More shareholders for Grupo Energía Bogotá

Based on the Management Agreement signed in 2017 between the Bogotá Capital District and Grupo Energía Bogotá, we organized, managed and implemented the democratization process of up to 20% of the city's shareholdings. The following is the step-by-step process of the transaction that became the largest securities market operation in Colombia in the last four years.



972,755,189

shares were awarded in the first and second stages of the democratization process.



COP 1.96 trillion

was the amount raised through the awarded shares, equivalent to 10.60% of the Group's capital stock.



8% of the Company's shares were offered in the second stage; the offer could be increased to up to 16%.



743,000,000

shares were offered in the second stage, and a total of 953,714,705 were awarded.



+60% was the increase in the number of shareholders of Grupo Energía Bogotá.

The Bogotá Capital District and Grupo Energía Bogotá S.A. E.S.P. signed a Management Agreement to manage the democratization process. The costs and expenses were covered by the Bogotá Capital District, in its capacity of selling shareholder.

► **February 7, 2017**

The Government Council of Bogotá, Capital District, issued a favorable opinion on the democratization process. The Mayor of Bogotá D. C. issued Decree 706 and signed the offer of the Shareholder Agreement.

► **December 20, 2017**

The Shareholder Agreement signed by the Bogotá Capital District became effective, which enables moving forward in the modernization process and assists in providing benefits to minority shareholders through the adoption of best corporate governance practices (see the chapter on "Corporate Governance").

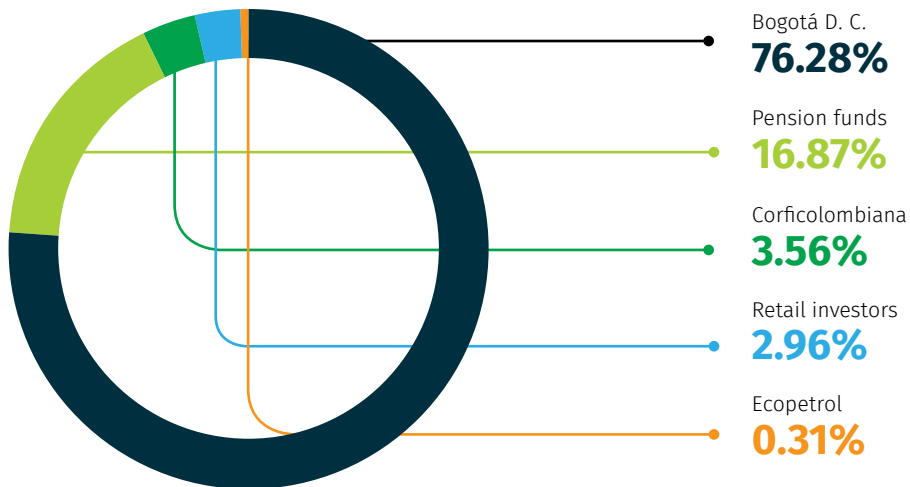
► **July 31, 2018**

The Group's General Shareholders Assembly approved the statutory reforms in order to adopt the provisions of the Shareholder Agreement derived from the democratization process, as well as the amendments to the Rules of the Assembly and the Policy on Appointments, Succession and Compensation of the Board of Directors.

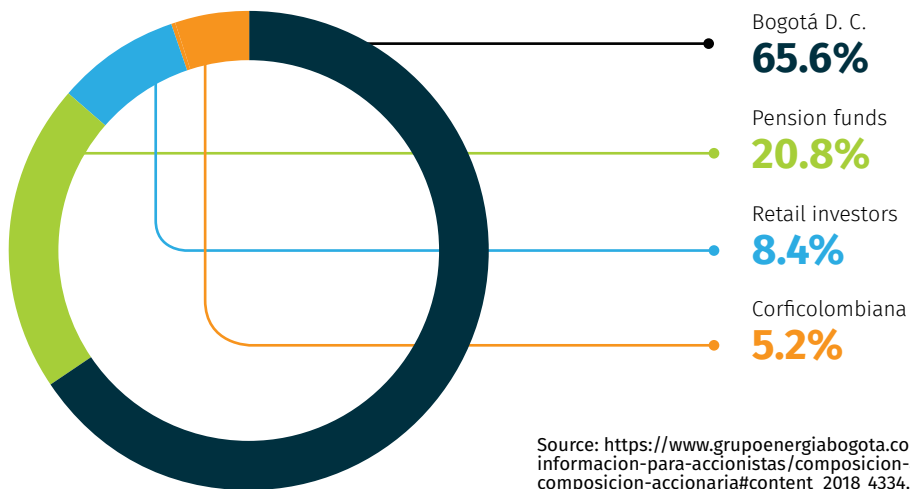
► **October 2, 2018**

Shareholdings before and after democratization

June 30, 2017

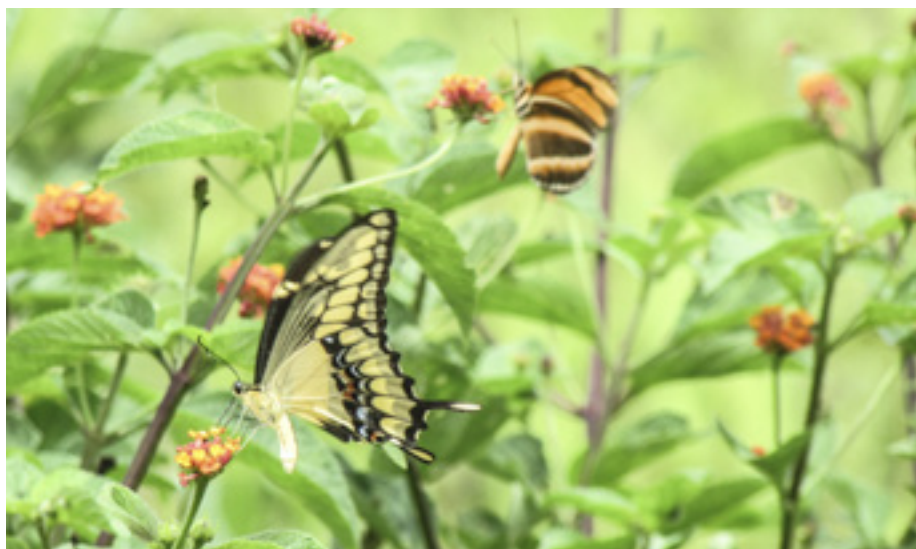


September 30, 2018



Source: https://www.grupoenergiabogota.com/inversionistas/informacion-para-accionistas/composicion-accionaria/historico-composicion-accionaria#content_2018_4334.

Photograph by
our employee
Ómar Gutiérrez,
from Grupo
Energía Bogotá
Operations
Management



6.2 We strengthen our customer relations

6.9

million customers served was one of our greatest achievements in 2018.

(103-1) Our customers are an essential stakeholder group and our customer relations are a top strategic priority. The quality of the services we deliver, produced by our operating excellence, is a key factor for the success of Grupo Energía Bogotá.

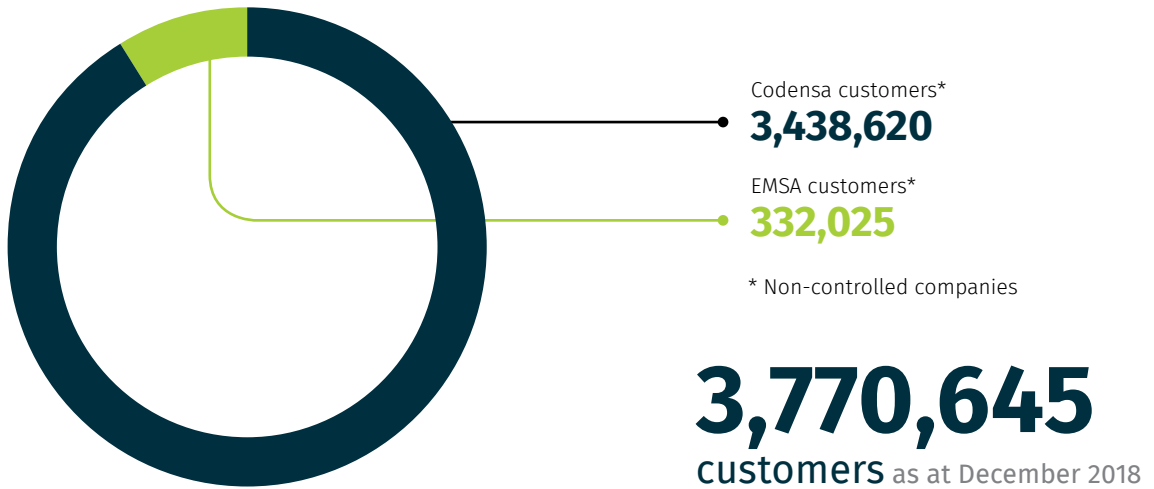
(102-6) Through our three Strategic Business Groups and through our own and non-controlling companies, we cover a variety of customer segments.

Contugas employees at the Customer Service Center in Ica, Peru

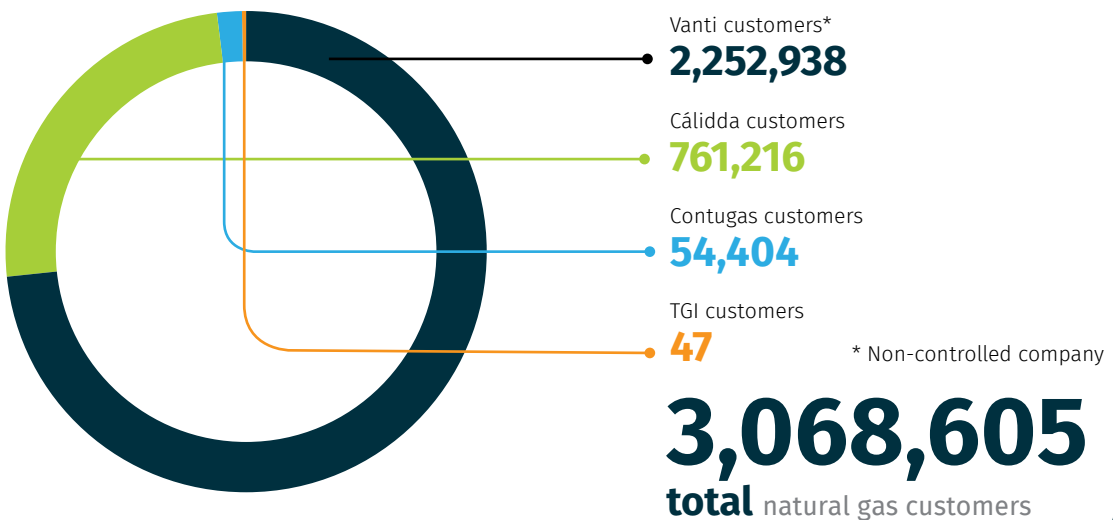


Grupo Energía Bogotá customers

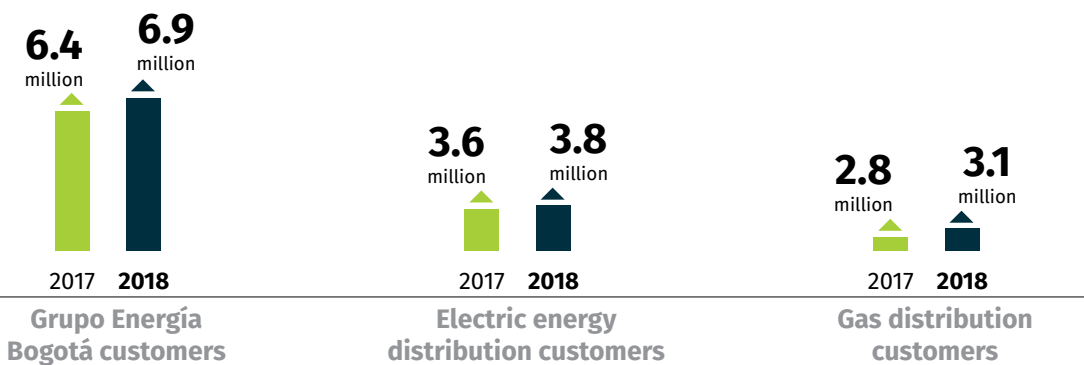
Electric energy distribution customers (Colombia)



Natural gas distribution customers (Colombia and Peru)



2017-2018 Customer comparison



(103-1) (103-2) (103-3) Our participation in the electricity and natural gas distribution markets is strategic because it enables us to play a key role in the development of proposals on national energy regulations and policies.

For example, Cálidda is the main gas distributor in Peru, because it operates in the Lima and Callao concession area. Last year, it maintained its market share.

The customers' perception of TGI's quality remains at a level of excellence, with a score of 8.1 over 10.

Market share*

Energy distribution

Affiliate	Position	Share
Transmission Branch	2	18.8%
EMSA	12	NA
Codensa	1	22.9%
Emgesa	1	20.4%
TRECSA	1	23.5%
REP and CTM	1	66.6%
Gebbras	NA	0.8%

Natural gas distribution

Affiliate	Position	Share
Cálidda	1	72.9%
Vanti	2	32.3%
Contugas	NA	3.6%
TGI	1	54.0%

(*) Own and non-controlling companies

(103-2) (103-3) (Own)

TGI (102-2) (102-3)

One of the purposes of our business strategy and the guiding principle of our customer relations is to strengthen consumption in the natural gas market. To this end, in 2018 we carried out actions to maintain our leadership in the local market and to develop new market niches, products and services.

We carried out these actions through our three business lines:

- **Major cities.** It includes the commercial, natural gas for vehicles (NGV) and residential sectors. Our strategy focused on promoting the use of gas through actions aimed at the mass transportation systems, waste collection systems and the conversion of vehicles to NGV. This helped consolidate us as promoters of the gas industry and as relevant leading players in creating alliances throughout the value chain to promote the industry's growth.
- **Industry and thermal generation.** Our focus is on mapping the manufacturing and thermal generation industry to understand their requirements and design an efficient and effective portfolio of products and services. We have developed an assistance route and our challenge for 2019 is to implement it.
- **Mindstream.** We structured a petroleum liquid gas project that will make use of TGI's infrastructure and will take advantages of the characteristics of the natural gas that arrives in the Sabana de Bogotá.

The area responsible for monitoring and assessing customer management at TGI is the Commercial Department, which leads the Commercial and Gas Transport committees, which are the bodies that review the manner in which we address customer requirements.

We also maintain ongoing feedback and relations channels through workshops and training sessions that enable us to understand their perceptions on products and services. We also use a service quality measurement tool that provides objective and quantifiable monitoring data and key inputs to address opportunities for improvement and optimize positive management efforts.



Cálidda is a leader in free natural gas connections for 800 popular soup kitchens that benefit over 60,000 Peruvians. Photo of the women who serve at these soup kitchens

Our score on meeting customer expectations increased from 77% in 2017 to 84% in 2018, as a result of good commercial relations management. Every year, we also measure service quality with assistance from an external consultant, in order to listen to our customers and implement relevant actions.

The following are our short-term goals:

- We will promote the conversion of a greater number of vehicles to gas in Colombia.
- We will define a commercial strategy for our residential and commercial customers, and with manufacturing customers we will promote joint work with producers and distributors to roll out newly designed products and services.
- At Mindstream, we will focus on renewing contracts and on designing a portfolio of complementary services to transportation.

Cálidda (102-2) (102-3)

During 2018, we worked along two action lines to create shared value for our customers: market share and specialization

in segments. We maintained our 73% market share. In terms of invoiced volume, we exceeded our target by 2% and in terms of connections, we were well above target by connecting a record of 184,000 customers, for a new total of 750,000. This consolidates our position as the main natural gas distributor in Peru, with operations in the area with highest population density and highest concentration of economic activity.

Forecasts of natural gas demand suggest that the overall market growth will be gradual rather than in large leaps, approximately in line with growth in Gross Domestic Product (GDP) and electric energy demand. In order to maintain our market position and reduce risks, we specialize and focus on satisfying the needs of each specific customer segment. We achieve this through the development of new products that enable us to increase natural gas consumption, such as gas appliances, air conditioners and energy co-generation.

Commercial management at Cálidda is the responsibility of the Household, Mobility, Retail and Large Customers departments, which are responsible for monitoring volumes, connections, new customers and demand. These are monitored on a weekly basis at the Management Committee and monthly by the Company's management. The Internal Audit area is responsible for reviewing the results of the main indicators included in our dashboard.

In order to learn about and satisfy specific demands of our customers, we also have various physical and virtual channels, including five customer service centers.

The following are our challenges:

Short term

- We will exceed our goal of one million residential customers, 12,000 retail customers, 300 service stations, 675 manufacturing customers and 29 generators.
- We will invoice 779 million ft³

Medium term

- We will exceed our goal of 1.5 million residential customers, 18,000 retail customers, 310 service stations, 750 manufacturing customers and 30 generators.
- We will invoice 800 million ft³

Long term

- We will achieve revenues of USD 1 billion and EBITDA of USD 400 million.
- Growth in the natural gas distribution market.

Contugas (102-2) (102-3)

We aim for our customers to get to know the relevant and differentiated benefits we offer, always framed by criteria of process optimization and the search for effectiveness with economic sense.

For this reason, in 2018 we began a transformation process as regards our relations with the customers we serve (residential, commercial and industrial). With industry customers, we designed tools and solutions for their businesses; with commercial customers, we continued with the Contugas School for Business in Ica, and through individual work

Cálidda achieved a record of 184,000 natural gas connections, which consolidates our position as the number one gas distributor in Peru.

sessions we diagnosed and identified their growth potential. And with our residential customers, we scheduled the *Festival de Cine 3D en el Barrio* (3D Film Festival in the Neighborhood), a free event attended by close to 20,000 people.

We provide commercial service according to administrative guidelines defined by Osinermin, the supervising and oversight body of natural gas public utilities, and related technical and legal regulations. Each month, the Commercial Committee monitors commercial quality indicators.

In order to keep in touch with our customers and receive their feedback on the services we provide, every year we take a satisfaction survey.

The following are our goals for the next five years:

- Redesign 100% of customer contact processes from the perspective of improving the experience.
- Even out customer satisfaction levels across different communities.
- Make added value services a source of additional revenues for Contugas, leveraged by customer loyalty programs.

TRECSA (102-2) (102-3)

We worked on learning our customer expectations in Guatemala and identifying opportunities for improvement. Thanks to this and the progress made in the Electric



Tunal Substation, through which we supply energy to Bogotá

Energy Transportation Expansion Plan (PET, for the Spanish original), in 2018 we reached transportation services revenues of USD 17.2 million and an optimal EBITDA for the Company worth USD 10.24 million.

During the year, we focused on maturing our Integrated Management System, which includes active participation and relations with the stakeholders involved in the Company's businesses. In 2019, we will continue this task and we have the challenge of consolidating our Quality Management System under the ISO 9001 standard, which focuses on the customer.

In 2018, TRECSA came in first place in terms of TOP of Mind among energy transmission companies in Guatemala. We increased from 64% in 2017 to 84%.

In terms of customer relations, during the year we worked on the implementation of procedures to submit formal documentation from the digital document management platform ABOX, which lowers the use of paper and helps reduce environmental impact.

In order to remain in constant contact with our customers, we have an Ethical Channel in place, as well as suggestion boxes installed at mayors' offices and substations. The Strategic and Project Management committees are responsible for monitoring obligations with customers and for addressing their requirements.

Over the next two years, we will work on planning and implementing 18 customer relations events. The challenge over the next five years is to position our Transportation Companies Forum as a strategic event.

(418-1) No claims related to violation of privacy or loss of customer data have been reported (see Annexes).

6.3 We deliver reliable services



We participated in the benchmarking study CIER 11 Stage V, developed by PricewaterhouseCoopers. We came in 5th place among 14 participating companies in Latin America in terms of operating practices.

(103-1) (103-2) (103-3) The operations and maintenance processes of Grupo Energía Bogotá are aimed at ensuring reliable service and complying with quality standards established by national regulations and our Company. The objective is to manage losses and leaks and to ensure safe and reliable delivery of the electric energy and natural gas services, good performance and timely renovation of assets to ensure service availability for our customers.

The Río Córdoba Project in Magdalena will increase installed energy transmission capacity by close to 25% in the departments of Magdalena, Cesar and La Guajira



In order to face the challenges of the growth of our infrastructure in operation in 2018, the Group's Operations and Maintenance Department performed a comprehensive review of both processes, and introduced improvements in operation assessments and asset reliability. We also reinforced the technical team with new members.

This will enable us to perform the reviews we require to measure adequate equipment performance during system events, to enhance operational planning, to improve the effectiveness of equipment maintenance and to make equipment renewal decisions based on cost, risk and performance.

In 2018, the availability indicator, which measures the average percentage of hours/year during which the assets are available for use by the system operator, was 99.963%, which is above the 2018 target and remained stable compared to recent years.

We also participated in the benchmarking study CIER 11 Stage V, developed by PricewaterhouseCoopers. From among the 14 Latin American participating companies, we came in 5th place in operating practices with 79%, and in 3rd in maintenance practices with 71%. In both cases, we were above the average of all participants.

The following are the main achievements of 2018 in this area:

Grupo Energía Bogotá

We completed the upgrades to the protection, control and measurement systems at nine Group substations in the central area of the country: we incorporated leading edge technology that increases service quality and reliability, especially in Bogotá.

We also performed a cyber-security diagnosis of transmission assets to establish the series of infrastructure investments required to strengthen the security of operating networks.

Another achievement this year was the launch of our new transmission control center, which features equipment with cutting-edge technology at new facilities to monitor and assure the reliability of operation of our system's assets.



Group President Astrid Álvarez, and the Minister of Mines and Energy, María Fernanda Suárez, at the inauguration of the second transmission line of the Bolívar-Cartagena Project

Given that the transmission regulations do not depend on measurements and audits, but instead depend on reliability, our goal in 2019 focuses on maintaining availability at a value above the required level.

TGI

The main purpose of the Integrity Management Plan, designed in 2017 by the Operations Vice President's Office, is to implement an operating discipline that ensures fulfillment of TGI's strategic objective of performing efficient maintenance management.

Based on the definitions of the Risk Management Model, we established infrastructure inspection targets and developed a Review Plan which, by the end of 2018, had covered 89% of the total infrastructure. This quick execution is the result of an aggressive Assessment and Maintenance Plan to update the diagnosis of facilities and to perform the repairs identified in the Findings Plan, all with the purpose of guaranteeing supplies.



The following are highlights of our achievements in 2018:

- We fulfilled 99.6% of the Maintenance Plan thanks to the improvements made to the preventive maintenance scheduling process to maintain the infrastructure at the national level.
- In terms of operating efficiency, maintenance spending was 105% above budget over the last four years.
- Despite the increase in the number of emergencies, in 2018 the response time indicator decreased significantly, as a result of the optimization of the response processes and the establishment of internal service agreements.
- We highlight the response and service recovery with no incidents for the emergencies at Ballena (La Guajira), which took place in January, and Páez (Boyacá) in June. These events put to test the experience, skills and availability of the Incident Response team, which achieved service recovery with low impact on availability. We always communicate these events in a timely manner to the government and the people affected by it, the reasons for the emergency and the response process.

The following are TGI's planned objectives to increase service reliability in 2019:

- As part of the Integrity Management Plan, we will validate and deliver an optimized gas pipeline Risk Model and we will implement the integrity software.
- We will complete the infrastructure assessment on the remaining 11% of assets, thereby completing the inspection of all facilities.
- We will design an Asset Management Plan through the development of master documents for integrity and standardization.

Cálidda

At our Company, fulfillment of the infrastructure and maintenance objectives assures the availability of natural gas supplies for our different types of customers: residential, commercial, industrial, natural gas vehicles (NGV) and electric power generators. We also provide support to enable internal networks. Thanks to these efforts, we reduce the risk of complaints, with a positive impact on the Company's image and sustainability.

During 2018, we implemented the Damage Prevention Plan, aimed at preventing the occurrence of damages caused by third parties that might produce leaks. We achieved this by managing works performed by third parties that interfere with the distribution system's networks and by monitoring the system through patrols and the constant search for leaks.

100%
was the availability
of gas distribution
assets in Peru in 2018



The gas compressor station in Mariquita, Tolima, achieved an extraordinary reliability rating in the Gas Transportation System

The following are some of the activities carried out:

- In terms of infrastructure, we added 1,242 km of residential and commercial networks, and started up seven additional stations, thanks to which we were able to connect an additional 160,000 residential customers and 1,600 commercial customers. We also added 53.5 km of steel pipelines to serve 50 additional industries and 18 natural gas for vehicles (NGV) stations.
- We are currently performing in-line inspections of 20" and 30" gas pipelines, with a current completion rate of 55%. This assured the integrity of branch pipelines and maintained system availability at 100%.

The following are the goals of Cálidda over the next five years:

Short term

- Structure a comprehensive physical asset management platform.
- Implement lean maintenance tools.
- Develop the mobility and planning platform.

Medium term

- Improve maintenance response times.
- Optimize performance times through enhanced planning and information

management.

- Improve response times to notices.

Long term

- Increase system availability.
- Develop lean thinking.
- De-centralize servicing of notices.

Contugas

During 2018, we updated the Scada platform to version 2017 R12, which has enabled improved monitoring of field variables, analysis of historic trends and visualizations.

We also reduced third-party damages by 24% and trained 2,100 people on the Damage Prevention Plan.

Our objectives for upcoming years focus on achieving availability above 99.5% and reducing damages by 30% compared to those reported in 2018.

TRECSA

Our main achievements in 2018 were maintaining availability of 99.989% (against a target of 99.96%) and zero penalties for voltage regulation or asset non-availability thanks to our operations and maintenance strategy.

This helps achieve our goal for upcoming years: to position ourselves as the most reliable transportation company with the best infrastructure in Guatemala.

6.4 We optimize resources

(204-1) (308-1) (414-1) (Own)

See details on the indicators in the Annexes.



There were zero fiscal findings in 2018 thanks to strengthened procedures for planning and contractor selection.

(103-1) Adequate supply chain management is a condition for being more competitive in the electric energy and natural gas value chain, through relationships based on respect and co-operation with the people and companies that are members of our supplier team.

Valle del Cauca landscape. The Refuerzo Suroccidental Project will improve energy service reliability in Valle del Cauca, Risaralda and Antioquia



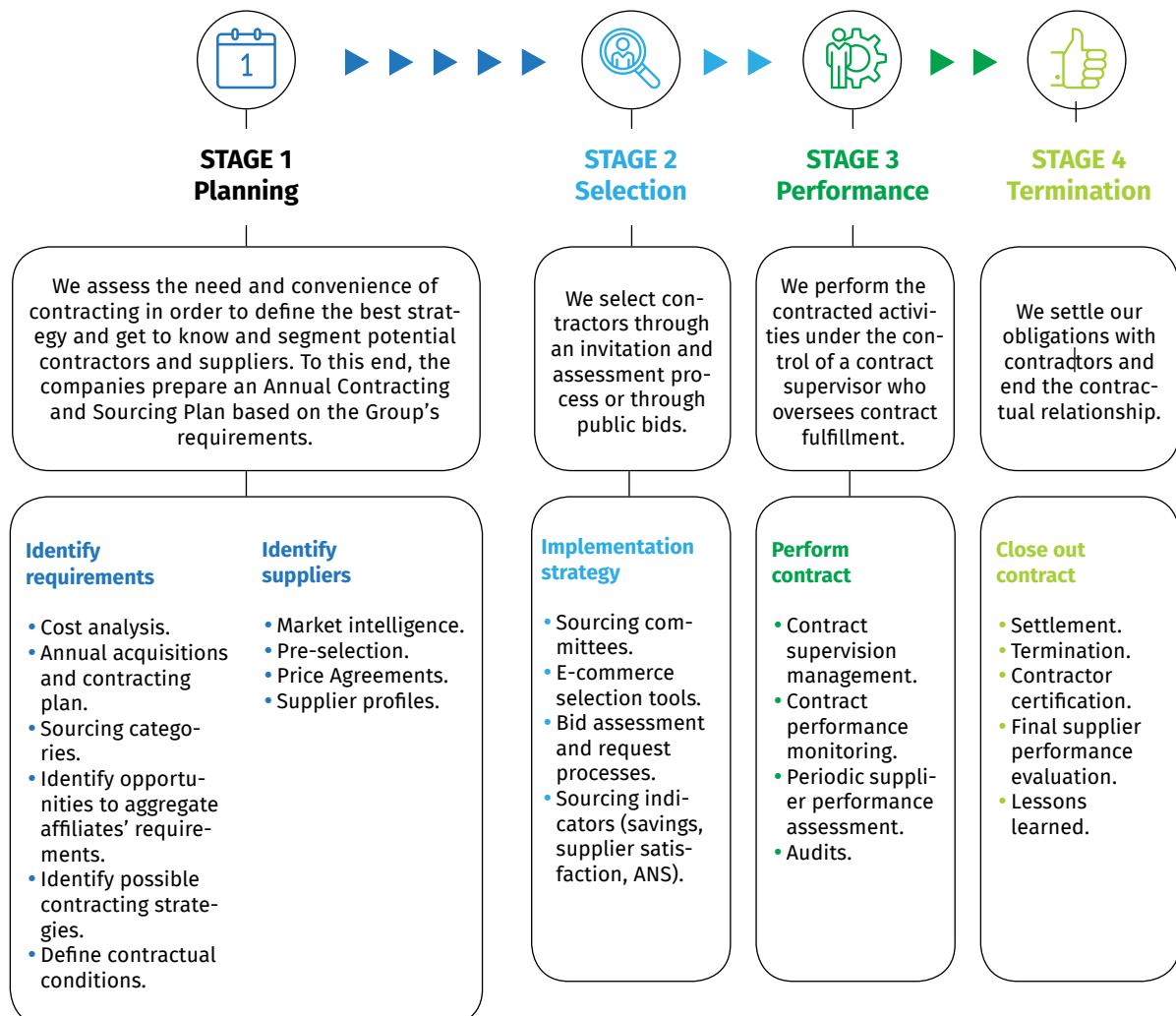
This management produces benefits such as strengthening planning and optimizing processes, cost reductions, improved commercial relations and the diversification of suppliers, as well as greater transparency and efficiency in contracting.

(103-2) For this reason, the Group has structured our guidelines for contracting and supplier relations through the Innovative Sourcing Model and manuals and instructions on contracting, management and contract supervision.

These good practices, adopted by all our companies, contribute to competitiveness and quality, and ensure responsible, sustainable and effective supplies in terms of costs, risk, impact and timeliness. It also takes into consideration aspects related to industrial safety, occupational health and environmental and social impacts throughout the value chain.

The Contracting Manual of Grupo Energía Bogotá establishes the principles of equality, morality, effectiveness, economy, celerity, impartiality, publicity, transparency, planning and fiscal management.

Sourcing Model (102-9) (103-2)



Implementation of our new Sourcing Model produced significant achievements:

- **Zero fiscal findings.** Thanks to the strengthened contractor planning and selection procedures, no fiscal findings were issued on preliminary stages prior to signing the contracts. We will continue to strengthen the contract supervision processes.
- **E-learning tool.** In April, we launched an e-learning tool for the contract supervision process.
- **Commercial Instruments.** We updated all pre-selection financial documents in order to perform a ranking of pre-selected suppliers.
- **Long-term negotiations.** At Tominé, we performed property management with the project partner, the logistics operator, the asset management supplier, and the transmission line and electric substations maintenance contractor.

Our logistics model

We developed an activities-based model that improves the Organization's results in terms of transportation planning, optimization of supplies timing and the development of logistics arrangements.

Our model is based on the following arrangement:

1. **Comprehensive operator.** Centralizing the operation had the following advantages:
 - Optimization of resources.
 - Reduction of import times for products.
 - Improvement of transportation rates through closed competitive processes.
2. **Transportation contract negotiation.** We awarded by auction to the best bidder through the Intelcost tool, from among the companies with which we have framework agreements. In this way, we obtain a greater number of transportation possibilities.
3. **Negotiation of free days.** We negotiated with freight liners 15 to 21 free days to perform customs clearance procedures and to transfer the cargo to a temporary storage facility or its final destination.



At the Third Meeting of Group Partners, we awarded the suppliers who stood out during the year in different categories

4. **Management of ITR operations.** Through this de-containerized arrangement, we achieved:
 - A smaller number of shipping trips in the national territory.
 - Easier and quicker return of containers to port.
5. **Negotiation with free trade zones.** We performed regional storage of supplies and equipment near strategic project locations and product importation ports in Colombia (free trade zones in Cali, Cartagena and Santa Marta).
6. **Implementation of strategic leader.** People from different areas monitor and support the areas in sourcing processes for goods and services:
 - Channeling and centralization of information between the projects area and the comprehensive operator.
 - Planning of international trade and logistics activities.
 - Assistance and monitoring of each operation.
 - Reception by the projects area of all documentation related to logistics activities.
 - Process and manage non-conformities that arise in the logistics process to generate solutions.

7. Coordination of EPC and own suppliers.

- Monitoring of purchase orders to control the process from when shipment abroad is made to the destination.
- Reception of shipping documents for coordination of space with warehouses, storage yards and free trade zones.
- Control of the times of each process.
- Optimization of cargo management according to the requirements of the projects area.
- Reduction of cost overruns in customs clearance performed by EPCS (engineering, purchasing and construction).

We implemented this model by performing the following activities:

- **Planning** of international trade and logistics activities based on each project's timetable for performance and deliveries.
- **Assistance** and monitoring of each operation.
- **Management and control** of space at warehouses, storage yards and free trade zones.
- **Control of time** of each logistics process and optimization of the resources assigned to each operation.

- **Structuring and organization** of documentation management for each logistics operation.

(Own) This produced significant savings on three fronts:



Customs clearance process for equipment and supplies.

Savings of COP 2,700 million thanks to expediting the timely removal of cargo from the Colombian ports of Buenaventura, Santa Marta and Cartagena.



Freight line negotiations.

Due to the large volume of cargo, refunds of deposits on 747 containers were achieved for COP 1,400 million and COP 589 million.



Transport. We achieved savings of COP 413 million thanks to open competitive bidding for the framework contract with the transportation companies that currently perform this activity.



To view the Contracting Manual scan this QR code.



We received the CIPS Standard Award

Our Strategic Sourcing Model received the CIPS Standard Award. This recognition highlights our world-class practices aligned with international sourcing standards.

This certification has many advantages for Grupo Energía Bogotá:

- It promotes improvement and value creation.
- It focuses on performance assessment in a cross-cutting manner.
- It provides the foundations and framework for transformational change.
- It enables demonstration of our performance aligned with world-class practices, which has already been certified by an independent and widely recognized entity.

(103-2) y (103-3) As a Group, our future challenges are to:

- Align the affiliates with world-class CIPS standards and certify them.
- Implement cutting-edge technological platforms (SAP Ariba Sourcing).
- Consolidate the Annual Purchasing Plan (PAC, for the Spanish original) throughout the Group.
- Continue to train employees on the Sourcing Model.
- Reinforce and specialize our contract supervisors.
- Outsource contract supervision of critical contracts.
- Further train category leaders.
- Implement the Ariba electronic tool.
- Consolidate outsourcing of the operating area of the Sourcing Model.

During 2018, our companies carried out strategic activities to manage their supply chains. Below, we highlight their achievements during the year and their goals for 2019:

Grupo Energía Bogotá

The Group surpassed its savings target, which had been set at 10%, with total savings reported during 2018 of 27%. This was achieved thanks to the use of instruments such as online reverse auctions and open bidding processes for the construction of transmission projects.

The Group surpassed its savings target, which had been set at 10%, with total savings reported during 2018 of 27%.

TGI

We began to implement a pilot project on the development of suppliers in the Cusiana region, in partnership with the Fundes Foundation.

In 2019, we will work on establishing classification by categories to optimize the Company's contracting processes and on implementing the cross-cutting contracting tool to perform the entire process on line.

Cálidda

During the year, we held the second suppliers meeting "A Commitment to Sustainability", dialogue space for creating closer bonds between companies that contribute to the country's development. During the

Our supply chain management

Our supply chain management roles, responsibilities and authority levels have been defined in the sourcing procedures and in the Contracting Manual. Additionally, there are three sourcing committees responsible for approving contracts depending on the price of the contract entered into with the Group:

1. Strategic Sourcing Committee. Its purpose is to assess, promote and approve sourcing policies and strategies. It also identifies possible syner-

gies between Grupo Energía Bogotá and our affiliated companies, including reviewing the relevance of joint contracting processes.

2. Executive Contract Committee. It approves requests to open, assess and perform contracting in processes of mid-range amounts.

3. Operating Contract Committee. It approves requests to open, assess and perform contracting in processes of low-range amounts.

event, we awarded three contractors in the following categories: excellence in service, operating excellence and prevention and self-care.

In 2019, our efforts will focus on:

- Continuing to optimize spending and to simplify processes through the implementation of the following strategies: comprehensive contracts, contract packaging and use of e-commerce.
- Stabilize the contract supervision model by outsourcing Cálidda's main contracts.
- Strengthen preparation of the Annual Acquisitions and Contracting Plan with the active participation of our internal customers.

Contugas

In 2018, we achieved overall savings of 13% (14% compared to market prices and 11% compared to historic/negotiated prices).

In 2019, our efforts will focus on:

- Increasing the number of suppliers registered in our *Par Servicios* web platform.
- Increasing the number of processes performed through the electronic auction tools.
- Increasing satisfaction levels of internal and external customers.
- Improving savings levels in contracting processes.

TRECSA

One of our greatest achievements in 2018 was to surpass the target of 5% savings in contracting during the year, with the final outcome of 10% savings compared to the budget at December.

Over the next five years, we will work on the following challenges:

- Using e-commerce tools for reverse auctions.
- Implement sourcing management technological platforms such as SAP S4Hana in the MM module and tools for contracting processes (requests for bids, price comparisons and bid assessments).



Guavio Reservoir, which feeds the hydroelectric power plant with the same name. Grupo Energía Bogotá Project in Cundinamarca

6.5 We innovate for transformation



We carry out three types of innovation: sustained to improve our businesses; disruptive to create new businesses; and efficiency-oriented, for existing processes.

(103-1) The Group has set itself the challenge of discovering new business opportunities, of strengthening existing businesses and enhancing the efficiency of our processes, for which innovation is essential.

We innovate every day: in each project, in managing our assets, in the territories with the communities, in organizational processes, in our stakeholder relations and in the services we provide, in addition to the impact of new investments and businesses.

At Cálidda, we carry out the Non-Bank Financing Program to enable residential customers to acquire gas appliances and hot water plumbing.



(103-2) In 2018, we identified, compiled and consolidated our **good innovation practices**, which were implemented at our affiliates with results that exceeded our expectations, demonstrating that at Group companies we are willing to do things better, to think differently, and to always be open to change and transformation. The following were the most outstanding innovative initiatives:

Contugas Innovation Contest

(Own) Since 2014, Contugas awards its best practices during the Innovation Contest. In 2018, 46 ideas were proposed in three categories, aimed at increasing gas consumption in the concession area, developing savings processes and improving the brand's positioning. A jury comprised by employees of the affiliate selected nine finalists, whose proposals were published on the corporate blog, and by democratic vote by all employees and the Assessment Committee, comprised by managers, the three winners were selected. Of the initiatives that have been validated over the four years of the project, two have been implemented: digitalization of documentation and the automated meter reading system.

Over the next five years, we will implement at least three of the initiatives validated for the generation of revenues and savings at the Company, which in turn will help improve our relations with stakeholders. For example, the Nanobox Project would help increase sales of liquefied natural gas (LNG) by USD 1,530,000, with a 56% internal rate of return (IRR) and improve the satisfaction of transportation companies in urban and inter-urban areas, while the project for the micro-turbine generation system would produce annual energy savings worth USD 22,126.64, with a 15.4% return on investment, also contributing to improving the understanding of industrial customers on the use of natural gas to generate electricity.

TGI, pro-innovation partnership

Some of the projects TGI worked on in partnership with Colciencias include gas pipeline inspections, a mobile laboratory to assess and measure the quality and quantity of gas transportation, and the development of instruments for assurance and reliability of measurements.

In 2018, we formulated the Innovation Management System as an initiative that will have high impact on the work culture and environment(103-3)

Cálidda innovates in its commercial strategy

In 2018, we successfully implemented non-bank financing to enable our residential customers to buy gas appliances and hot water plumbing at competitive prices. Another important milestone was the installation of the first natural gas air conditioning system in Peru, in operation at our facilities in Lima, which we expect will not only produce savings in electric energy consumption, but will also demonstrate our air conditioning solutions to our customers.

Revenues from billing of the innovation products totaled USD 4.2 million. This year, we also made available to our customers new digital channels such as the Cálidda virtual office and app.

Also, based on the launch of cultural milestones within the Company, the **Calí-Innova** Innovation Project was developed, which seeks to create the tools required to assist our employees in developing internal initiatives and promoting cultural transformation.

Challenges (103-2)

Our commitment in 2019 is to adjust the process to develop a standard innovation culture at our affiliates. We will also continue working on training Group, TGI and Transmission Business employees on concepts and reasons to innovate, as well as on the identification, training and development of process leaders, and on strengthening the portfolio of successful cases.





Social Dimension

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We develop shared value projects with the community at our Bolívar-Cartagena Project

6.6 We work hand in hand with the communities



To facilitate fulfillment of the Sustainable Development Goals (SDGs) with the communities, in Colombia we formalized a regional approach in order to have a closer relationship with stakeholders in the area. We have defined four regions: North, South, Center and West.

(103-1) Genuine, transparent and ongoing community relations based on trust have enabled us to become a strategic partner in the territories in which we operate. It has also positioned us as one of the energy companies with best reputation and acceptance, which facilitates obtaining the social license to perform projects.

Our social management is framed in our Sustainability Policy and the Sustainable Development Goals (SDGs), and is based on generation of trust among stakeholders (see the chapter on Sustainability in this report). To facilitate fulfillment of the SDGs with the communities, in Colombia we formalized a regional approach, with the primary objective of having a closer relationship with stakeholders in the area.

The Group has mechanisms in place to monitor and assess compliance with the guidelines and the social obligations of the projects specified in the environmental management plans. We have also identified the stakeholders we relate with, which enables building, strengthening and maintaining bonds of trust from the time we first arrive in a territory and for as long as we remain there performing and operating the infrastructure projects (see the Sustainability chapter).

(203-2) Depending on the type of project, jointly with the communities and in a participatory manner, we identify the most significant impacts and the relevant management measures. In our Transmission Business, we identified the following:



We relate with women who are key players in community development

- **Change in the visual quality of the landscape.** Due to the inclusion of foreign elements that will remain over time, such as substations, towers and transmission lines.
- **Temporary changes in social dynamics.** Presence of strangers, use of roads and access to social services.
- **Use of natural resources.**
- **Driving local economies.** Labor recruitment and goods and services acquisition
- **Improvement of energy service.** In terms of quality, coverage and reliability.

(203-2) For more information on significant indirect economic impacts, see the annexes of this report.

(413-2) For more information about operations with significant negative impacts (actual and potential) on local communities, see the annexes of this report.

(EU22) During 2018, there were no reports of any physical or economic displacement of people by Group companies.

We bring progress to the regions **(103-2)** **(103-3)**

These are the projects we worked on in 2018, the results achieved as regards community management, and the challenges we face to continue working in the territories:

Energy transmission

North Region

Projects

- Río Córdoba NTS and RTS, Bolívar-Cartagena.
- Colectora, La Loma 500 kV, La Loma 110 kV.

Results

- Commissioning of the Río Córdoba NTS and RTS (Magdalena) and Bolívar-Cartagena projects.
- Award of the UPME 06-2017 Colectora Project.
- Upgrading of the electric networks and installation of a transformer at the Carlos Andrés Mayorga School, in the township of Cordobita (Magdalena).
- At the Bolívar-Cartagena Project, we



Volunteer work session in Usaquén, Bogotá

implemented 17 initiatives that benefited 9,500 people. We provided boats to fishermen and offered gardening courses, as well as recreation, sports and cultural activities.

Challenges

- Reach agreements and implement the shared value projects.
- Carry out the prior consultations process at Colectora.
- Fulfill the agreements made with the communities.
- Consolidate scenarios for coexistence and respect for differences in the territories.



Getting close to the Wiwa people

Our Colectora Project will enable transporting the energy produced at wind farms in La Guajira to the rest of the country, by means of a 480 km transmission line and two substations. One of our first activities before starting the works in this region was to approach its indigenous peoples.

The Wiwas, Arhuacos, Kankuamos and Koguis are the four peoples that live in the Sierra Nevada de Santa Marta. However, our direct relations will be with the Wiwa people, since our Colectora Project will pass through part of their territory. We are currently surveying their territory with some of their leaders to point out sacred grounds, always from a perspective of respect and understanding of their world views and customs. With their support we have made *pagamentos*, a ritual that symbolizes a spiritual payment for the benefits provided by Mother Earth and for allowing us to come to their territory.

Approaching Wiwa communities of the Colectora Project, in La Guajira

We have also begun to identify 145 Wayuu communities, who inhabit the most arid areas of La Guajira, and whose women are expert knitters of *mochilas* (hand bags) and hammocks.

In 2019, we will strengthen relations with ancestral peoples from La Guajira, who will benefit from the Colectora Project.

Central Region

Projects

- Sogamoso and Norte-Chivor.
- San Fernando.
- Tominé.

Results

- 8,091 children from the projects' area of influence participated in educational activities on the importance of energy.
- 17,639 residents of Gachancipá, Chocontá, Suesca, Zipaquirá, Nemocón, Tenjo, Tabio, Sesquilé, Guatavita, Guasca, Sopó and Pacho, in Cundinamarca, benefited from the agreement with Corporación Maloka, which enabled teaching children and youth about the cycle of energy through itinerant *Malokas* (community houses).
- During the asset planning and operations stages, we carried out 1,147 visits, 273 meetings, and 9,451 workshops with stakeholders, and we responded to 111 questions, complaints and claims.

Challenges

- Obtain environmental licenses for the projects.
- Structure and execute the shared value projects in the areas of direct influence.
- Build bonds of trust with stakeholders.
- Build a group of partners who will help leverage the shared value initiatives in the territories.
- Reduce the number of questions, complaints and claims due to project issues.
- Maintain the lines in operation with no social contingencies.

Western Region

Projects

- Armenia 230 kV.
- Refuerzo Suroccidental 500 kV.

Results

- Launch of the *Energía Para la Paz* (Energy for Peace) program in Valle del Cauca.
- Activities to promote sustainable tourism, consistent with the Coffee growing region's reality, through the Armenia

Project, to protect the archaeological, natural and cultural heritage of the municipalities of Santa Rosa de Cabal, Dosquebradas and Pereira (Risaralda).

- Support for the Departmental Farmers' Olympics in the municipality of Santa Bárbara, in southeastern Antioquia, with participation by residents of the communities in the Refuerzo Suroccidental Project's area of influence; over 1,200 athletes and 26 delegations participated.
- We delivered 1,370 school kits at 47 schools.
- We responded to 88 questions, complaints and claims.

All our Group operations in Colombia, Peru and Guatemala have socio-environmental programs. (413-1)

Southern Region

Projects

- Tesalia-Alfárez Project.
- Mocoa.
- Altamira.

Results

- Implementation of the Energy for Peace program in Tolima.
- Training and advisory for the administrations of five municipalities: Tesalia, Íquira, Teruel, Palermo and Santa María in Huila; and two in the department of Tolima: Planadas and Rioblanco.

Challenges

- Complete the 66 social projects agreed to with the communities in the areas of direct influence in the South Region.
- Formalize the shared value projects in the regions where we operate.

(103-2) For additional details on community management targets by region in Colombia, see the annexes.

TGI

Results

- Creation of an early warning system on two-way risks both for the operation of TGI's own projects and for neighboring communities. In this manner, we implemented a new indicator on the Company's social management.
- Structuring of a new sustainable development strategy for performance of projects conceived to benefit the territories.

Challenges

- Transform territories through the triad of prosperity: water, energy and food.
- Become a catalyst for the adoption of gas technologies for industry and mobility.
- Position bio-gas as an input for circular economies.
- Position the Company as a technological benchmark and as an integrator between private enterprise and academia.

Cálidda

Results

- 68,000 people benefited from the 800 people's soup kitchens in 18 districts of

Lima and Callao. This program helps improve the quality of life of these women through free natural gas connections at each kitchen.

- Since 2012, the program has provided training on nutrition and food safety to 3,223 soup kitchen leaders.
- 30 students trained in the Tecnigas program, aimed at increasing the availability of trained and certified technicians to perform natural gas installations.
- Through a partnership with the Entrepreneurs Institute of Universidad San Ignacio de Loyola, we launched the *Mujer Empresaria* (Woman Entrepreneur) project to strengthen the entrepreneurship of women associated with the people's kitchens. In 2018, the program was expanded to the districts of Comas and Los Olivos.

Challenges

- Participate in the United Nations volunteer skills certification program.
- Design and implement a relations mapping system, with heat maps, to identify and anticipate possible conflicts and design action priorities.
- Engage a new company to supervise community relations.

**"Energy for Peace" program
in Planadas, Tolima**





Demining to **Illuminate**

“Energy for Peace” is the name of the program through which we bring progress to areas affected by the armed conflict and we contribute to restoring the rights of victims by recovering their territories.

In 2018, the program was implemented in 11 municipalities and 82 districts of Valle, Tolima and Huila, whose inhabitants could not move about their territories without the fear of exploding antipersonnel mines, which since 1990 have caused harm to over 11,500 Colombians.

Thanks to the joint work with the National Army and the The Halo Trust NGO, in 2018 we launched the implementation of this project. During the year, thanks to the hard work of 500 soldiers, we deactivated 19 explosive devices in the area through which the Tesalia-Alfárez Electric Energy Transmission Line was to pass.

“Energy for Peace” goes beyond operational and humanitarian demining; it includes environmental, educational and training initiatives such as *Bosques de Paz* (Forests for Peace), *Habilidades para la Paz* (Skills for Peace) and *Energía que Construye mi Futuro* (Energy

Through our “Energy for Peace” initiative, we performed demining at 11 municipalities affected by the armed conflict in Tolima, Huila and Valle del Cauca

to Build my Future), among others. At *Skills for Peace*, we trained 27 community leaders, teachers and officials of the township of Herrera, in the municipality of Rioblanco (Tolima). They graduated as agents for change and received training in *Cátedra para la Paz* (Teaching for Peace), conflict management, and gender issues, among others.

“We want ‘Energy for Peace’ to set an example of how a public-private partnership can develop genuine relationships with the communities,” said the President of Grupo Energía Bogotá, Astrid Álvarez, who believes that the objective is for this model to be replicated in other regions of Colombia where the Company is present.

19 explosive devices were deactivated in over 200 km surveyed.



We protect archaeological treasures

Cálidda archaeologists work on the preservation of pre-Hispanic pieces of several Peruvian cultures

Whenever we begin an electric energy transmission or gas pipeline installation project, we are committed to rescuing and preserving any archaeological treasures we discover. “For our Business Group, rescuing the archaeological heritage is a very important task in terms of social relations and contributing to the preservation of history,” said our President, Astrid Álvarez. A good example of this is what we do at Cálidda, the first private company to join the *Lima, la Ciudad de las Huacas* (Lima, Las Huacas City) program, of the Ministry of Culture of Peru.

Cálidda has a team of archaeologists who work in coordination with the Ministry to prevent the destruction of archaeological pieces found in the earth during the Company’s operations. When during our excavation projects we find pottery or pre-Hispanic objects, we take them to the Company’s laboratory. There, the archaeologists have a purpose-built area to examine the pieces before they are delivered to the Ministry of Culture.

One of the main achievements during 2018 was to have raised the awareness of 1,000 employees of contractor companies on matters related to archeology and the dissemination of information on this heritage in the media. Also, through our company Contugas, in Ica, during works performed in the desert we have found 58 new archaeological sites.

A group of archaeologists of Grupo Energía Bogotá works in Colombia, Peru and Guatemala on finding and recovering pieces.

- Contribute to reducing poverty levels of the women leaders of people's soup kitchens through public-private partnerships.

Contugas

Results

- We held the 1st Eco-Sustainability Fair in the region.
- We strengthened strategic partnerships with civil organizations in the region.
- 50 people's soup kitchens benefited from natural gas installation thanks to the Nutricontugas program. A total of 222 women received training as future micro-businesses.
- We reduced social conflict indicators. 47 cases were reported in 2017, whereas in 2018, 17 were reported.

Challenges

- Develop and strengthen the community relations and communications program.
- Enter into strategic partnerships with government entities to combine efforts in shared value activities.
- Publicize and position the community development programs.
- Gain access to new concessions in Peru supported by our positive social impact.
- Maintain the continuity of operations without social or environmental impacts.
- Strengthen the Contugas brand in the Ica region.

TRECSA

Results

- 20,075 people benefited from shared value projects; 25% more than in 2017. These projects include initiatives to recover public areas and schools and support for water, basic sanitation and community infrastructure projects, among others.

- We implemented 18 community infrastructure projects, two of which are related to the creation of shared value, and we performed 17 activities with stakeholders in the areas of influence.

Challenges

- Systematize good community relations practices to replicate them in other regions in the country.
- Consolidate the shared value strategy to promote development in the territories where we operate through our energy transmission projects.
- Implement a monitoring system that enables following up on the progress and results of social projects.



Andrea Figueroa, shared value leader at TRECSA

Clearing the way

(103-1) (103-2) (103-3) Another highlight of the Grupo Energía Bogotá activities performed in 2018 was the establishment of a new land management procedure (to be implemented in 2019) in the framework of our transformation project. We consider it a milestone for our Organization, taking into consideration the importance of maintaining good and genuine stakeholder relations, always within the Shared Value Model that enables reaching mutually beneficial agreements.

We are fully aware that without adequate land management our projects are not viable: we cannot install the infrastructure required to commission the projects, which implies financial costs for not being able to operate on time, as well as penalties for non-compliance. Managing these negotiations and agreements is essential for achieving our Group's gas and electricity network expansion plans and for fulfilling our Mega Goals, to benefit the communities and promote progress in the countries in which we operate.

In 2018, the Land Management Office of the Transmission Branch carried out activities to acquire rights of way to enable installation of infrastructure to commission the projects and contribute to optimizing dividends. We acquired three properties for substations: one for La Loma 500 kV and two for the Mocoa Project, and we released 1,558 rights of way strips, i.e. 33% more than in 2017 (1,165).

This result was possible due to an emergency plan deployed throughout the period that included, among other things, a thorough review of the property folders in the Condor Project, migrating payments made internally to the Treasury Department through an SAP application, transferring rights of way issues to the Litigation Office (Transmission Unit's Legal Office), and consolidation of the databases and reports for each transmission project, which will be used as inputs for the ESRI Project, aimed at the development and implementation of a Geographic Information System.

These processes are essential because, even though we are proud of the positive results of our efforts in 2018, we do occasionally run into obstacles in obtaining the full release of the rights of way. This is primarily due to negative perceptions on transmission projects among communities, difficulties in getting judges to schedule legal inspections to release rights of way areas, high expectations by owners in terms of settlement amounts, and changing of layouts or detours made by the project.

However, we have been breaking paradigms and we increasingly receive support from the owners of the land where we carry out our projects and we work on acquiring superficies rights that enable the installation of energy infrastructure. This enables us to receive the revenues set by the Energy and Gas Regulatory Commission (CREG, for the Spanish original), that contribute to the maximization of dividends, enable us to maintain genuine relations with the property owners and to improve our reputation and positioning.

The Transmission Branch managed the release of 1,558 right of way strips, up 33% compared to 2017, and the acquisition of three properties for substations.



Raccoon in mangrove. Photograph by our employee Edwin Vargas from the Project Management department

Our company **Cálidda** has a rights of way procedure in place that is part of its Management System, which enabled it to successfully manage five rights of way agreements within the terms required by the user areas and without the need to request from the Peruvian government the imposition of any rights of way, displaying 100% of compliance with requirements.

At **TGI**, we highlight the release of 131 properties for the CAO (construction of compressor stations at Apiay-Paratebueno) and Cusiana Stage IV projects and for the replacement of sections due to expiration of their regulatory useful lives. We managed the formalization of 6,940 real estate rights (2,703 cancellations of rights of way, 4,162 rights of way assignments and 75 transfers of property) for the Mariquita-Cali Gas Pipeline. We

also implemented the procedure set forth in Agreement 29/2017 of the National Lands Agency for regulation and formalization of rights at vacant properties, and we updated the property information in the Company's Geographic Information System.

At **TRECSA**, we continue working on the release of rights of way for the Electric Energy Transportation Expansion Plan (PET, for the Spanish original), a project of 863 km divided into 6 sections (A, B, C, D, E and F), each with different levels of completion. In 2018, we had deeds on 691.1 km, up 1.39% compared to 2017 (679.2 km); we also began the description of the land management procedure for the Integrated Management System.

Release of rights of way of the Electric Energy Transportation Expansion Plan (PET)

Section	Total km	Total km with deeds up to 2017	Total km with deeds up to 2018	Km with deeds issued in 2018	% progress in 2018
A	107.07	93.69	95.5	1.81	1.69%
B	198.97	119.75	125.29	5.54	2.78%
C	104.33	104.33	104.33	0	0.00%
D	182.58	180.91	180.91	0	0.00%
E	114.07	114.07	114.07	0	0.00%
F	155.69	66.45	71.06	4.62	2.97%
Total	862.71	679.21	691.18	11.97	1.39%

At every Group company, we perform effective and planned land management, with clear targets and objectives, and we periodically follow up to review, assess and adjust the activities, looking for opportunities for improvement.

We also have internal and external control structures, such as project committees, internal audits, and comptroller offices, as well as ongoing feedback from our stakeholders, through the channels established by the Company, which help us to identify strengths and weaknesses in the work we perform.

Cálidda, for example, has updated rights of way procedures that establish guidelines applied by the rights of way managers during the corresponding negotiations. In 2018, an audit was performed on the procedure used for this process.

At **TRECSA**, lands management is part of the Integrated Management System and is steered by the Projects Committee. Land management procedures are currently being established, and an Internal Audit is in place, as well as suggestion boxes.

At **TGI**, land negotiations are part of the Property Management System, regulated by the affiliate's Lands Manual, which was updated in 2018. Real estate management is crucial for smooth and adequate relations between Company areas, the third parties with rights over the intervened properties, the State and other stakeholders.

Challenges (103-2)

The following are our challenges in the short, medium and long term in order to fulfill the proposed goals:

- At the **Transmission Branch**, we plan to manage the release of 1,384 rights of way in 2019. If the project managers are able to lift restrictions on all the layouts, the target could increase to over 2,000. We will also implement inter-disciplinary teams to expedite all the technical processes in the field to establish the rights of way, and we will prioritize the key areas that enable us to attain the challenges we have set.
- At **Cálidda**, we expect to obtain the release of three rights of way that are required (ERP Chilca, ERP San Juan de Lurigancho and ERP Macrópolis), the deadline for which is December 31, 2019. To this end, we have made adjustments to our rights of way procedures and we have increased the number of team members for this process.
- At **TRECSA**, 2019 and 2020 will be key years for obtaining the rights of way for 100% of sections A, B and C of the PET project.

Through our shared value programs, we bring well-being to the communities at our transmission projects.



- At TGI, we expect to formalize all real estate arrangements within the next two years. Over the long term, our objective is to maintain updated documentation on all real estate arrangements, in order to identify changes in property ownership and assure the real rights, all aimed at maintaining the trust of our stakeholders, by strengthening our relations and fulfilling the agreements made in order to contribute to the affiliate's reputation and sustainability.

Our Resettlement Policy (103-2)(103-3)

In 2018, we formulated a Resettlement Policy, which is currently under review and will become an institutional and cross-sectional management instrument for all Group companies. It incorporates the good international practices recommended by entities such as the World Bank, the Inter-American Development Bank and the International Finance Corporation, and takes into consideration the guidelines on the protection of the fundamental rights to life and decent housing, and the provisions of the Universal Declaration on Human Rights, the International Covenant on Economic, Social and Cultural Rights, and the observations of the United Nations Committee on Economic, Social and Cultural Rights.

It also includes the requirement of adopting programs to address questions, complaints and claims for each Resettlement Action Plan. They must contemplate the procedure to be followed from the time the claim or complaint is received to the response given to the interested party.

It also incorporates the Program for Dissemination, Communication and Consultation, aimed at facilitating and ensuring the participation of the families in the processes of:

- social and economic characterization
- formulation and execution of the Resettlement Action Plan
- program monitoring, follow-up and assessment

These activities are essential in order to fulfill the planned objectives and to generate sustainable processes over time.

Resettlement is a measure to mitigate and offset impacts of a project on vulnerable people, and to turn the event into an opportunity for development.

The following are the short, medium and long-term objectives of the Resettlement Policy:

- Officially adopt the policy and implement it in all projects led by the Group.
- Reestablish and improve the living conditions of the most vulnerable families.
- Position Grupo Energía Bogotá's Resettlement Policy as a national and Latin American benchmark.

(203-1) For additional details on investments in infrastructure and services, see the annexes section.

Principles of resettlement processes

- We should avoid involuntary resettlement.
- When involuntary resettlement is unavoidable, all those affected must receive integral and fair compensation.
- Involuntary resettlement must be considered an opportunity to improve the living conditions of the people affected and must be carried out based on this premise.
- We must engage in consultations with all those affected by an involuntary resettlement, who must also participate in resettlement planning to both mitigate adverse effects and ensure appropriate and sustainable benefits.

6.7 Employees, our best talent

(103-1) (103-2) (103-3)



(202-1) (202-2) (401-1) (401-2) (401-3) (402-1) (404-1) (404-2) (404-3) (405-1) (405-2) (406-1) (EU15) (Own)
For detailed talent management results, see the annexes.

At Grupo Energía Bogotá, we consolidated major talent management strategies aimed at strengthening our teams in order to face the challenges of our Corporate Strategic Plan (CSP).

To this end, we have a human resources management model in place, which is part of the Human Management Policy approved by the Board of Directors in 2017, and which is aligned with the 14 strategic objectives of the CSP, which in turn contribute to maintaining the Organization's productivity and efficiency levels, to minimizing the incidence of risks and to attaining profitability in our operations.

1,134 employees of Grupo Energía Bogotá and TGI and their families participated in Family Day celebrations at the Tominé Reservoir



In order to get from where we are now to where we need to be, we have decided that **change management** is the long-term strategy required by the Company. We have taken action to define and implement an organizational structure that differentiates the corporate structure (Vice Presidents' Offices and corporate management), the competitive structure (Strategic Business Groups) and the operating structure (Transmission Business);

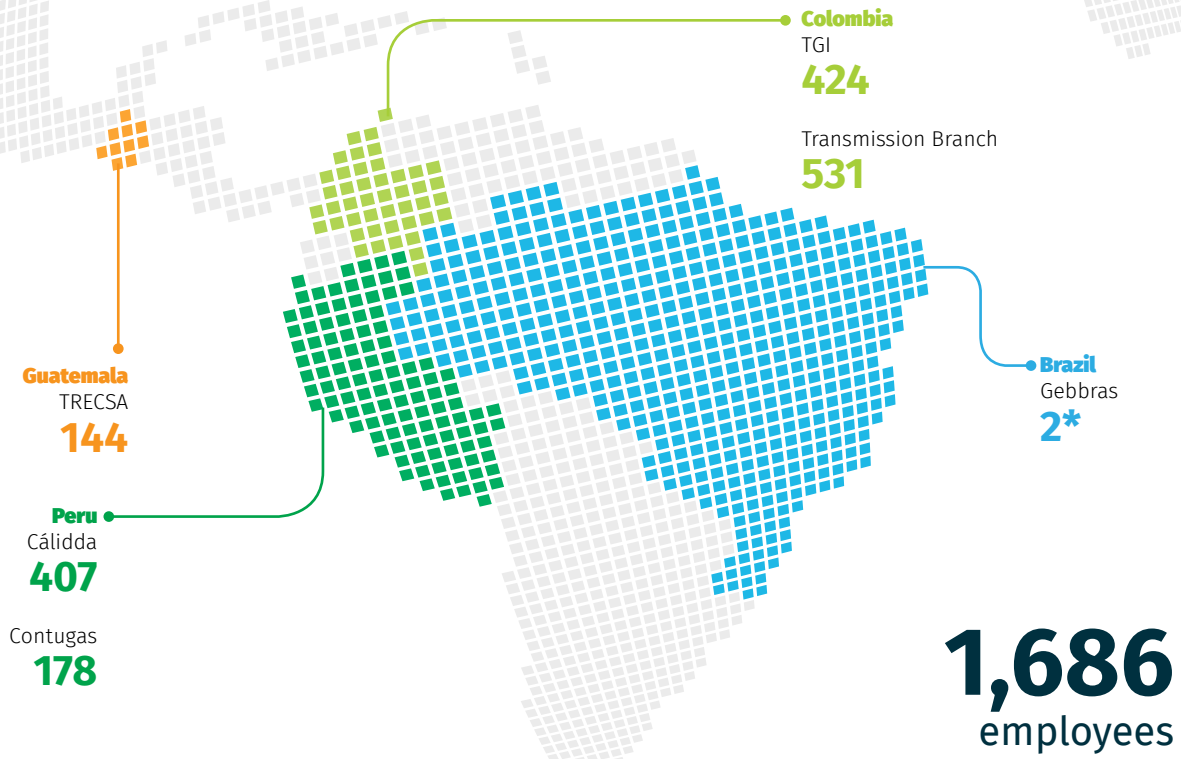
we also delimited each area's functions in terms of the processes they each lead.

We implemented the strategy using the Prosci methodology, during which 17 two-way communications events were held, with a positive impact on over 450 employees. We also strengthened the leaders' competencies through workshops on change management, with 62 employees, six of whom were certified as experts in this field.

Change management



Total number of employees by country (102-7) (102-8)



*Gebbras is an investment vehicle that has a 51% equity interest in three transmission companies (MGE, GOT and TER) and an electricity substation.

Grupo Energía Bogotá (103-2)

The work environment displayed noteworthy performance. The work environment score increased to 80% in the measurement taken in October; four points higher than in January. Some of the strongest points to be highlighted are pride in the Company, camaraderie and the credibility of its leaders. This reflects recreation activities, training programs, spaces for communication and greater Company visibility.

Some of the activities that helped improve the work environment in 2018 include:

- The Family Day event held in Tominé, attended by 1,134 employees and their families. It was a day of recreation and fun that was enjoyed by both children and adults.
- During the International Breast Cancer Awareness Day, employees demonstrat-

ed their support by wearing pink clothes with messages on self-care and prevention.

- We joined the United Nation’s Orange the World Campaign, an initiative against gender violence, and we adhered to the women empowerment principles of the United Nations Global Compact and UN Women.
- In order to promote teamwork, in June and July we launched the “Me la Juego por el GEB” (I’m playing on the GEB team) campaign, during the 2018 World Cup in Russia.
- We carried out workshops to communicate and discuss the Corporate Strategic Plan (CSP) throughout the Company to strengthen performance objectives. 70% of employees participated throughout the country.

- We extended the benefits of our service portfolio: health bonuses and food baskets, life insurance policies, voluntary savings plans, among others. Previously, these were offered only to employees in tactical and strategic positions; now, they have been extended to those who did not receive additional benefits and were not covered by the Collective Agreement. In total, there was a 6% increase in the number of employees who receive these benefits compared to 2017.
- We identified training needs in each area to ensure investment in knowledge. In this line, we offered workshops on negotiation skills for the dissemination of the CSP and the performance objectives, and conferences on global trends in the energy industry.

In 2019, change management is to be implemented throughout the Group and Company employees must identify their opportunities to make them positive experiences. We are convinced that when employees change, the Organization transforms itself.

One of our short-term objectives is to launch the Grupo Energía Bogotá Academy,

After the latest measurement, our work environment score increased by four points to 80%. Some of the strong points highlighted by our employees are pride in the Company, camaraderie and the credibility of its leaders. (own)

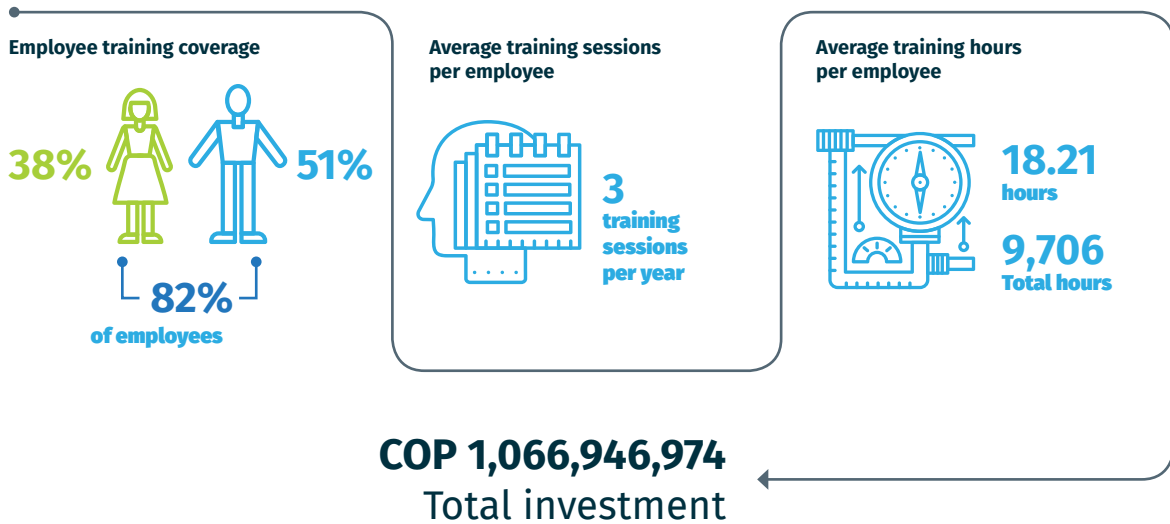
my, aimed at providing on-line training and courses for employees. The Academy will be based on a unique model for the development and management of the Group's talent.

We will also strengthen our competencies through leadership programs to promote the retention of the Group's talent. We will consolidate cross-cutting training programs to leverage the project supervision models and the Project Maturity Program, and we will promote a culture of self-learning through new on-line training methodologies.

In order to promote teamwork, the "I'm playing on the GEB team" campaign was launched during the 2018 World Cup in Russia



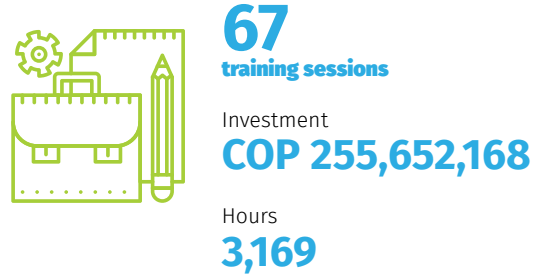
Grupo Energía Bogotá training sessions



Internal training sessions



External/technical training sessions



TGI (103-2)

During the year, we carried out training and follow-up activities to strengthen the technical and soft skills required for our business operations, and we reviewed each team member's contribution to the fulfillment of corporate goals.

We also communicated the strategic map and carried out the organizational culture project, which highlighted the behaviors and attributes required to achieve the Corporate Strategic Plan's objectives (CSP).

Based on the work environment measurements and psycho-social surveys, we identified the need to improve our training spaces and programs in order to provide relevant and useful options for our employees' development.

In 2018, we also designed a training program that is strategically aligned with the CSP objectives, with emphasis on each area's

contribution to attaining the overall goals.

Another achievement during the year was the implementation of a strategy of visits and frequent contact by the Human Resources team with the various offices to follow up on talent management processes.

(103-2) In 2019, we will focus on:

- Implementation of the organizational culture plans.
- Completion of the performance assessments of Company leaders.
- Development of a map of critical positions and talents as an input to design corporate succession plans.
- Performance assessments for operating and support positions.
- An agreement with the trade union in the framework of collective bargaining negotiations.

Contugas

Thanks to our highly committed and efficient team, and talent management supported by our Human Management Policy, in 2018 we implemented and updated our policies on Recognition, Compensation, Travel Expenses, Promotions, Training and Terminations, among others. We currently have two committees in place, the Disciplinary and the Loans committees, in which we review cases and decide on the best way to proceed based on established procedures.

During the year, our main performance indicators improved compared to 2017, as a result of the implementation of different climate and culture programs: dialogs, Olympics, Innovation Contest, leadership workshops for managers, 360° feedback, among others.

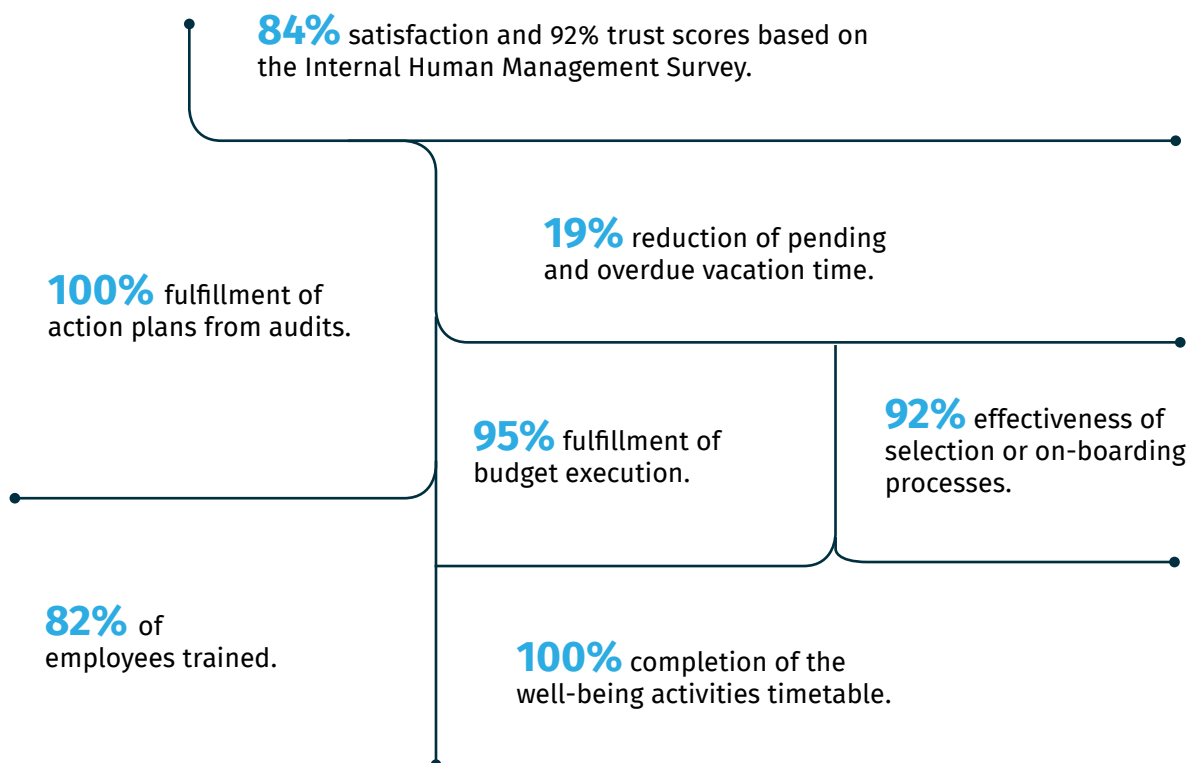
In 2019, we will implement programs to further develop our organizational culture to ensure the Company's sustainability and to improve the employees' experience. We will also implement the winning projects of the Innovation Contest and digital tools will be used to strengthen communications channels.

Cálidda

Our Annual Training Plan is our main instrument for prioritizing our employees' training requirements. In 2018, we carried out programs to develop soft skills:

- 124 leaders received 7,737 training hours on management skills.
- We held four courses and a review of constructive communications. During the first cycle, 281 employees completed their training with a total of 6,672 training hours.
- We carried out 57 technical training courses (related to each employee's job), with a total of 5,423 hours.
- We carried out performance assessments, which are valuable for employees because they provide feedback on their performance and progress. In 2018, 95% of our employees were submitted to performance assessments.

Improvement in Group management indicators



TRECSA

Through the implementation of the Change Management System, we were able to perform an in-depth assessment of our organizational culture and to address employee expectations, leading to a subsequent satisfactory result in terms of the work environment assessment. We also consolidated the area's procedures in accordance with the Integrated Management System (IMS), in order to consolidate and maximize the use of tools and strategies such as our promotion committees and external audits, among others.

The following are some of our achievements this year:

- We implemented the Promotions Committee and covered 22% of vacancies internally.
- We completed the recruitment of 100% of team members for the Project Management department.
- We increased training hours per employee from 13.7 in 2017 to 24.25 in 2018.
- We established a Leadership Model that enabled us to prepare our 2019 Work Plan.
- We performed our first work environment and organizational culture monitoring.
- We progressed in the stages of the performance assessment program.

- We defined salary levels and scales for the new structure in line with our Business Plan.
- In order to promote greater balance between work and family, we launched a Time Offsetting Plan that enables employees to enjoy a week off at the end of the year.
- In 2018, we increased vacation days by 25%, which implies better scheduling of the annual program.

(103-2) In the short term, we aim to achieve an employee satisfaction level of 85% (work environment index) and in the medium term a level of 90-95%.

We will also work on strengthening leadership skills and we will begin succession planning for the first and second lines in order to ensure business continuity.

One of our challenges will be to promote the Corporate University, as in the case of Grupo Energía Bogotá, to strengthen employee skills.

Grupo Energía Bogotá employees during the breast cancer awareness campaign





Our commitment to gender equality

At Grupo Energía Bogotá, we are committed to gender equality, which we define as a core part of our Organization. Every day, we work on creating equal opportunities for the men and women in our Group and in the communities in which we operate.

As part of this commitment, in 2018 we adhered to the women's empowerment principles of the United Nations Global Compact and UN Women. This initiative was launched in 2008 to encourage the private sector to promote good practices in favor of greater work and social equality for women. Consequently, we have joined a global network of 1,952 companies that have adhered to this initiative, only 13 of which are Colombian companies.

We are now proud to say that at the Group's corporate offices 40.4% of the total staff and 33% of Board members are women. Additionally, our Group's President is a woman, Astrid Álvarez, and three women manage the three main electric energy transmission projects in Colombia.

As part of our social management, we develop programs to empower women in the territories in which we operate. In Peru, our company Cálida has installed free natural gas connections for over 800 people's soup kitchens, which are managed by women, many of them heads of household, who

provide free food to low-income children and youth. Cálida was awarded the *Empresa Segura Libre de Violencia y Discriminación Contra la Mujer* (Safe Company Free from Violence and Discrimination against Women) seal.

In Guatemala, through our company TRECSA we provide support to over 450 indigenous women to produce and commercialize typical knit-work and embroideries, which has become a sustainable business in the communities of Santo Domingo Xenacoj, Valparaíso and Santa Cruz Verapaz, Alta Verapaz. TRECSA was awarded by the Ministry of Labor and Social Welfare and CentraRSE the Labor Inclusion Award for its practices and policies on the inclusion of women in the electricity sector.

ABOVE
Ana Güzmes, UN Women representative in Colombia, congratulates the Group for adhering to the United Nations Principles of Empowerment of Women

6.8 Leaders in caring for life

(403-2) (EU17) (Own) For performance indicators of Grupo Energía Bogotá in 2018, see the Annexes.



In 2018, we began to implement our self-care and prevention culture focusing on caring for life.

(103-1) (103-2) As a Group, we work on a culture of self-care based on Occupational Safety and Health (OSH) best management practices, as a driver for operational excellence. We identify and effectively control risks in order to reduce the possibility of accidents, to prevent injuries and occupational illnesses, and to make caring for life a corporate value.



(103-2) (103-3) Our Group's Sustainability Policy establishes our commitment to preserving employees' safety and health, allowing us to establish and monitor risk control measures in the framework of applicable law in each country where we operate. Also, in an annex on Occupational Health, Safety, and the Environment (HSE), we establish minimum guidelines that must be fulfilled by contractors and subcontractors regarding Occupational Safety and Health (OSH) and environmental management.

This commitment also represented a strategic challenge that led us in 2018 to establish an objective that is also strategic: "To implement a culture of self-care and prevention at all Group companies." Consequently, we decided to move beyond simple risk management, to instead focus on the consolidation of a culture of Occupational Safety and Health (OSH) based on self-care at our Company.

Our corporate strategy is aligned with Strategic Development Goal (SDG) 8. "Decent work and economic development," and it offers us the opportunity to strengthen our Occupational Safety and Health management and provides an adequate framework for relations with our stakeholders.

In order to communicate our strategy, at the latest Sustainable Connections II meeting, held in November 2018 in Bogotá, we presented the Group's strategic guidelines to our affiliates regarding sustainability, Occupational Safety and Health, the environment and land. We will continue to work on consolidating the Business Group based on change management and transformations that will lead us to adopt world-class practices.

(103-2) In 2019, we will continue to work tirelessly on consolidating policies in favor of health and safety for all our employees, suppliers and strategic partners, because they are our most important asset. Each of our affiliates is committed to achieving the objectives through specific actions.

We will carry out a transformation towards an organizational culture in which

Occupational Safety and Health is a strategic issue for our Company. For this reason, its indicators are the first point on the agenda of monthly Board of Directors meetings. (103-3)

the protection of life is a corporate value. We will receive support in this process from an international firm which has several success stories in several industries worldwide.

Grupo Energía Bogotá

During 2018, we managed the Safety and Health Culture project, aimed at reducing, in a sustainable manner over time, the occurrence of work accidents, and at promoting self-care. The aim is to fulfill our vision of zero accidents and attain the Occupational Safety and Health (OSH) objectives established by the Company.

We also carried out risk mitigation actions for critical business operations, by identifying the risks and ensuring that no new fatal accidents occur. To this end, in May we invited our contractors to an event on empowerment of Occupational Safety and Health (OSH) management, led directly by our President, who addressed the managers of contractor companies.

During the year, we achieved substantial improvement in accident rate indicators compared to 2017. The work accident frequency indicator decreased from 4.69 to 4.29 in 2018, which represents a reduction of approximately 9%. The severity index decreased from 1,294 to 387.6, equivalent to a 70% reduction. This signals significant progress towards our vision of zero accidents.

(103-3) In order to follow up on Occupational Safety and Health (OSH) actions, we have an Joint Occupational Safety and

Health Committee (COPASST, for the Spanish original), 50% of whose members are Company representatives and 50% worker representatives. We also have a Road Safety Committee, 100% of whose members are workers.

Our Annual Audit Plan also includes Occupational Safety and Health (OSH) audits, and we strictly monitor regulatory compliance on matters related to safety with the operation's main contractors.

The Bogotá's Comptroller Office has also reviewed the accident rate of the Transmission Business in the last four years, and the Public Utilities Superintendence audits compliance with the report on electricity accidents, for which no events have been reported since 2016 for Company or contractor employees.

In 2018, the severity indicator decreased from 1,294 to 387.6, equivalent to a 70% reduction. This signals significant progress towards achieving our 2019 goal of zero accidents.

In January 2018, a fatal accident occurred at one of our projects in Colombia. It is an event that we deeply regret and which moved us as an organization to achieve, to the best of our ability, the implementation of a culture of safety and self-care throughout the entire Organization. Our goal for 2019 is zero accidents.

(103-2) During 2019, we will also implement world-class standards, such as measuring the indicator on Lost Time Injury Frequency Rate (LTIFR), in order to compare our results to those of other companies in our industry. We also expect to reduce the work accident frequency indicator gradually over time at a rate of at least 10% per year, with assistance from the firm *DuPont*, which will assist us in

consolidating a culture of self-care at the Group.

(403-4) In the framework of the Collective Agreement currently in effect, signed between the Group and the Colombian Energy Workers Trade Union (Sintraelecol, for the Spanish original), we have agreements in place regarding subsidies, the Occupational Safety and Health (OSH) management system and specifications on personal protection equipment and uniforms.

TGI

In the framework of our leadership management program, at TGI we actively monitored the activities of employees and contractors in all operations. The monitoring activities are based on the LTIFR indicator, which enables us to work on improvements based on observed behavior, in order to build a culture that protects life by reducing accident rates in high-risk jobs, such as work in confined spaces.

In 2018, we completed 95% of our training program on critical activities such as work at heights, work in confined spaces, load lifting and electric risk.

We also completed 100% of the Action Plan arising from the diagnosis performed on the basis of Decree 1072/2015 and Resolution 1111/2017. We completed 100% of the Intervention Plan defined for contractor companies and contract supervisors, with the objective of preventing accidents.

(103-3) In order to assess the effectiveness of Occupational Safety and Health (OSH) management, we carry out internal and independent external audits, which have enabled us to certify the conformance of our Integrated Management System in accordance with the OHSAS 18001:2007 standard.

Cálidda

Our affiliate's principles focus on prevention and self-care of all employees, contractors, subcontractors and customers. As in the case of other Group companies, Cálidda's management is guided by the Sustainability Policy and the OHSAS 18001:2007 standard, on which all our operations in Peru were re-certified in November 2018.



The Group and its affiliates have delivered numerous training sessions on its Occupational Safety and Health culture

In 2018, we also created the Occupational Physicians Committee for our contractors in order to prevent occupational illnesses and improve accident management based on ergonomic studies, sharing of experiences (benchmarking) and identification of opportunities for improvement. We also established operating standards for high-risk tasks (tunnel liner, ramming and work at heights).

In terms of training, our Occupational Safety and Health (OSH) team was certified as trainer of trainers for high-risk work in confined spaces, lockout-tagout, cold and hot works. We also performed a project to standardize training plans in terms of OSH and the environment for employees and contractors.

The accident rate in 2018 increased 98.7% compared to 2017. This increase was due to the accident rate at contractor companies, which includes 98% of accidents recorded at December 2018.

For this reason, we will continue to disseminate and transfer the culture of self-care in Occupational Safety and Health, especially with our contractors, in order to jointly address these challenges.

Contugas

During the year, we worked on managing Occupational Safety and Health (OSH) risks in strict compliance with legal obligations in Peru, where we are regulated by the National Superintendence of Labor Oversight and the Labor and Employment Promotion Ministry.

At Contugas, there were no reports of lost time due to accidents or symptoms of occupational illnesses.

At TRECSA, in 2018 we began the process of standardizing compliance requirements in supplier contracts, by including specific points on Occupational Safety and Health.

In 2018, we achieved positive results compared to 2017, given that we had zero accidents with disabilities, zero cases of indications of occupational illnesses and no non-conformances in external audits of the Occupational Safety and Health Management System.

We should highlight our first Occupational Safety and Health (OSH) fair, with the participation of 154 employees, whose awareness was raised through training.

Our goal in 2019 is to consolidate a culture of Occupational Safety and Health (OSH) and to continue improving in our accident rate indicators. Our target is to maintain indicators of frequency and severity below 4.32 and 4.79, respectively.

TRECSA

In addition to the Sustainability Policy, TRECSA has decided to adopt an Integrated Management System, signaling its commitment to “the identification of hazards, the evaluation and assessment of risks, the establishment of appropriate controls aimed at preventing injuries and occupational illnesses and the promotion of a culture of self-care.”

In 2018, we created an Employer-Employee Committee for the Company’s operations, 50% of whose members represent the employees and 50% represent TRECSA. Consequently, 100% of employees are represented before the Guatemalan Labor Ministry, pursuant to the requirements of Ministerial Agreement Number 23-2017 and Occupational Health and Safety Regulation 229-2014 and its amendments.

During the year, we visited employees and contractors at their work sites to train them on the safety measures required for the jobs they perform and the adequate use of personal protection equipment to perform specific activities.

Some of our achievements in 2018 include the implementation of medical emergency service at the administrative facilities, which is available to cover any event or emergency. The service includes a doctor and a paramedic. It is part of the emergency response plans aimed at increasing TRECSA’s response capability.

We also created an Occupational Safety and Health team devoted exclusively to this activity. Its team members perform field inspections, assistance for projects and safety talks, as well as inspections of service providers to verify compliance with requirements, among other activities.

Our challenge for 2019 is to perform a risk assessment of each work station on specific health issues. We will also work on formalizing work procedures and processes for improved management in all areas, as well as on controls and inspections of the various processes, risk matrices, training and personal protection equipment, field and office compliance requirements, key elements for an Occupational Safety and Health culture.

RIGHT
Maintenance to our operating infrastructure at the green corridor in Guavio, Cundinamarca







Environmental Dimension

Environmental management 156

Hummingbird taking a bath.
Photograph by our employee Edwin Vargas from the Grupo Energía Bogotá Project Management department

6.9 We protect the environment



(307-1) At the Group, we continue with a track record of zero penalties and improved relations with the environmental authorities. One of our commitments is to maintain this trend.

(102-11) (103-1) Our environmental management activities are aimed at protecting and preserving the environment, as part of our responsibility for ensuring the social and environmental development of the territories in which we operate. We also establish genuine relations with the environment, which implies that we not only comply with regulations, but also that we act with due diligence and the precautionary principle. We monitor our emissions and our environmental management plans and we engage in offsetting processes whenever they are required.

(103-1) (103-2) (103-3) We are responsible for complying with and implementing our environmental management plans, environmental licenses and regulations. We also advise and support monitoring, supervision and verification of the activities performed during project construction. Our work is



framed by the environmental provisions of Decree Law 2811/1974, Law 99/1993 and Decree 1076/2015.

Our green initiatives

(103-2) In 2018, jointly with Alexander von Humboldt Institute, we managed an offsetting portfolio for each of the 12 electric energy transmission projects in the licensing process, in order to capitalize on this institute's broad knowledge and experience on biodiversity.

With this institution's support, we also completed a handbook for Ecosystem Restoration in the Sub-Andean Region: The Case of the Barbas-Bremen Land Conservation District, a valuable tool based on one of the country's most important reserves to manage biodiversity, with the possibility of replication. We presented this handbook at the 2018 International Environmental Fair (FIMA, for the Spanish original) and it is available for use and application by all stakeholders committed to the environment.

Another tool we developed jointly with Alexander von Humboldt Institute was the *BioTablero* (Bio-Scorecard), a support system to make decisions on the Group's and TGI's environmental offsetting. This ensures enhanced biodiversity management in our projects.

During the year, we submitted to the Ministry of Environment and Sustainable Development the *Bosques para la Paz* (Forests for Peace) project at Tesalia-Alfárez, as a strategy to fulfill the environmental offsetting requirements derived from the UPME 05-2009 Tesalia-Alfárez Project, pursuant to Resolution 0470/2017, which is currently under review by the Ministry and by the Environmental Licenses National Authority (ANLA, for the Spanish original). In addition to fulfilling environmental offsetting obligations, this project enables to coordinate community empowerment initiatives and payment for environmental services, as defined in our sustainability strategy.

(304-3) We also continued the process of ecological restoration at the Tominé Reservoir, implemented on 16 ha with

12

transmission projects licensed and in the licensing process have offsetting portfolios.

restoration strategies, which were maintained and monitored. The next step will be to adapt these restored areas for educational and tourism activities with ecological and environmental purposes. For additional information, see the Annexes.

(305-5) Another major achievement in 2018 was offsetting 1,994 t of CO₂ equivalent through forestry plantations in eastern Colombia; these were certified by an institution accredited by the United Nations Framework Convention on Climate Change (UNFCCC). These are to offset our 2017 emissions.

In our operations we use sulfur hexafluoride (SF₆), a gas with high global warming effect, which we use for technical and safety reasons as electrical insulation at electric substations. Our operations include monitoring gas pressure and preventive maintenance plans, as well as monitoring the variables that determine the gas quality for the intended purposes. Since 2017, we perform gas recovery in order to prevent fugitive emissions and reduce their demand.

(103-2) In 2019, we will continue offsetting emissions and to work on consolidating a Business Group climate strategy. To this end, we have established the goal of updat-

LEFT Mosaic of bryophytes and lichens, identified in the Catalog of Banned Species, Protection for Progress, prepared by TGI



To view the handbook for Restoration of Ecosystems in the Sub-Andean Region, the Case of the Barbas-Bremen Land Conservation District, scan this QR code.

ing our carbon footprint and standardizing carbon footprint measurements throughout the Organization, because there are still inconsistencies in the emissions inventories and absence of scope three measurements at some Group companies.

TGI

At TGI, management of environmental impacts is steered by the Group's Occupational Safety and Health and Environmental Policy, with the goal of achieving zero accidents in operations and no harm to people, assets and the environment. In order to fulfill this commitment, we have established priorities for the mitigation of the most significant impacts: greenhouse gas (GHG) emissions (carbon dioxide and methane) into the atmosphere and sound pressure levels.

In order to offset emissions, we have acquired carbon credits through a reforestation project certified by ICONTEC, equivalent to 12,000 t. We are also committed to saving energy and water at the Company's facilities: during the year, we achieved energy consumption savings of 24.6% compared to 2017.

In 2018, we also designed and implemented activities to raise awareness among employees; we identified emission sources and verified our carbon footprint, and we monitored emissions in the field, all of which is included in our greenhouse gas report.

One of our most significant challenges in the future is to identify, quantify and offset our emissions. To this end, during the year we will work on a strategy to manage involuntary emissions and environmental noise,

During 2018, we measured the carbon footprint of TGI, Grupo Energía Bogotá and Contugas. Our reported emissions total 158,872 t of CO₂eq, including the three scopes. (305-1)(305-2)(305-3)

and we will prepare a greenhouse gas report that will be verified by an external entity.

Another achievement during the year was the acquisition of properties in the Mamapacha and Bijagual moors (*páramo*) to create a 600 ha forestry and environmental reserve, which enabled us to preserve biological corridors that serve as the habitat for wildlife species such as the spectacled or Andean bear (*Tremarctos ornatus*).

As part of our habitat protection work, we promoted the development of the catalog *Especies en veda, protección para el progreso* (Banned Species, protection for progress), as part of the offsetting program for lifting banned animal species, trees and epiphytes in Casanare, Boyacá and Santander.

BELOW-RIGHT

At Grupo Energía Bogotá, we are concerned about the protection of the flora, fauna and water resources in our project areas





Cálidda

Based on an independent study performed by an external consultant, we verified that the use of natural gas has prevented emissions of 50 million t of CO₂ into the atmosphere in Lima, Peru.

The following are some of the highlights of our environmental management in 2018:

- Approval of the Statement of Environmental Impact for the installation and operation of pipelines for the gas distribution project located at Los Pantanos de Villa Wildlife Reserve. This allows us to perform works in this protected natural area.
- Structuring of a program to use transportation services and waste disposal achieved savings of approximately USD 20,000.
- Our Environmental Management System was strengthened and certified in accordance with the ISO 14001:2015 standard for Cálidda.
- Program for the implementation of environmental controls for the first cleaning of Cálidda Gas Pipeline.
- Installation of a chiller cooling system for the offices of Cálidda operating with natural gas. This innovative initiative enabled migration from electric energy to natural gas, thereby contributing directly to the reduction of greenhouse gas (GHG) emissions.

Contugas

During 2018, as part of our environmental management, we started up our *Huella Verde* (Green Footprint) strategy to promote environmental conservation, in the framework of three environmental responsibility programs: *Ica Limpia*, *Reservando Vida* and *Yo Reduzco* (Clean Ica, Reservation for Life and I Reduce). As part of these programs, we carried out activities to clean the Ica River, to plant trees in the Pueblo Nuevo district (Chincha) and the recycling drive at Contugas, among others.

Another result this year was signing an inter-institutional agreement, as an addendum to a specific inter-institutional cooperation agreement between the government's Natural Protected Areas National Service and Contugas. This was achieved thanks to the fulfillment of 100% of the environmental noise monitoring program and of 100% of environmental obligations.

In 2019, we will work on updating the Environmental Impact Assessment, on improving the Central Waste Warehouse and on the results of a study on the change in energy mix used by the industry sector in Ica.

Our challenge in the medium term is to be able to determine the effects of a potential leak of natural gas or a spill of odorant (which is added for safety reasons in order to make natural gas perceptible to smell) through modeling of dispersion of atmospheric pollutants. In the long term, at the administrative offices we will implement devices to rationalize the use of water and energy, as well as equipment at fixed sources to reduce atmospheric emissions whenever we exceed allowable levels for the generator groups in Ica.

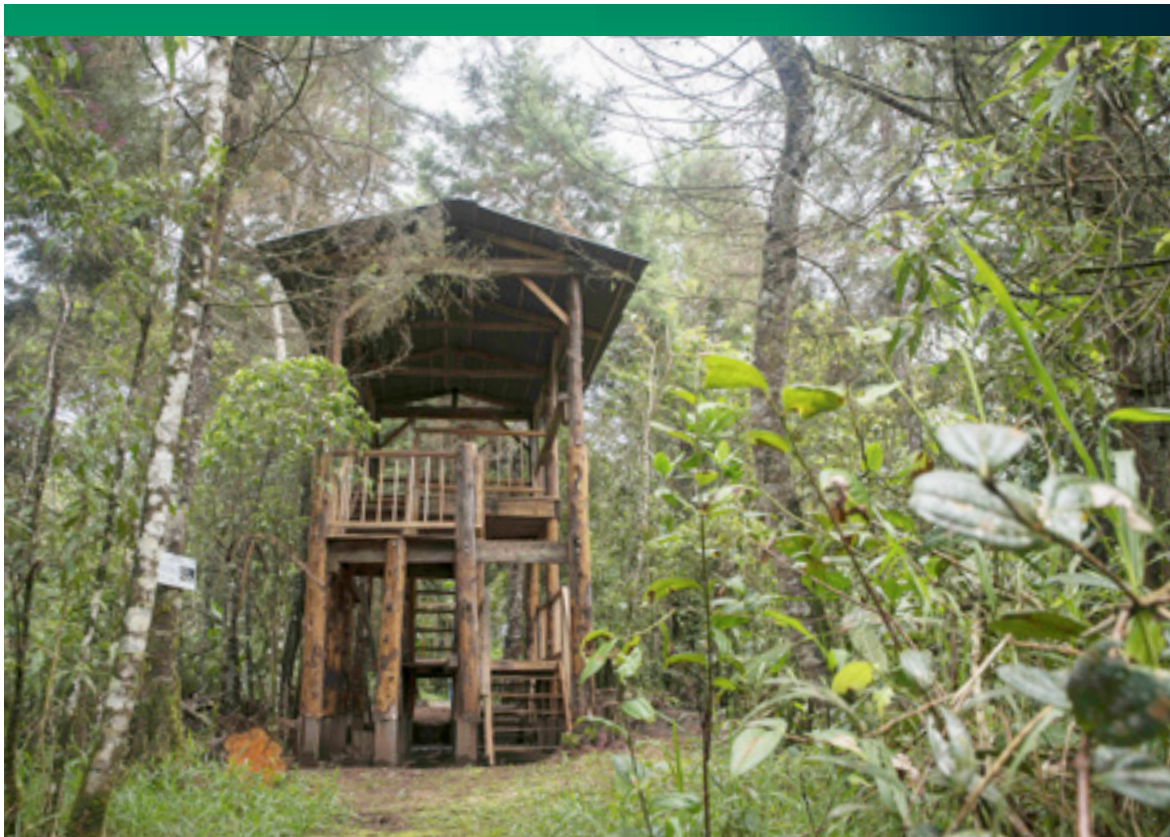
TRECSA

During 2018, we became the first energy transportation company in Guatemala to be certified as free from polychlorinated biphenyl (PCB). In order to obtain this recognition we took an inventory of all our assets that use dielectric oils and we confirmed that they were free from PCB, a toxic substance that is dangerous for human health and the environment.

We also performed archaeological rescues, such as the release of the Sololá-Las Cruces towers (Site Nimajú and Los Pinos), towers 15, 19, 100 and 99, and we obtained a resolution approving the environmental impact study for the Chiantle Substation.

In 2019, we will continue working on environmental management in the areas where our projects are located in order to prevent risks associated with delays in obtaining environmental permits and licenses.

At Cálidda, a study performed by a consultant verified that the use of natural gas has prevented emissions of 50 million t of CO₂ into the atmosphere in Lima, Peru.



Birding site built by Grupo Energía Bogotá at the Barbas-Bremen reserve

The environmental initiative at Barbas-Bremen

One of the areas in Colombia with greatest biodiversity is the Coffee growing region, which has become an important destination for visitors. Barbas-Bremen is located in this area between the municipalities of Salento, Filandia and Circasia (Quindío) and Pereira (Risaralda).

It is a large reserve rich in flora, fauna and water resources, featuring strategic ecosystems such as Andean and Sub-Andean forests. Its vegetation includes species in critical danger such as *copachi*, the wax palm, curly cumin and *molinillo*. Some of its animal species include the night monkey and the water dog, and some of its bird species include the Cauca guan (*Penelope perspicax*), the multicolored tanager (*Chlorochrysa nitidissima*) and the subtropical doradito (*Pseudocolopteryx acutipennis*).

This majestic ecosystem is preserved by the regional autonomous authorities of Quindío (CRQ, for the Spanish original) and Risaralda (Carter), by the local governments, by the communities and by companies, including Grupo Energía Bogotá. At this ecosystem, we will carry out a voluntary offsetting

plan for the performance of the UPME 02-2009 energy transmission project, Armenia Substation.

We also launched an ecological restoration project through the reforestation of 30 ha and planting of over 33,000 native trees; we also recovered another 15 ha through enrichment of forests. Some of the districts we benefited are Membrillal, La Concha, San Antonio and El Roble (Circasia), and Las Cruces and Bizcocho (Filandia). The local communities actively participate in this program, particularly students at local schools, who contributed by planting native species and installing fences to protect wetland areas.

Another initiative was the agreement with Alexander von Humboldt Institute to develop the *Handbook for Ecosystem Restoration in the Sub-Andean Region: The Case of the Barbas-Bremen Land Conservation District*. It is the first handbook developed for this conservation district and is intended as a real and practical contribution for management and preservation of river basins and wetlands, as well as for the recovery of degraded areas.

**Monkeys on the Mocoa-Pasto Road.
Photograph by our employee Omar Gutiérrez
from the Operations Management Department**





Annexes

07

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Separate Statements of Financial Position

STATUTORY AUDITOR'S REPORT

**To Grupo Energía Bogotá S.A. E.S.P.'s
shareholders:**

REPORT ON THE SEPARATE FINANCIAL STATEMENTS

I have audited the attached separate financial statements of GRUPO ENERGÍA BOGOTÁ S.A. E.S.P., which comprise the statement of financial position at December 31, 2018, the statements of income and other comprehensive income, of changes in net equity and of cash flow for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and adequate presentation of these financial statements in accordance with Colombia's Generally Accepted Accounting and Financial Reporting Standards, and for the internal control that management considers appropriate for the preparation and adequate presentation of financial statements that are free from material misstatements, either due to fraud or error; for selecting appropriate accounting policies and for making accounting estimates that are reasonable under the circumstances.

Statutory Auditor's Responsibility

My responsibility is to issue an opinion on said financial statements based on my audit. I have performed the audit in accordance with the International Standards on Auditing accepted in Colombia. Such standards require me to fulfill certain ethical requirements and to plan and perform my audit in order to obtain reasonable assurance as to whether the financial statements are free from material misstatements. An audit consists in performing procedures to obtain audit evidence on the amounts and disclosures of the financial statements. The selected procedures depend on the professional judgment of the auditor, including the auditor's assessment of the risk of material misstatements in the financial statements. In assessing such risk, the auditor takes into consideration the Company's internal controls that are relevant for the preparation and reasonable presentation of the financial statements, in order to design audit procedures

that are appropriate under the circumstances. An audit also includes an assessment of the accounting policies used and the significant accounting estimations made by management, as well as an assessment of the overall presentation of the financial statements.

I believe the audit evidence I have obtained provides a reasonable basis to issue my opinion, except for what I will mention in the following paragraph.

Basis for Qualifying my Opinion

At December 31, 2018, GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. holds an investment in the affiliate GEBBRAS Participações Ltda. worth COP 325,964 million, which is equivalent to 2% of the Company's total assets. In turn, GEBBRAS Participações Ltda. holds investments in four joint ventures whose main businesses are energy transmission concessions, which are accounted for using the equity method, as indicated in Note 13 to the attached financial statements.

Starting on January 1, 2018, said concessions adopted IFRS 15 (contract asset) as their accounting policy, replacing IFRIC 12 (financial asset). This accounting change, required by currently effective Accounting Standards, gave rise to a revision of the implicit interest rates of the contract assets, which replaced the internal rates of return used for the financial assets under IFRIC 12. The audit procedures performed to date at the affiliate were insufficient in order to establish whether the implicit interest rates adopted by management reflect market conditions on the start date of the joint ventures' transmission concession periods.

Opinion

In my opinion, except for the matter described in the above paragraph, the attached financial statements, taken from the accounting records, reasonably present, for all material effects, the financial position of GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. at December 31, 2018, the results of its operations and the cash flows for the year then ended, in accordance with Colombia's Generally Accepted Accounting and Financial Reporting Standards.

Other Matters of Emphasis

Without changing my audit opinion, I bring to your attention the following matters related to the affiliates Contugas S.A.C. and Transportadora de Energía de Centroamérica S.A., given that there are certain circumstances and plans to be carried out by the respective management teams of Contugas S.A.C. and Transportadora de Energía de Centroamérica S.A., the purpose of which is to improve financial and operating indicators. These plans have been taken into consideration in the future cash flows used to measure the recoverable value of long-term assets; consequently, the evolution regarding measurement of such value will depend on the success of the aforementioned plans and the shareholders' financial support.

Other Matters

The financial statements at December 31, 2017 are included solely for comparative purposes; they were audited by me and on February 12, 2018, I issued a clean opinion on them.

Consolidated Financial Statements

The attached separate financial statements were prepared in order to comply with legal requirements on statutory information the Company is subject to as an independent legal entity and, consequently, they do not include

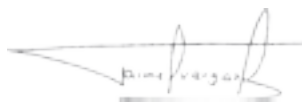
the adjustments or eliminations required for the presentation of the consolidated financial position and results of the Company and its subsidiaries. These separate financial statements must be read together with the consolidated financial statements of GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. and its subsidiaries.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Within the scope of my audit, I report that the Company has carried its accounting in accordance with legal requirements and accounting technique; the transactions recorded in the accounting records, correspondence, account vouchers, book of minutes and shareholder ledger are adequately kept and preserved; the management report is consistent with the basic financial statements and includes a management statement on not obstructing the free circulation of invoices issued by vendors or suppliers; and the information contained in the self-prepared returns for payment to the Comprehensive Social Security System, and particularly the information related to affiliated employees and their income for payment effects, has been taken from the accounting records and supporting documents. At December 31, 2018, the Company is not in arrears in its payments to the Comprehensive Social Security System.

According to Article 1.2.1.4 of Decree 2420/2015, the statutory auditor is required to apply the ISAE, in performance of the duties set forth in Article 209 of the Commercial Code, regarding assessment of compliance with bylaw provisions and decisions of the Shareholder Assembly and with internal control assessments. Also, according to Article 1.2.1.5 of said Decree, for the effects of application of Article 1.2.1.4, the statutory auditor shall not be required to prepare a separate report, but shall be required to express an opinion on each matter contained therein. The Technical Public Accounting Council will issue the required technical guidelines to this effect.

Based on the evidence obtained during my statutory audit of the 2018 period, in my opinion, nothing has caught my attention that would lead me to believe: a) that the actions of the Company's management are not consistent with the bylaws and/or decisions of the shareholders assembly and b) that internal controls measures are non-existent or inadequate regarding accounting, the preservation and custody of Company assets or of third-party assets in its power.



JAIME ALBERTO VARGAS ZAMBRANO
Statutory Auditor
Professional License 81.100-T
Designated by Deloitte & Touche Ltda.
February 21, 2019

Separate statements of financial position for the years ended on December 31, 2018 and 2017

(In millions of Colombian pesos)

Assets	December 31	
	2018	2017
CURRENT ASSETS:		
Cash and cash equivalents	611,125	968,678
Financial assets	11,653	134,459
Accounts receivable	40,207	30,761
Accounts receivable from related parties	148,822	128,243
Investments	53,431	54,444
Inventories	9,350	10,729
Assets classified as held for sale	180,510	-
Other assets	1,378	1,409
Total current assets	1,056,476	1,328,723
NON-CURRENT ASSETS:		
Investments in subsidiaries	5,423,803	4,929,736
Investments in associates	6,594,400	6,280,927
Property, plant and equipment, net	1,794,043	1,400,425
Investment properties	29,781	210,796
Investments	481,691	444,655
Accounts receivable	14,349	13,024
Accounts receivable from related parties	1,544,633	1,281,607
Intangible assets	35,660	4,253
Deferred tax assets	62,383	27,509
Total non-current assets	15,980,743	14,592,932
Total assets	17,037,219	15,921,655

Liabilities and equity	December 31	
	2018	2017
CURRENT LIABILITIES:		
Financial debts	99,014	61,570
Accounts payable	73,239	152,356
Accounts receivable from related parties	1,895	1,329
Provisions for employee benefits	47,724	43,987
Tax liabilities	7,902	7,818
Total current liabilities	229,774	267,060
NON-CURRENT LIABILITIES:		
Financial debts	3,738,067	3,603,660
Provisions for employee benefits	148,007	169,514
Accounts receivable from related parties	172,232	-
Other provisions	48,416	120,986
Deferred tax liabilities	143,055	178,604
Other liabilities	1,218	1,363
Total non-current liabilities	4,250,995	4,074,127
Total liabilities	4,480,769	4,341,187
EQUITY		
Capital	492,111	492,111
Share issue premium	837,799	837,799
Reserves	2,999,690	2,555,404
Retained earnings	5,464,574	5,366,088
Other comprehensive income	2,762,276	2,329,066
Total equity	12,556,450	11,580,468
Total liabilities and equity	17,037,219	15,921,655

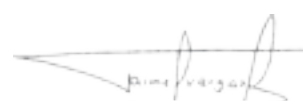
The attached notes form integral part of the financial statements.



Astrid Álvarez Hernández
President



Óscar Cerra Jerez
Accounting Manager
Professional License 136.393-T



Jaime Alberto Vargas Zambrano
Statutory auditor (see my attached report)
Designated by Deloitte & Touche Ltda.

Separate comprehensive income statements for the years ended on December 31, 2018 and 2017


(In millions of Colombian pesos)

	2018	2017
REVENUE		
Electricity transmission	397,105	298,942
Equity method	1,509,489	1,520,856
	1,906,594	1,819,798
COSTS AND EXPENSES		
Electricity transmission	(155,076)	(133,485)
Expenses on equity securities portfolio	(133,410)	(80,186)
Administrative expenses	(42,252)	(49,840)
Other revenues (expenses), net	125,709	32,793
Operating revenue	1,701,565	1,589,080
Financial revenue	153,298	189,819
Financial expenses	(195,248)	(277,017)
Difference in currency translation, net	(26,345)	8,574
Pre-tax earnings	1,633,270	1,510,456
LESS INCOME TAX EXPENSE (NOTE 23)		
Current	-	(4)
Deferred	70,423	(10,331)
Net profit for the period	1,703,693	1,500,121
OTHER COMPREHENSIVE INCOME		
Items that will not be reclassified through income in the future:		
Re-measurement of defined benefit obligations	19,203	(22,211)
Net gain in fair value of equity instruments	-	74,486
Items to be reclassified through income in the future:		
Valuation of associates	(9,477)	(499)
Difference in currency translation of foreign transactions	423,484	(24,444)
Total other comprehensive income for the period	433,210	27,332
Comprehensive income for the period	2,136,903	1,527,453
Earnings per share	185.56	163.39

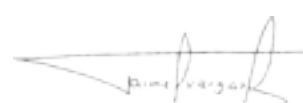
The attached notes form integral part of the financial statements.



Astrid Álvarez Hernández
President



Óscar Cerra Jerez
Accounting Manager
Professional License 136.393-T



Jaime Alberto Vargas Zambrano
Statutory auditor (see my attached report)
Designated by Deloitte & Touche Ltda.

Grupo Energía Bogotá S.A. E.S.P.
Statement of cash flow for the years ended on
December 31, 2018 and 2017

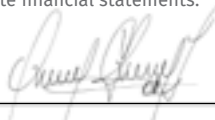
(In millions of Colombian pesos)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net profit	1,703,693	1,500,121
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Income tax	(70,423)	10,335
Depreciation and amortization	22,360	20,993
Loss on sale or de-recognition of fixed assets	830	1,265
Difference in currency translation	26,345	(8,574)
(Recoveries) Provisions	(75,771)	(6,343)
Financial expenses	195,248	294,419
Financial revenue	(153,297)	(207,021)
Income from equity method	(1,509,489)	(1,520,856)
	139,496	84,339
CHANGES IN WORKING CAPITAL		
Accounts receivable	(15,416)	(16,683)
Inventories	1,379	(1,634)
Tax assets	1,013	-
Other assets	31	(158)
Accounts payable	(82,126)	112,275
Tax liabilities	16,401	(27,238)
Provisions for employee benefits	(11,263)	7,782
Other provisions	(1,504)	10,598
Other liabilities	(143)	(145)
Net cash flow provided by operating activities	47,868	169,136
CASH FLOW IN INVESTMENT ACTIVITIES		
Capitalization of subsidiaries	(196,633)	(129,186)
Dividends received	1,174,888	1,238,346
Interests received	138,777	159,665
Loans to related parties	(160,660)	17,017
Increase in investments	161,127	291,099
Acquisition of property, plant and equipment	(377,486)	(432,351)
Acquisition of investment properties	(326)	-
Acquisition of intangible assets	(32,439)	(617)
Net cash flow provided by investment activities	707,248	1,143,973
CASH FLOW IN FINANCING ACTIVITIES		
Dividends paid	(1,055,835)	(908,936)
Loans to related parties	168,649	(246,226)
Interests paid	(166,855)	(250,725)
Loans received	2,111,524	1,300,000
Loans paid	(2,181,212)	(627,079)
Net cash used in financing activities	(1,123,729)	(732,966)
NET INCREASE (REDUCTION) IN CASH	(368,613)	580,143
Effect of exchange rate fluctuations on cash held in foreign currency	11,060	5,946
Opening cash balance	968,678	382,589
Cash at end of period	611,125	968,678

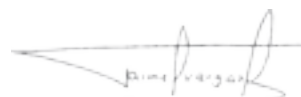
The attached notes form integral part of the separate financial statements.



Astrid Álvarez Hernández
President



Óscar Cerra Jerez
Accounting Manager
Professional License 136.393-T



Jaime Alberto Vargas Zambrano
Statutory auditor (see my attached report)
Designated by Deloitte & Touche Ltda.

Separate statements of changes in equity for the years ended on December 31, 2018 and 2017

(In millions of Colombian pesos)

	Issued capital	Share issue premium	Reserves					"Total reserves"
			Legal	For system upgrades, expansions and replacements	Reserve on equity method of companies	Occasional Reserve Art. 130 Tax Statute	Occasional	
BALANCES AT JANUARY 1, 2017	492,111	837,799	332,496	125,695	1,184,241	51,917	481,008	2,175,357
Current period net profit	-	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	-	-	-
Appropriations	-	-	-	-	401,886	8,892	(30,731)	380,047
Effect of ISA sale	-	-	-	-	-	-	-	-
Dividend distribution	-	-	-	-	-	-	-	-
BALANCES AT DECEMBER 31, 2017	492,111	837,799	332,496	125,695	1,586,127	60,809	450,277	2,555,404
Current period net profit	-	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	-	-	-
Appropriations	-	-	-	-	387,584	-	56,702	444,286
Effect of Grupo Energía Bogotá's regulatory changes	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Effect of associates and subsidiaries' regulatory changes	-	-	-	-	-	-	-	-
Dividend distribution	-	-	-	-	-	-	-	-
BALANCES AT DECEMBER 31, 2018	492,111	837,799	332,496	125,695	1,973,711	60,809	506,979	2,999,690

The attached notes form integral part of the financial statements.

Other comprehensive income items

Retained earnings	Net gain (loss) in the fair value of assets available for sale	Re-measurement of defined benefit obligations	Valuation of associates	Difference in currency translation of foreign transactions	Total other comprehensive income items	Total equity
5,064,230	16,234	(42,440)	15,376	2,403,284	2,392,454	10,961,951
1,500,121	-	-	-	-	-	1,500,121
-	74,486	(22,211)	(499)	(24,444)	27,332	27,332
(380,047)	-	-	-	-	-	-
90,720	(90,720)	-	-	-	(90,720)	-
(908,936)	-	-	-	-	-	(908,936)
5,366,088	-	(64,651)	14,877	2,378,840	2,329,066	11,580,468
1,703,693	-	-	-	-	-	1,703,693
-	-	19,203	(9,477)	423,484	433,210	433,210
(444,286)	-	-	-	-	-	-
(2,755)	-	-	-	-	-	(2,755)
2,505	-	-	-	-	-	2,505
(104,836)	-	-	-	-	-	(104,836)
(1,055,835)	-	-	-	-	-	(1,055,835)
5,464,574	-	(45,448)	5,400	2,802,324	2,762,276	12,556,450

Astrid Álvarez Hernández

Astrid Álvarez Hernández
President

Oscar Cerra Jerez

Oscar Cerra Jerez
Accounting Manager
Professional License 136.393-T

Jaime Alberto Vargas Zambrano

Jaime Alberto Vargas Zambrano
Statutory auditor (See my attached report)
Designated by Deloitte & Touche Ltda.



Consolidated Statements of Financial Position

STATUTORY AUDITOR'S REPORT

**To the shareholders of
Grupo Energía Bogotá S.A. E.S.P.:
AND ITS SUBSIDIARIES,**

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

I have audited the attached consolidated financial statements of GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBSIDIARIES, which comprise the statement of financial position at December 31, 2018, the statements of income and other comprehensive income, of changes in net equity and of cash flow for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and adequate presentation of these financial statements in accordance with Colombia's Generally Accepted Accounting and Financial Reporting Standards, and for the internal control that management considers appropriate for the preparation and adequate presentation of financial statements that are free from material misstatements, either due to fraud or error; for selecting appropriate accounting policies and for making accounting estimates that are reasonable under the circumstances.

I believe the audit evidence I have obtained provides a reasonable basis to issue my opinion, except for what I will mention in the following paragraph.

Statutory Auditor's Responsibility

My responsibility is to issue an opinion on said consolidated financial statements based on my audit. I have performed the audit in accordance with the International Standards on Auditing

accepted in Colombia. Such standards require me to fulfill certain ethical requirements and to plan and perform my audit in order to obtain reasonable assurance as to whether the financial statements are free from material misstatements. An audit consists in performing procedures to obtain audit evidence on the amounts and disclosures of the financial statements. The selected procedures depend on the professional judgment of the auditor, including the auditor's assessment of the risk of material misstatements in the financial statements. In assessing such risk, the auditor takes into consideration the Company's internal controls that are relevant for the preparation and reasonable presentation of the financial statements, in order to design audit procedures that are appropriate under the circumstances. An audit also includes an assessment of the accounting policies used and the significant accounting estimations made by management, as well as an assessment of the overall presentation of the consolidated financial statements.

Basis for Qualifying my Opinion

At December 31, 2018, GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. holds investments in joint ventures through its affiliate, GEBBRAS Participações Ltda., for COP 589,861 million, which is equivalent to 2% of the Group's total assets. Their main businesses are energy transmission concessions, which are accounted for using the equity method, as indicated in Note 15 to the attached financial statements.

Starting on January 1, 2018, said concessions adopted IFRS 15 (contract asset) as their accounting policy, replacing IFRIC 12 (financial asset). This accounting change, required by currently effective Accounting Standards, gave rise to a revision of the implicit interest rates of the contract assets, which replaced the internal rates of return used for the financial assets under IFRIC 12. The audit procedures performed to date at the affiliate were insufficient in order to establish whether the implicit interest rates adopted by management reflect market conditions on the start date of the joint ventures' transmission concession periods.

Opinion

In my opinion, except for the matter described in the above paragraph, the attached consolidated financial statements, taken from the accounting books, reasonably present, for all material effects, the financial position of GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBSIDIARIES at December 31, 2018, the results of its operations and the cash flows for the year then ended, in accordance with Colombia's Generally Accepted Accounting and Financial Reporting Standards.

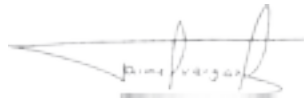
Other Matters of Emphasis

The attached separate financial statements were prepared in order to comply with legal requirements on statutory information the Company is subject to as an independent legal entity and, consequently, they do not include the adjustments or eliminations required for the presentation of the consolidated financial position and results of the

Company and its subsidiaries. These separate financial statements must be read together with the consolidated financial statements of GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. and its subsidiaries.

Other Matters

The financial statements at December 31, 2017 are included solely for comparative purposes; they were audited by me and on February 15, 2018, I issued a clean opinion on them.



JAIME ALBERTO VARGAS ZAMBRANO

Statutory Auditor

Professional License 81.100-T

Designated by Deloitte & Touche Ltda.

February 22, 2019

Grupo Energía Bogotá S.A. E.S.P. and its subsidiaries

Consolidated statements of financial position at December 31, 2018 and 2017

(In millions of Colombian pesos)

Assets	December 31	
	2018	2017
CURRENT ASSETS:		
Cash and cash equivalents (Note 7)	1,128,112	1,569,021
Investments (Note 8)	28,198	145,540
Accounts receivable (Note 9)	769,660	543,917
Accounts receivable from related parties (Note 35)	242,360	152,642
Tax assets (Note 10)	80,859	180,873
Inventories (Note 11)	160,581	175,416
Assets available for sale (Note 12)	722,633	550,941
Other assets (Note 13)	25,312	27,261
Total current assets	3,157,715	3,345,611
NON-CURRENT ASSETS:		
Investments in associates and joint ventures (Note 15)	7,184,261	6,951,662
Property, plant and equipment (Note 16)	10,158,128	9,018,704
Investment properties (Note 17)	29,781	210,796
Investments (Note 8)	12,385	14,061
Accounts receivable (Note 9)	149,523	226,033
Goodwill (Note 18)	84,618	50,171
Intangible assets (Note 19)	4,308,278	3,744,080
Tax assets (Note 10)	109,246	105,820
Deferred tax assets (Note 25)	67,576	97,225
Other assets (Note 13)	19,334	24,238
Total non-current assets	22,123,130	20,442,790
Total assets	25,280,845	23,788,401

Liabilities and equity	December 31	
	2018	2017
CURRENT LIABILITIES:		
Financial debt (Note 20)	1,543,977	153,611
Accounts payable (Note 21)	475,955	431,668
Accounts payable to related parties (Note 35)	7	5,604
Employee benefit provisions (Note 22)	93,803	79,624
Other provisions (Note 23)	39,443	141,821
Tax liabilities (Note 24)	47,938	179,047
Other liabilities (Note 26)	205,892	193,363
Total current liabilities	2,407,015	1,184,738
NON-CURRENT LIABILITIES:		
Financial debt (Note 20)	8,081,825	8,730,150
Tax liabilities (Note 24)	1,164	780
Employee benefit provisions (Note 22)	148,006	169,514
Other provisions (Note 23)	229,471	260,918
Deferred tax liabilities (Note 25)	1,406,726	1,451,903
Other liabilities (Note 26)	13,583	24,246
Total non-current liabilities	9,880,775	10,637,511
Total liabilities	12,287,790	11,822,249
EQUITY (NOTE 28)		
Issued capital	492,111	492,111
Share issue premium	837,799	837,799
Reserves	2,999,690	2,555,404
Retained earnings	6,189,340	6,090,854
Other comprehensive income	2,037,511	1,604,301
Total equity of the parent company	12,556,451	11,580,469
Non-controlling interest	436,604	385,683
Total equity	12,993,055	11,966,152
Total equity and liabilities	25,280,845	23,788,401

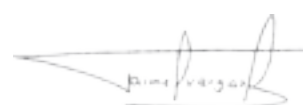
The attached notes form integral part of the financial statements.



Astrid Álvarez Hernández
President



Óscar Cerra Jerez
Accounting Manager
Professional License 136.393-T



Jaime Alberto Vargas Zambrano
Statutory auditor (see my attached report)
Designated by Deloitte & Touche Ltda.

Grupo Energía Bogotá S.A. E.S.P. and its subsidiaries

Consolidated statements of income and other comprehensive income for the years ended on December 31, 2018 and 2017

(In millions of Colombian pesos)

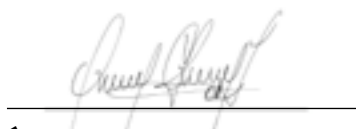
	2018	2017
REVENUES		
Natural gas distribution (Note 29)	2,241,048	2,017,384
Natural gas transportation (Note 29)	1,312,833	1,221,394
Electricity transmission (Note 29)	447,873	339,347
Total revenue	4,001,754	3,578,125
COSTS AND EXPENSES		
Natural gas distribution (Note 30)	(2,014,359)	(1,727,795)
Natural gas transportation (Note 30)	(569,943)	(491,127)
Electricity transmission (Note 30)	(227,299)	(189,453)
Administrative expenses (Note 31)	(181,656)	(137,410)
Other revenues (expenses), net (Note 32)	293,997	69,924
Operating revenue	1,302,494	1,102,264
Financial revenue (Note 33)	105,267	204,011
Financial expenses (Note 34)	(539,057)	(597,670)
Net gain (expense) from differences in currency translation	(52,302)	(35,997)
Equity method in associates and joint ventures (Note 15)	1,055,060	1,029,542
Pre-tax earnings	1,871,462	1,702,150
LESS INCOME TAX EXPENSE (NOTE 25)		
Current	(196,510)	(299,444)
Deferred	110,216	166,189
Consolidated net profit for the period	1,785,168	1,568,895
OTHER COMPREHENSIVE INCOME		
Items not reclassified through profit or loss		
Re-measurement of defined benefit obligations	19,203	(22,211)
Net gain in fair value of equity instruments	-	74,486
Items to be reclassified through income in the future		
Difference in currency translation of foreign transactions	454,022	(85,262)
Earnings or losses from associates' other comprehensive income	(9,477)	(499)
Total other comprehensive income for the period	463,748	(33,486)
CONSOLIDATED COMPREHENSIVE INCOME FOR THE PERIOD	2,248,916	1,535,409
Consolidated net profit for the period attributable to:		
Controlling interest	1,703,693	1,500,121
Non-controlling interest	81,475	68,774
	1,785,168	1,568,895
Consolidated comprehensive income for the period attributable to:		
Controlling interest	2,136,903	1,527,453
Non-controlling interest	112,013	7,956
	2,248,916	1,535,409
EARNINGS PER SHARE	COP 185.56	COP 163.39

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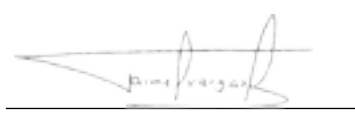
The attached notes form integral part of the consolidated financial statements.



Astrid Álvarez Hernández
President



Óscar Cerra Jerez
Accounting Manager
Professional License 136.393-T



Jaime Alberto Vargas Zambrano
Statutory auditor (see my attached report)
Designated by Deloitte & Touche Ltda.

Consolidated statements of cash flow for the years ended on December 31, 2018 and 2017

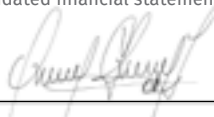
(In millions of Colombian pesos)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net profit	1,785,168	1,568,895
"Adjustments to reconcile net profit to net cash provided by operating activities:"		
Income taxes recognized through profit and loss	86,294	133,255
Income from equity method in associates and joint ventures	(1,055,060)	(1,029,542)
Financial expenses	539,057	597,670
Financial revenue	(105,267)	(204,011)
Depreciation and amortization	402,189	331,072
Loss (gain) on sale or de-recognition of fixed assets	558	1,246
Currency exchange difference	52,302	35,997
Provisions (recoveries), net	56,449	17,302
	1,761,690	1,451,884
NET CHANGES IN OPERATING ASSETS AND LIABILITIES:		
Accounts receivable	(269,632)	170,390
Inventories	4,372	(28,522)
Other assets	3,879	142,456
Accounts payable	(40,184)	131,205
Provisions for employee benefits	(1,398)	8,361
Provisions	(34,136)	210,846
Other liabilities	(92,614)	2,721
Taxes paid	(220,964)	(374,178)
Net cash flow provided by operating activities	1,111,013	1,715,163
CASH FLOW IN INVESTMENT ACTIVITIES:		
Sale of assets available for sale	-	15,243
Dividends received	822,550	763,797
Gain on sale of fixed assets	433	111
Interests received	90,711	83,594
Loans to related parties	-	11,662
Increase in investments	159,633	295,315
Acquisition of property, plant and equipment	(622,305)	(731,948)
Acquisition of investment properties	(326)	-
Acquisition of intangible assets	(502,779)	(414,040)
Net cash (used in) provided by investing activities	(52,083)	23,734
CASH FLOW IN FINANCING ACTIVITIES:		
Dividends paid	(1,116,681)	(908,937)
Loans to related parties	-	(11,410)
Interests paid	(453,036)	(573,847)
Loans received	4,445,239	1,586,008
Loans paid	(4,388,573)	(1,616,748)
Net cash flow used in financing activities	(1,513,051)	(1,524,934)
NET INCREASE (REDUCTION) IN CASH	(454,121)	213,963
Effect of exchange rate fluctuations on cash held in foreign currency	13,212	13,172
Opening balance of cash and cash equivalents	1,569,021	1,341,886
Cash and cash equivalents at the end of the year	1,128,112	1,569,021

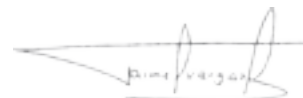
The attached notes form integral part of the consolidated financial statements.



Astrid Álvarez Hernández
President



Óscar Cerra Jerez
Accounting Manager
Professional License 136.393-T



Jaime Alberto Vargas Zambrano
Statutory auditor (see my attached report)
Designated by Deloitte & Touche Ltda.

Consolidated statements of changes in equity for the years ended on December 31, 2018 and 2017

(In millions of Colombian pesos)

	Issued capital	Share issue premium	Reserves					"Total reserves"
			Legal	For system upgrades, expansions and replacements	Reserve on equity method of companies	Occasional Reserve Art. 130 Tax Statute	Occasional	
BALANCES AT JANUARY 1, 2017	492,111	837,799	332,496	125,695	1,184,241	51,917	481,008	2,175,357
Current period net profit	-	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	-	-	-
Appropriations	-	-	-	-	401,886	8,892	(30,731)	380,047
Effect of ISA sale	-	-	-	-	-	-	-	-
Dividend distribution	-	-	-	-	-	-	-	-
BALANCES AT DECEMBER 31, 2017	492,111	837,799	332,496	125,695	1,586,127	60,809	450,277	2,555,404
Current period net profit	-	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	-	-	-
Appropriations	-	-	-	-	387,584	-	56,702	444,286
Effect of Grupo Energía Bogotá's regulatory changes	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Effect of associates and subsidiaries' regulatory changes	-	-	-	-	-	-	-	-
Dividend distribution	-	-	-	-	-	-	-	-
BALANCES AT DECEMBER 31, 2018	492,111	837,799	332,496	125,695	1,973,711	60,809	506,979	2,999,690

The attached notes form integral part of the consolidated financial statements.

Retained earnings	Other comprehensive income items				Total other comprehensive income items	Non-controlling interest	Total
	Net earnings (losses) in the fair value of assets available for sale	Re-measurement of defined benefit obligations	Difference in currency translation of foreign transactions	Gains or losses from associates' other comprehensive income			
5,788,996	16,234	(42,439)	1,468,094	225,800	1,667,689	377,727	11,339,679
1,500,121	-	-	-	-	-	68,774	1,568,895
-	74,486	(22,211)	(24,444)	(499)	27,332	(60,818)	27,332
(380,047)	-	-	-	-	-	-	-
90,720	(90,720)	-	-	-	(90,720)	-	-
(908,936)	-	-	-	-	-	-	(969,754)
6,090,854	-	(64,650)	1,443,650	225,301	1,604,301	385,683	11,966,152
1,703,693	-	-	-	-	-	81,475	1,785,168
-	-	19,203	423,484	(9,477)	433,210	30,538	463,748
(444,286)	-	-	-	-	-	-	-
(2,755)	-	-	-	-	-	-	(2,755)
2,505	-	-	-	-	-	-	2,505
(104,836)	-	-	-	-	-	(2,470)	(107,306)
(1,055,835)	-	-	-	-	-	(58,622)	(1,114,457)
6,189,340	-	(45,447)	1,867,134	215,824	2,037,511	436,604	12,993,055

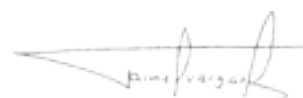
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Astrid Álvarez Hernández
President



Óscar Cerra Jerez
Accounting Manager
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Jaime Alberto Vargas Zambrano
Statutory auditor (see my attached report)
Designated by Deloitte & Touche Ltda.

Action taken by management on the Statutory Auditor's observations

TRECSA

Transportadora de Energía de Centroamérica S.A., (TRECSA) was incorporated on February 8, 2010 under Guatemalan law as the company responsible for fulfilling the requirements of project PET-1-2009, awarded to Grupo Energía Bogotá by means of a bidding process on January 21, 2010.

The Company began to operate in March 2010, and its main business is the generation, transmission, distribution and commercialization of energy, including gas and liquids in all forms and related activities, such as to design, build, operate and exploit power generation plants using any type of energy resource, transmission systems and energy distribution.

During 2018, the Group capitalized its investment in TRECSA for USD 27.98 million, equivalent to COP 84,147 million.

The Company's management will focus on action plans to recover the additional costs incurred in rights of way and force majeure events recognized in the works contracts signed with the Ministry of Mines and Energy (MEN, for the Spanish original).

At the end of 2018, the financial statements recognized USD 8.2 million for the reversion of impairment on assets recognized in 2016. The recoverable amount of the assets was calculated based on the value in use, and the discount rate used to calculate the value in use in 2018 was 6.65%.

Contugas

Transportadora de Gas Internacional del Perú S.A.C., currently Contugas S.A.C., was incorporated on June 4, 2008 under Peruvian law. The Company's purpose is to distribute and commercialize natural gas in the Ica region, in Peru. It may also provide services such as de-

sign, planning, expansion, financing, construction, commercial operation and maintenance of natural gas transportation and distribution systems using pipelines, as well as hydrocarbons transportation systems in all forms. The duration of this concession is 30 years, until 2042.

On April 30, 2014, the Company began commercial operations after having completed construction of the Natural Gas Pipeline Network Distribution System in Ica.

At December 31, 2018 and 2017, Contugas reported retained losses of USD 62 and USD 103, respectively; such losses have been accumulated over the four years and eight months of operation. At the end of the 2018 reporting period, Contugas wrote off losses of USD 103 as an action to partially offset the reduction in its equity compared to subscribed and paid-in capital. Additionally, these losses have reduced corporate capital to less than 50%, which according to the general companies law is cause for mandatory reduction of corporate capital, unless such situation is corrected within one year, either through new contributions, or by the shareholders taking on the loss in an amount that offsets the detriment.

In 2016, the Company signed a comprehensive contract to offer natural gas supply, transportation and distribution services to a new electricity generation customer, whose plant will operate in the province of Pisco. The contract establishes a firm commitment of natural gas supplies for 29.5 MCFPD and the possibility of increasing an additional 29.5 MCFPD under the interruptible modality. At December 31, 2018, the Company had planned to amend this contract in order to consider starting up operations in late 2021 or early 2022; also, the obligation of the customer to pay penalties

starting in July 2019 in order to make up for the revenues from the contracted capacity for as long as the start-up of operations is postponed. Such obligation would be guaranteed by a letter of guarantee in favor of the Company.

The cash flows from this contract will enable Contugas, starting in 2022, to offset the cost of the take or pay clauses in the natural gas supply and transportation contracts, thereby increasing EBITDA and achieving positive results. In this regard, given the planned changes to the contract, the Company intends to amend, starting in January 2019, the gas supply contract, through which we expect to reduce contracted capacity from 44.8 to 27 MCFPD.

Fulfillment of the business plans depends, primarily, on the gas distribution revenues to be produced by the start-up of electricity generation projects in the concession area in which Contugas operates, which have been included in the future cash flows used to measure the long-term recoverable value of assets; it also depends on the financial support of its shareholders. This will enable profitable operations to fulfill the obligations and perform the planned development activities, based on the Company's structure, and to cover its financial costs and recover its retained losses.

Contugas has been making arrangements to obtain a new syndicated loan in the amount of USD 355, which will enable repaying the current syndicated loan, which comes due in September 2019. The new terms of this loan will produce substantial savings, of close to USD 5 per year, primarily due to an interest rate that is 1.75% lower than the current syndicated loan, with the support of a corporate guarantee provided by shareholders, once the government approval process is completed in Colombia.

At the close of 2018, Contugas recorded as cost the impairment in value of the concession assets in the amount of USD 33, as a result of the valuation of expected future cash flows compared to the carrying value of the assets.

In 2018 and 2017, shareholders made capital contributions for USD 47 and USD 21, respectively; of these, in 2018 Grupo Energía Bogotá capitalized its investment in Contugas for USD 32, equivalent to COP 93,186. The share-

holders plan to provide the financial support required for the Company's operations.

Gebbras

In August 2015, Gebbras formalized the acquisition of a 51% equity interest in four electric energy transmission concessions in Brazil: Transenergia Renovável S.A., Transenergia São Paulo S.A., Goiás Transmissão S.A. and MGE Transmissão S.A. The price of the transaction totaled 547.98 million Brazilian Reals (USD 157.9 million).

The four concessions acquired by the Company were awarded by means of public bids in 2008 and 2009 for a 25-year period. The transmission lines length cover 1,094 km, with assets operating at 500, 345, 230 and 138 kV, located in the following states: Espírito Santo, Goiás, Mato Grosso, Mato Grosso do Sul, Minas Gerais and São Paulo.

At the close of 2018, Gebbras included in its financial statements an income effect of USD 16 million, arising from the application of new accounting standards associated with IFRS 15. "Revenues from ordinary activities from contracts with customers." The energy transmission concession holders, carried by the affiliate as non-controlling interests under the equity method, adopted IFRS 15 (contract assets) as their new accounting practice, which replaces IFRIC 12 (financial asset). This change gave rise to a revision of the implicit interest rates of the contract assets (TER 3.22%; TSP 4.18%; MGE 3.51%, and GOT 4.09%), rather than the internal rates of return used previously for financial assets (IFRIC 12).

Management provided the construction of the market interest rates applied in the asset valuation models of the financial assets. However, due to current levels of uncertainty in the Brazilian market in terms of the accounting application of the provisions established by the International Accounting Standards Board (IASB) regarding IFRS 15 and IFRS 9, the auditor was unable to establish whether the applied rates comply with the accounting standard.

In order to resolve this issue that affects concession holders in the Brazilian market, we expect regulators to establish a clear basis to determine the variables or components that define the market rate established by the international standard.



GRI

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GRI 102: General disclosures 2016				
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102-2	Activities, brands, products and services	Profile pages: 28, 29, 38, 43, 110, 111, 112		
102-3	Location of headquarters	Main Office Cra. 9 # 73-44 , Piso 6 Telephone number: +57 (1) 326-8000 - FAX: +57 (1) 326-8010 Bogotá D. C., Colombia		x
102-4	Location of operations	Profile pages: 2, 3		x
102-5	Ownership and legal form	Grupo Energía Bogotá S.A. E.S.P.		x
102-6	Markets served	Profile pages: 2, 3 We strengthen our customer relations Page 108 and 109		x
102-7	Scale of the organization	Profile pages: 2, 3, 142 Annexes page 217		x
102-8	Information on employees and other workers	Profile pages: 2, 3, 142 Annexes page 217		x
102-9	Supply chain	We optimize resources Page 119		x
102-10	Significant changes to the organization and its supply chain	During 2018, there were no significant changes to the Organization and its supply chain		x
102-11	Precautionary Principle or approach	Sustainability is in our DNA / We manage our risks Page 93, 156 The Group applies the precautionary principle to its environmental management, in accordance with Principle 15 of the Rio Declaration of the UN on the Environment and Development		x

GRI Standard	Table of Contents	Location	Omissions	External assurance
102-12	External initiatives	<ul style="list-style-type: none"> • National Association of Public Utilities Companies (Andesco, for the Spanish original) • National Business Association of Colombia (ANDI, for the Spanish original) • National Association of Financial Institutions (ANIF, for the Spanish original) • Colombian Association of Electric Power Generators (Acolgen, for the Spanish original) • National Association of Generator Companies (Andeg, for the Spanish original) • ProBogotá • Commission for the Integration of Regional Energy (CIER, for the Spanish original) • Colombian CIER Committee (Cocier) • Colombian Corporate Governance Institute • Electricity Sector Research and Technological Development Center (Cidet, for the Spanish original) 		x
102-13	Membership of associations	<ul style="list-style-type: none"> • World Energy Council (WEC) • Dow Jones Sustainability Index since 2012, in the emerging market category • Carbon Disclosure Project - CDP Driving Sustainable Economies • Securities issuers on the Colombian Securities Exchange (BVC) and Investor Relations recognition for transparency and information disclosure practices • BVC's Corporate Governance Committee members • Corporación Reconciliación Colombia - Founding members • Global Compact Network Colombia - Business for Peace • National Network of Regional Development and Peace Programs • Colombian Security Council • Integrated Management System pursuant to the following standards: ISO 9001, ISO 1401, and OSHAS 18001 • Energy Management System pursuant to standard ISO 50001:2011 		x
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GRI Standard	Table of Contents	Location	Omissions	External assurance
102-17	Mechanisms for advice and concerns about ethics	Ethics, Transparency and Anti-corruption Pages 68, 70, 71, 76		
Governance				
102-18	Governance structure of the Organization, including committees of the highest governance body	Corporate governance Pages 48, 51, 52		x
102-19	Process through which the highest governance body delegates authority to Senior Management and certain employees on economic, environmental and social matters	Corporate governance Page 60		
102-20	Executive-level responsibility for economic, environmental, and social topics	Corporate governance Page 60		
102-22	Composition of the highest governance body and its committees	Corporate governance Pages 51, 52, 54		
102-23	Indicate whether the chair of the highest governance body also holds an executive position	Corporate governance Page 52		
102-24	Nominating and selecting the highest governance body and its committees	Corporate governance Page 56		
102-25	Processes through which the highest governance body prevents and manages possible conflicts of interest.	Corporate governance Page 62		
102-26	Role of highest governance body and Senior Management in setting purpose, values or mission statements, and strategy, policies and objectives related to the Organization's economic, environmental and social impacts	Corporate governance Pages 51, 60		
102-27	Steps taken to develop and improve the collective knowledge of the highest governance body in connection with economic, environmental and social matters	Ethics, Transparency and Anti-corruption Page 71		
102-28	Performance evaluation of the highest governance body in connection with governance of economic, environmental and social matters. Indicate whether the assessment is independent and the frequency of assessments	Corporate governance Pages 48, 59		

GRI Standard	Table of Contents	Location	Omissions	External assurance
102-29	Role of the highest governance body in identifying and managing economic, environmental and social impacts, risks and opportunities	Corporate governance Page 54 Ethics, Transparency and Anti-corruption Pages 68, 70, 71		
102-30	Role of the highest governance body in reviewing the effectiveness of the Organization's risk management processes, in connection with economic, environmental and social matters	Corporate governance Page 54 Ethics, Transparency and Anti-corruption Page 68		
102-31	Indicate the frequency of reviews by the highest governance body of economic, environmental and social impacts, risks and opportunities	Corporate governance Page 54 Ethics, Transparency and Anti-corruption Page 68		
102-32	Indicate the highest governance body of committee responsible for reviewing and approving the Organization's sustainability reports and ensuring that all material matters are included	About this report Page 5		
102-35	Compensation policies for the highest governance body and Senior Management	Corporate governance Page 58	Senior Management compensation policies are not reported	
102-36	Process for determining compensation	Corporate governance Page 58		
102-37	Explain how the opinions of stakeholders are requested and taken into consideration regarding compensation, including, if appropriate, the results of votes on policies and proposals related to this matter	Corporate governance. Page 58		
Stakeholder participation				
102-40	List of stakeholder groups	Sustainability is in our DNA / Our stakeholders Page 88		x
102-41	Collective bargaining agreements	Annexes Page 215		x
102-42	Identifying and selecting stakeholders	Sustainability is in our DNA / Our stakeholders Page 88		x
102-43	Approach to stakeholder engagement	Annexes Page 205 Sustainability is in our DNA / Our stakeholders Page 88		x
102-44	Key topics and concerns raised	Annexes Page 205		x
Practices for preparation of this report				
102-45	Entities included in the consolidated financial statements	About this report Page 5 The information contained in this Sustainability Report includes information of Grupo Energía Bogotá S.A. E.S.P., Transportadora de Gas Internacional S.A. E.S.P., Transportadora de Energía de Centroamérica S.A., Contugas S.A.C and Cálidda Gas Natural de Lima y Callao S.A.		x

GRI Standard	Table of Contents	Location	Omissions	External assurance
102-46	Defining report content and topic boundaries	Sustainability is in our DNA / Materiality Page 91		x
102-47	List of material topics	Sustainability is in our DNA / Materiality Page 92		x
102-48	Restatements of information	Throughout this report any changes in figures, scope and limits are reported, as applicable		x
102-49	Changes in reporting	About this report Page 5		x
102-50	Reporting period	About this report Page 5		x
102-51	Date of most recent report	About this report Page 5		x
102-52	Reporting cycle	About this report Page 5		x
102-53	Contact point for questions regarding the report	About this report Page 5		x
102-54	Claims of reporting in accordance with the GRI Standards	About this report Page 5		x
102-55	GRI Contents Index	GRI Contents Index Page 189 to 201		x
102-56	External assurance	About this report Page 5		x

GRI Standard	Table of Contents	Location	Omissions	External assurance
Specific contents - material topics				
In-depth knowledge of regulations and legal compliance				
GRI 103: Management approach 2016				
GRI 205: Anti-corruption 2016				
103-1	Explanation of the material topic and its boundary	Ethics, Transparency and Anti-corruption Page 67		
103-2	The management approach and its components	Ethics, Transparency and Anti-corruption Page 67		
103-3	Management approach assessment	Ethics, Transparency and Anti-corruption Page 67		
205-1	Operations assessed for risks related to corruption	95% of TGI operations have been assessed for risks related to corruption	Only information for TGI is presented. No description is provided of the significant risks related to corruption identified through risk assessment.	
205-2	Communication and training about anti-corruption policies and procedures.	Ethics, Transparency and Anti-corruption Pages 68, 72 Annexes Page 201 100% Grupo Energía Bogotá Board members, Cálidda and TRECSA received communications and training on anti-corruption policies and procedures in 2018. TGI and Contugas did not perform communication or training on anti-corruption policies and procedures for Board members. There was no training for partners at TGI or TRECSA in 2018		

GRI Standard	Table of Contents	Location	Omissions	External assurance
205-3	Confirmed incidents of corruption and actions taken	Ethics, Transparency and Anti-corruption Page 71		x
Own	Events reported through the Ethical Channel	Ethics, Transparency and Anti-corruption Page 71	Only information for Grupo Energía Bogotá is reported	
Corporate Governance				
GRI 103: Management approach 2016				
103-1	Explanation of the material topic and its boundary	Corporate governance Page 46		
103-2	The management approach and its components	Corporate governance Page 46		
103-3	Management approach assessment	Corporate governance Page 46		
Own	Effectiveness of the Board of Directors (attendance)	Corporate governance Pages 52, 53		
Own	Average seniority of Board members	Corporate governance Pages 52, 53		
Own	Board of Directors' experience in the industry	Corporate governance Pages 52, 53		
Own	Shareholdings and shareholding requirements	Corporate governance Pages 58		
Own	Shareholdings	Corporate governance Page 50		
Creating value for shareholders				
GRI 103: Management approach 2016				
GRI 201: Economic Performance				
103-1	Explanation of the material topic and its boundary	We create value for our shareholders Page 102		
103-2	The management approach and its components	We create value for our shareholders Pages 102, 104		
103-3	Management approach assessment	We create value for our shareholders Page 103		
201-1	Direct economic value generated and distributed	Annexes Pages 207 and 210	Scope of reviewed information: Colombian transmission and corporate branch	x
Own	Capital structure	Gatefold		
Own	Operating revenue, net profit and EBITDA.	Gatefold		

GRI Standard	Table of Contents	Location	Omissions	External assurance
Operating excellence, quality and service reliability				
GRI 103: Management approach 2016				
103-1	Explanation of the material topic and its boundary	We deliver reliable services Page 114		
103-2	The management approach and its components	We deliver reliable services Page 114		
103-3	Management approach assessment	We deliver reliable services Page 114		
EU4	Length of energy and gas transmission and distribution lines	Annexes Page 208		
Own	Availability of gas transportation and distribution assets	Annexes Page 208		
Own	Availability in energy transmission assets	Annexes Page 208		
Own	Execution of the gas transportation and distribution maintenance plan	Annexes Page 208		
Own	Availability of gas transportation compressor stations	Annexes Page 208		
Own	Reliability of gas transportation service	Annexes Page 208		
Own	Percentage of leaks in gas transportation and distribution assets (%)	Annexes Page 209		
Sustainable supply chain				
GRI 103: Management approach 2016				
GRI 204: Acquisition practices 2016				
GRI 308: Supplier environmental assessment 2016				
GRI 414: Supplier social assessment 2016				
103-1	Explanation of the material topic and its boundary	We optimize resources Page 118		
103-2	The management approach and its components	We optimize resources Pages 119, 120 and 122		
103-3	Management approach assessment	We optimize resources Page 120		
204-1	Proportion of spending on local suppliers	Annexes Page 209		
308-1	New suppliers that were screened and selected using environmental criteria	Annexes Page 210	TGI does not have environmental selection criteria for new suppliers TRECSA does not perform assessments based on environmental criteria	

GRI Standard	Table of Contents	Location	Omissions	External assurance
414-1	New suppliers that were screened using social criteria	Annexes Page 210	TGI does not have social selection criteria for new suppliers TRECSA does not perform assessments based on environmental criteria	
Own	Savings in recruitment processes	We optimize resources Page 121	Scope of re-viewed information: Colombian transmission and corporate branch	x
Own	Proportion of local suppliers	Annexes Page 209		
Protection of life				
GRI 103: Management approach 2016				
GRI 403: Occupational Health and Safety 2016				
103-1	Explanation of the material topic and its boundary	Leaders in caring for life Page 148		
103-2	The management approach and its components	Leaders in caring for life Page 148 to 150		
103-3	Management approach assessment	Leaders in caring for life Pages 149, 150		
403-1	Workers representation in formal joint management-workers health and safety committees	100% of employees at all our companies are presented in occupational safety and health committees		
403-2	Types of injury and rates of injury, occupational diseases, lost days and absenteeism, and number of work-related fatalities	Annexes Pages 227 and 228 The information on other companies is available in their respective sustainability reports, which are published on the websites	Only information for Grupo Energía Bogotá is reported	
403-3	Workers with high incidence or high risk of diseases related to their occupation	* TGI: In 2018, 52% of employees had high incidence or risk of diseases related to their occupation * At Contugas, the work station profiles at greatest risk are station, network, measurement, industrial facilities and emergency technicians and logistics and warehouse attendants * In 2018, at Grupo Energía Bogotá, Contugas and TRECSA no employees who perform occupations with high risk of occupational disease have been identified.		
403-4	Health and safety topics covered in formal agreements with trade unions	Leaders in caring for life Page 150		
EU17	Days worked by contractors and sub-contractors involved in construction, operation and maintenance activities	Annexes Page 227		

GRI Standard	Table of Contents	Location	Omissions	External assurance
Own	Indicators on frequency and severity of incidents leading to lost time by employees and contractors	Annexes Pages 226 and 227		
Human Talent Management				
GRI 103: Management approach 2016				
GRI 202: Market presence 2016				
GRI 401: Employment 2016				
GRI 402: Labor-management relations 2016				
GRI 404: Training and education 2016				
GRI 405: Diversity and equal opportunity 2016				
GRI 406: Non-discrimination				
103-1	Explanation of the material topic and its boundary	Employees, our best talent Page 140		
103-2	The management approach and its components	Employees, our best talent Pages 140, 142 to 146		
103-3	Management approach assessment	Employees, our best talent Page 140		
202-1	Ratio of internal minimum wage to local minimum legal wage	Annexes Page 219		
202-2	Proportion of Senior Management hired from the local community	Annexes Page 221		
401-1	New employee recruitment and employee turnover	Annexes Page 217		
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Annexes Page 221		
401-3	Parental leave	Annexes Page 217		
402-1	Minimum notice periods regarding operational changes	Grupo Energía Bogotá does not have a pre-defined minimum number of weeks of advance notice prior to significant operating changes that would substantially affect employees		
404-1	Average hours of training per year per employee	Annexes Pages 223 and 224	Only information for Grupo Energía Bogotá is reported The information on other companies is available in their respective sustainability reports, which are published on the websites	

GRI Standard	Table of Contents	Location	Omissions	External assurance
404-2	Programs for upgrading employee skills and transition assistance programs	Annexes Pages 224 and 225	Only the type and scope of implemented programs and the assistance provided to improve employee skills are reported	
404-3	Percentage of employees receiving regular performance and career development reviews	Annexes Page 225	A breakdown by position category and gender is not provided for all companies	
405-1	Diversity of governance bodies and employees	Annexes Page 225		
405-2	Ratio of basic salary and compensation of women to men	Annexes Page 226		
406-1	Incidents of discrimination and corrective actions taken	No cases of discrimination were reported in the reporting period.		
EU15	Percentage of employees eligible for retirement within the next 5 and 10 years by employee type and region	Annexes Page 226	Only totals are reported, not percentages	
Own	Diversity indicators	Annexes Page 221	Only information for Grupo Energía Bogotá is reported	
Own	Employees trained	Annexes Page 221		
Own	Use of benefits	Annexes Page 221		
Own	Employee commitment	Annexes Page 227		
Community development and progress				
GRI 103: Management approach 2016				
GRI 203: Indirect economic impacts 2016				
GRI 412: Human rights assessment				
GRI 413: Local communities 2016				
103-1	Explanation of the material topic and its boundary	We work hand in hand with the communities Pages 128, 136		
103-2	The management approach and its components	We work hand in hand with the communities Pages 129, 131, 136, 138		
103-3	Management approach assessment	We work hand in hand with the communities Pages 129, 136		
203-1	Infrastructure investments and services supported	Annexes Page 213	Only investment amounts are reported	

GRI Standard	Table of Contents	Location	Omissions	External assurance
203-2	Significant indirect economic impacts	Annexes Pages 212 and 213 We work hand in hand with the communities Pages 128, 129	Only positive impacts are reported for TGI, Cálidda, Contugas and TRECSA. Significant indirect economics impacts in the context are not reported	
413-1	Operations with local community engagement, impact assessments, and development programs	We work hand in hand with the communities Page 131		
413-2	Operations with significant (real and potential) negative impacts on the local communities	Annexes Page 214	Types of impact (real or potential) are not reported, and no information is reported for Contugas, because at this time it does not have a study identifying negative social impacts	
EU22	People physically or economically displaced and who received compensation by project type	We work hand in hand with the communities Page 129		

Specific contents - non-material topics

Response to climate change and air quality, biodiversity and water protection and operating eco-efficiency

GRI 103: Management approach 2016

GRI 302: Energy 2016

GRI 303: Water 2016

GRI 304: Biodiversity 2016

GRI 305: Emissions 2016

GRI 306: Effluents and waste 2016

103-1	Explanation of the material topic and its boundary	We protect the environment Page 156		
103-2	The management approach and its components	We protect the environment Pages 156, 157		
103-3	Management approach assessment	We protect the environment Page 156		
302-1	Energy consumption within the Organization	Annexes Page 229		x
303-1	Water extraction by source	Annexes Page 229	This indicator is not reported by TRECSA	

GRI Standard	Table of Contents	Location	Omissions	External assurance
304-1	Operational sites in, or adjacent to, protected areas and areas of high biodiversity value	Annexes Page 229 to 234	Scope of re-viewed information: Colombian transmission and corporate branch	x
304-3	Habitats protected or restored	Annexes Page 235 to 237	This indicator is only reported for Grupo Energía Bogotá and Contugas	
305-1	Direct GHG emissions (scope 1) (tons of CO ₂)	We protect the environment Page 158 Annexes Page 238	Scope of re-viewed information: Colombian transmission and corporate branch	x
305-2	Indirect GHG emissions (scope 2) (tons of CO ₂)	We protect the environment Page 158 Annexes Page 238	This indicator is not reported by: TRECSA for 2017 and 2018, Cálidda for 2018 and Colombian Transmission and Corporate Branch	
305-3	Other GHG emissions (scope 3) (CO ₂ tons)	We protect the environment Page 158 Annexes Page 238	Indicator not reported by GEB (is currently being reformulated). Not reported by TGI in 2017. Not reported by TRECSA in 2017 and 2018. Not reported by Cálidda in 2018	
305-5	Reduction of GHG emissions	We protect the environment Page 157 Annexes Page 238 to 239	This indicator is not reported by TRECSA	
306-2	Waste by type and disposal method	Annexes Page 241	This indicator is not reported by TRECSA, the Colombian Transmission and Corporate Branch	x
Innovation				
GRI 103: Management approach 2016				
103-1	Explanation of the material topic and its boundary	We innovate for transformation Page 125		
103-2	The management approach and its components	We innovate for transformation Page 125		
103-3	Evaluation of the management approach	We innovate for transformation Page 125		
Own	Number of innovative ideas	Annexes Page 210	This indicator is only reported within the scope of Contugas	

GRI Standard	Table of Contents	Location	Omissions	External assurance
Customer Relations				
GRI 103: Management approach 2016				
103-1	Explanation of the material topic and its boundary	We strengthen our customer relations Pages 109 and 110		
103-2	The management approach and its components	We strengthen our customer relations Page 110		
103-3	Management approach assessment	We strengthen our customer relations Page 110		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	No complaints related to breaches of privacy or loss of customer data have been reported in 2018 (see detail of complaints received in the Annexes, page 208). We strengthen our customer relations Page 113		
Own	Market share (%)	We strengthen our customer relations Page 110		
Own	Customer satisfaction (% or score).	Annexes Page 207	Information is only reported for TGI, Cálidda and Contugas; the Transmission Branch and TRECSA do not measure customer satisfaction	x
Risks				
GRI 103: Management approach 2016				
103-1	Explanation of the material topic and its boundary	Sustainability is in our DNA Page 93		
103-2	The management approach and its components	Sustainability is in our DNA Pages 93, 94		
103-3	Management approach assessment	Sustainability is in our DNA Page 93		
Own	Strategic risks	Annexes Page 202 to 204		
Own	Emerging risks	Annexes Page 205		



Other Annexes

Annexes Chapter 4 Corporate Governance, Setting an Example

(205-2) Communication and training on anti-corruption policies and procedures.

Business partners who have been informed about the Organization's anti-corruption policies and procedures

Grupo Energía Bogotá

Partner type	Total	Partners informed		Partners trained	
		No.	%	No.	%
Suppliers	238	238	100%	238	100%
Contractors (security personnel) - <i>in-house</i>	9	9	100%	9	100%
Total	247	247	100%	247	100%

Cálidda

Partner type	Total	Partners informed		Partners trained	
		No.	%	No.	%
Suppliers	1,196	1,196	100%	110	9%
Total	1,196	1,196	100%	110	9%

Annexes Chapter 5 Sustainability is in our DNA

(Own) Strategic risks

Strategic risks

#	Strategic risk	Brief description	Mitigation actions	Potential impacts
1	Regulatory changes unfavorable to the Company's interests	Changes in current regulations (laws, decrees, resolutions, circular letters, rulings, doctrine) with a negative impact on the interests of Grupo Energía Bogotá	<ul style="list-style-type: none"> • Design and implementation of a procedure for regulatory compliance • Monitor laws, regulations, doctrine and jurisprudence • Group management of high government in each country • Participation in industry associations (Presidency of Andesco, Naturgas, Acolgen, ANDI, SER). 	<ul style="list-style-type: none"> • Reduction in revenues/ slow growth • Additional taxes/lower profits • Downgrading of credit rating

Strategic risks

#	Strategic risk	Brief description	Mitigation actions	Potential impacts
2	Work accidents during project development, operation and maintenance activities	Work accidents during transmission project development, operation and maintenance activities affecting direct employees or third parties, involving serious injuries or deaths	<ul style="list-style-type: none"> • Implement the Industrial Safety Cultural Transformation Program • Inspect and verify compliance with occupational safety and health (OSH) procedures for high-risk jobs and affiliations to the social security system • Periodic verification of competencies and training of Company and contractor employees • Orientation and periodic awareness-raising on the risks and hazards employees and contractors are exposed to • Establish indicators to measure OSH competencies and performance at all organizational and contractor levels • Require personal accident insurance policies for high-risk field tasks from contractors and sub-contractors 	<ul style="list-style-type: none"> • Serious or fatal injuries • Economic losses • Fines, penalties or lawsuits; shut-down of work sites or of the Company • Effects on image and reputation • Affect project timetables and compliance (delays)
3	Lack of continuity in the strategy or failure to implement the corporate governance practices	Continuous changes in management and instability in the strategic guidelines, leading to lack of continuity in the implementation of the strategy and in corporate governance	<ul style="list-style-type: none"> • Low ratings by credit rating agencies • Drop in share prices • Failure to achieve corporate sustainability or profitable growth • Changes in policies and guidelines, re-processing, inadequate execution of the budget and PAC. 	<ul style="list-style-type: none"> • Implementation of good corporate governance practices aligned with OECD guidelines • Update and monitor the long-term Corporate Strategic Plan (CSP) • Re-institutionalization of Corporate Governance, phases 1, 2 and 3
4	Inadequate management of the corporate strategy at affiliates	Failure by Grupo Energía Bogotá to adequately monitor the strategy and corporate governance practices at the affiliates	<ul style="list-style-type: none"> • Implementation and ongoing monitoring of the Corporate Governance Model and communications with affiliates (strengthen boards of directors, committees, bylaws and reporting lines) • Definition of procedures and guidelines for monitoring affiliates. • Implementation of key processes (to leverage the growth strategy: sourcing, communications, new businesses, human resource management, cost control, among others) • Adoption of the Intervention Model • Fulfillment of the Business Group Agreement 	<ul style="list-style-type: none"> • Loss of business/Loss of value • Loss of operating efficiency and resources • Unfavorable impact on reputation
5	Not exercising an appropriate role as shareholder in the decisions adopted at companies in which Grupo Energía Bogotá has non-controlling interests	Not intervening in an appropriate and timely manner to influence the decisions made by companies in which Grupo Energía Bogotá has non-controlling interests, in favor of the interests of Grupo Energía Bogotá	<ul style="list-style-type: none"> • Define a clear agenda for companies in which Grupo Energía Bogotá has non-controlling interests • Implementation of an orderly plan with other shareholders, with a defined purpose and aligned with the strategy • Define procedures and guidelines to manage companies in which Grupo Energía Bogotá has non-controlling interests 	<ul style="list-style-type: none"> • Loss of business/Loss of value • Loss of operating efficiency and resources • Impact on image; reputation • Litigation • Impact on company operations

Strategic risks

#	Strategic risk	Brief description	Mitigation actions	Potential impacts
6	Not having the appropriate and motivated human capital to develop the strategy	Absence of a Human Resource Management Model that addresses the needs of the business and contributes to retaining and developing the best talent	<ul style="list-style-type: none"> • Design and implementation of the Human Resource Management Model framework • Document and communicate human resource management procedures • Design and implement the Leadership Model • Implement the Performance Management Model • Implement the work environment and organizational culture strategy • Implement the compensation model • Implement the Knowledge Management Model (orientation, education and training) 	<ul style="list-style-type: none"> • Inadequate personnel selection • High turnover and inadequate performance • Low motivation and unfocused strategy • Not having high-performance teams with adequate recognition models • Failure to preserve knowledge; lack of continuity in the strategy • Low personnel productivity and motivation • Lawsuits or penalties by the Labor Ministry
7	Inadequate debt management	Higher costs or difficulties in renewing current credit lines or obtaining new loans for Grupo Energía Bogotá	<ul style="list-style-type: none"> • Formulation of mechanisms for early refinancing at longer terms and more favorable market conditions • Cash management to gradually pay down debt • Time optimization mechanisms • Medium-term debt programs • Negotiation of less restrictive contractual clauses, guarantees or parent company/affiliate support • Formulation and implementation of a financial risk hedging strategy for debt and investments of Grupo Energía Bogotá • Assessment and implementation of actions aimed at restructuring debt concentration by term or currency. 	<p>Default event</p> <p>Drop in share prices</p> <p>Lower cash flow</p> <p>Additional financial costs</p> <p>Difficulties in placement/commercialization of papers</p> <p>Non-viability of future businesses</p>
8	Failure to fulfill the Business Plan	Carry out the Business Plan with variables that are not aligned with the Group's economic and operational situation Failure to monitor the Business Plan's financial plan in a timely manner	<ul style="list-style-type: none"> • Development of a pipeline of new opportunities in different business areas • Definition of mid-term goals and periodic monitoring of fulfillment • Active management control over revenues • Monitoring of the business financial plan • Implementation of a debt restructuring strategy in conditions that are consistent with revenue generation. 	<ul style="list-style-type: none"> • Lack of growth/ Drop in share prices • Lower dividends for shareholders • Difficulties in obtaining new funding • Default event • Low liquidity or insolvency event at any Grupo Energía Bogotá company, consequently affecting the parent company • Loss of investment grade credit rating

Strategic risks

#	Strategic risk	Brief description	Mitigation actions	Potential impacts
9	Fraud and Corruption	Any dishonest act or intentional or negligent omission designed to deceive others and cause losses to the victim or a benefit for the author. Failure to prevent, detect, investigate and correct acts of fraud or corruption at or against the companies of Grupo Energía Bogotá	<ul style="list-style-type: none"> • Training to strengthen ethics, transparency and compliance • Define authority levels in procedures and policies, matrix of segregation of functions in SAP, system access controls • Declarations of conflict of interest; review and management of reported cases • Include evidence of results from queries in restrictive lists in order to sign or amend any type of contract • Plural number of participants in contracting processes, technically and legally supported preliminary studies, cross-checks, signing of confidentiality agreements, checking on restrictive lists • Establishment of administrative penalties for failure to comply with the <i>SIPLA Manual</i> by employees 	<ul style="list-style-type: none"> • Economic losses • Impact on reputation • Loss of stakeholder trust • Drop in share prices
10	Non-continuity of the business	Inadequate preparation to recover and restore critical business activities in a risk event that threatens business continuity	<ul style="list-style-type: none"> • Implementation of a Business Continuity Plan • Take out transfer risks/insurance policies • Back-up data center for SAP services Office 365 (e-mail). • Adequate selection of alternate Board members at affiliates in order to ensure ongoing support 	<ul style="list-style-type: none"> • Economic losses, lower revenue • Non-availability of physical facilities • Non-participation in strategic decisions of affiliates and associates
11	Loss of the confidentiality, integrity or availability of information	Failure to maintain the confidentiality, integrity and availability of information assets, which may affect operations, competitiveness, profitability and corporate image	<ul style="list-style-type: none"> • Training, education and awareness-raising on information and systems security • Policy, procedures and tools to inventory, assess, classify and treat information • Apply segregation of functions in information systems (SAP) and active security (ongoing monitoring of user roles and profiles) • Automated control of accounts to access information systems and role profiling • Segmented and separate networks for access by guests both for cable and wireless networks • Internal audits both of the Information Security Model and the information systems 	<ul style="list-style-type: none"> • Industrial espionage and loss of competitiveness • Loss of businesses • Leaking or loss of key information • Impact on image, penalties and fines by control bodies

(Own) Emerging risks

Emerging risks

Global or industry trends	Emerging risks	Correlation with strategic risks	Possible impacts	Mitigation actions
Change of government and of the country's financial situation	Changes in tax and financing laws	Regulatory changes unfavorable to the Company's interests	Effects on revenues and EBITDA, loss of value of shares	<ul style="list-style-type: none"> Monitor laws, regulations, doctrine and jurisprudence Group management of high government in each country. Legal stability agreements
Cyber-security	Cyber-attacks	Loss of the confidentiality, integrity or availability of information	<ul style="list-style-type: none"> Industrial espionage and loss of competitiveness Loss of businesses Leaking or loss of key information 	<ul style="list-style-type: none"> Automated control of accounts to access information systems and role profiling Segmented and separate networks for access by guests both for cable and wireless networks Internal audits both of the Information Security Model and the information systems Anti-spam and anti-phishing tools Ethical hacking and social engineering tests
Catastrophes and major events	Climate change	Non-continuity of the business	Inability to deliver the services, with financial and reputation effects on the Company	<ul style="list-style-type: none"> Take out insurance policies/transfer risks. Continuously survey the insurance market for new and better coverage, to reduce the financial impact of a loss event Business Continuity Plan Institutional Emergency Response Plan (PIRE, for the original in Spanish)

(102-43) (102-44) Stakeholders

Stakeholders	Communications channel	Frequency of relations	Topics of interest
Shareholders and investors	Sustainability report, corporate governance report, quarterly results of GEB, TGI and Cálidda, Conference on Results of GEB, TGI and Cálidda	Annual and quarterly	<ul style="list-style-type: none"> Stock performance information with shareholders and investors, graphs on stock performance, financial achievements and challenges for the upcoming year Progress on implementation of <i>Código País</i> and Circular Letter 028/2015 and challenges for the upcoming year Financial, commercial and operating matters
Customers	Only TGI, Calidda and Contugas have customers / satisfaction surveys, performance indicators, talks, workshops and activations	Annual	<ul style="list-style-type: none"> Mechanisms are in place for petitions, claims and complaints, citizen participation, education plans, information for neighbors and feedback that enable managing impacts, promote the safe use of natural gas and prevent damages

Stakeholders	Communications channel	Frequency of relations	Topics of interest
Employees	Internal Blog <i>Entérate</i> (Find out), Noti entérate TV (TVs in offices), digital platforms, leadership programs, training and development plan, Ethical Channel, Coexistence Committee, strategic meetings, sustainability report	Weekly, quarterly, annual or as required. Some channels offer permanent communications	<ul style="list-style-type: none"> • Corporate Governance • Audit and internal control • Human Talent Management • Well-being • Organizational changes • Benefits and compensation • extra-salary and extra-contractual • Work environment • Organizational culture • Strategic planning • Change management
Authorities	Environmental compliance reports, reports on lifting of bans, concentration of environmental offsetting, field verification visits, newsletters, inquiry response line, website, e-mail, work meetings, telephone, sustainability report, inter-institutional agreements	Monthly, annual or as required. Some of these channels remain open on an ongoing basis	<ul style="list-style-type: none"> • Offsetting for loss of biodiversity • Change in soil use • Rehabilitation of habitats for non-vascular epiphytes • Social investment projects • Strategic partnerships • Creation of jobs and opportunities • Environmental management plans
Communities	Face-to-face meetings, regional offices, participative workshops, communications department, sustainability department, field visits, information meetings and events, newsletters, inquiry response line, website, telephone, e-mail, sustainability report, press releases, mass media and Ethical Channel	Annual Some channels are used as required or are permanently available.	<ul style="list-style-type: none"> • Shared Value • Projects • Forestry offsetting to be performed in the area of indirect influence • Price negotiation and offsetting of effects • Negotiation of rights of way (land) • Negotiation of environmental matters • Environmental Impact Assessment results • Ethics and transparency • Biodiversity and water protection • Construction process and gas installation
Opinion Formers	Events, conferences, mass media, press releases and conferences, visits and tours of operating sites	Ongoing	<ul style="list-style-type: none"> • Financial information, stock information, relevant events on the Company and its operations
Suppliers	Website, surveys, supplier meeting, e-mail, on-site inspections and audits, Ethical Channel, telephone and work meetings	As required	<ul style="list-style-type: none"> • Strategic partnerships, renewable energy projects in the common good

Annexes Chapter 6 We Create Shared Value - Economic Dimension

We Create Value for our Shareholders

(201-1) Direct economic value generated and distributed

Direct economic value generated and distributed (Colombian pesos)	2017	2018
Revenue	3,322,420	4,001,754
Financial revenue (may include: interests, dividends, others)	204,011	105,267
Income from equity method	1,029,542	1,055,060
Other non-operating revenues (may include: royalties, sales of PP&E)	69,924	296,115
Direct economic value generated	4,625,897	5,458,196
Operating costs (may include: property leases, license fees, royalties, contractor payments, among others)	1,477,267	1,986,686
Salaries and employee benefits (salaries, pension contributions, insurance, indemnities, payroll taxes, among others)	215,571	252,332
Dividends to shareholders (profit distribution proposal)	908,936	1,193,553
Interest payments	597,670	539,057
Payments to governments, by country (taxes, fines, penalties, permits)	427,572	86,294
Colombia	338,454	(16,988)
Peru	84,989	77,891
Guatemala	4,082	25,391
Brazil	47	-
Investments in communities	9,246	6,283
Colombia	7,213	4,377
Peru	1,103	1,362
Guatemala	930	544
Economic value distributed	3,636,262	4,057,921
Economic value retained	989,635	1,400,275

We strengthen our customer relations

(Own) Customer satisfaction

Customer satisfaction (%)	TGI					Cálidda					Contugas				
	2015	2016	2017	2018	2018 Target	2015	2016	2017	2018	2018 Target	2015	2016	2017	2018	2018 Target
Customer satisfaction level	91%	82%	91%	84%	Not available	84%	82%	83%	81%	85%	82.8%	85.9%	84.9%	85.6%	84.9%

(418-1) Substantiated complaints concerning breaches of customer privacy and losses of customer data

General information	Grupo Energía Bogotá	TGI	Cálidda	Contugas	TRECSA
Total substantiated complaints concerning breaches of customer privacy	0	0	0	0	0
Complaints received from third parties and verified by the Organization	0	0	0	0	0
Complaints from regulatory authorities	0	0	0	0	0
Identified cases of leaks, theft or loss of customer data	0	0	0	0	0

We deliver reliable services

(EU4) Length of energy and gas transmission and distribution lines

Energy infrastructure indicators	2017			2018		
	Grupo Energía Bogotá	TRECSA	Total	Grupo Energía Bogotá	TRECSA	Total
Number of electricity transmission substations	22	16	38	25	16	41
Total length of the electricity transmission network (km)	1,501	457	1,958	1,523	526	2,049

In Brazil, the infrastructure includes 14 substations and 1,094 km of electricity transmission networks, in which Gebbras holds a 51% equity interest.

Gas infrastructure indicators	2017				2018			Total
	TGI	Cálidda	Contugas	Total	TGI	Cálidda	Contugas	
Total length of gas transportation and distribution pipelines (km)	3,957	8,330	1,590	13,877	3,994	9,691	1,360	15,045
Number of gas distribution substations	N/A	46	10	56	N/A	53	10	63

(Own) Availability of gas transportation and distribution pipelines and compressor stations

Gas availability indicators	2017			2018		
	TGI	Cálidda	Contugas	TGI	Cálidda	Contugas
Availability of gas transportation and distribution assets (%)	99.880%	100%	100%	99.250%	100%	100%
Availability of compressor stations for gas transportation (%)	97.400%	N/A	N/A	95.800%	N/A	N/A

(Own) Availability of electric energy distribution assets

Electric energy availability indicators	2017		2018	
	Grupo Energía Bogotá	TRECSA	Grupo Energía Bogotá	TRECSA
Availability of electricity transmission assets (%)	99.891%	99.993%	99.951%	99.989%

(Own) Service reliability and performance of the Maintenance Plan

Reliability indicators	2017					2018				
	Grupo Energía Bogotá	TGI	Cálidda	Contu-gas	TRECSA	Grupo Energía Bogotá	TGI	Cálidda	Contu-gas	TRECSA
Service reliability (%)	N/A See note	99.84%	N/A	100.00%	NA	N/A See note	NA	N/A	100.00%	NA
Maintenance plan performance (%)	94.00%	99.20%	99.22%	100.00%	96.00%	99.00%	99.60%	97.94%	100.00%	100%

Note from Grupo Energía Bogotá. Service reliability (%) Transmission regulations do not establish a measurable mechanism that would enable auditing reliability; the closest indicator is infrastructure reliability. The concept of reliability is associated with the risk of not covering demand due to contingencies or instability; however, article 23, paragraph n) of Law 143/1994 establishes that one of the general responsibilities of the Energy and Gas Regulatory Commission (CREG, for the original in Spanish) is to define and implement technical criteria on quality, reliability and safety for energy services. In this regard, UPME (CAPT), national transmitters (NT) and the system operator (XM) have the duty of identifying projects aimed at improving the reliability of the National Transmission System (NTS), which are to be reviewed, and if a consensus exists on their benefit, they will be included in the Expansion Plan and will apply to the expansion procedures of UPME.

(Own) Percentage of losses during gas transportation and distribution (%)

Gas losses or leaks	2017			2018		
	TGI	Cálidda	Contugas	TGI	Cálidda	Contugas
Percentage of losses during gas transportation and distribution (%)	0.000%	0.002927%	0.000056%	0.000%	0.001554%	0.890000%

We optimize resources

(201-1) (Own) Proportion of spending on local suppliers and proportion of local suppliers

Spending by type of supplier	Grupo Energía Bogotá		TGI		Cálidda		Contugas		TRECESA		Total	
	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018
Total number of suppliers	435	597	318	414	87	600	69	517	189	165	1,098	1,890
National suppliers	365	488	263	331	62	575	44	478	108	156	842	1,604
International suppliers	70	109	55	83	25	1,175	25	39	81	9	256	286
Total payment to suppliers USD	USD 63,400,000	USD 157,943,014	USD 137,400,000	USD 75,994,598	USD 144,000,000	USD 119,859,250	USD 71,000,000	USD 75,389,757	USD 4,800,000	USD 4,824,840	USD 276,800,000	USD 434,011,460
Payments to national suppliers USD	NA	USD 101,589,589	NA	USD 58,464,468	USD 142,560,000	USD 103,549,915	USD 1,408,955	USD 3,422,150	NA	USD 4,352,844	NA	USD 271,378,967
Percentage of national suppliers	83.91%	81.74%	82.70%	80.00%	71.26%	95.83%	63.77%	92.46%	57.14%	94.55%	76.68%	84.88%
Percentage of payments to national suppliers	NA	64.32%	NA	76.90%	99.00%	86.39%	1.98%	4.54%	NA	90.22%	NA	62.53%

Notes:

- › At Contugas, total national suppliers includes local suppliers.
- › The figure for total supplier payments reported by Cálidda in 2017 was corrected in this report.

(308-1) (414-1) New suppliers that have assessed based on environmental and social criteria

2017

Supplier evaluations	Unit	Grupo Energía Bogotá	Cálidda	Contugas
Total number of new suppliers	Number	278	166	179
Total number of new suppliers that were assessed and selected using environmental criteria	Number	48	84	179
Percentage of new suppliers that were assessed and selected using environmental criteria	Percentage	17%	51%	100%
Total number of new suppliers that were assessed and selected using social criteria	Number	278	84	179
Percentage of new suppliers that were assessed and selected using social criteria	Percentage	100%	51%	100%

2018				
SUPPLIER ASSESSMENTS	Unit	Grupo Energía Bogotá	Cálida	Contugas
Total number of new suppliers	Number	184	176	171
Total number of new suppliers that were assessed and selected using environmental criteria	Number	62	84	171
Percentage of new suppliers that were assessed and selected using environmental criteria	Percentage	34%	48%	100%
Total number of new suppliers that were assessed and selected using social criteria	Number	184	84	171
Percentage of new suppliers that were assessed and selected using social criteria	Percentage	100%	48%	100%

We innovate for transformation

(Own) Number of innovative ideas

Number of innovative ideas	Contugas	
	2017	2018
Received ideas	75	46
Approved ideas	12	9
Validated ideas	4	3
Implemented ideas (consolidated)	0	0

Annexes Chapter 6 We Create Shared Value- Social Dimension

We are Working Hand-in-Hand with the Communities

(203-2) Significant indirect economic impacts

Company	2018 Impact description	Type of impact	Where it occurred
Grupo Energía Bogotá	Boost to the local economy (supply and demand of goods and services) and temporary creation of formal jobs	Positive	* Cartagena, Cartagena municipalities, Santa Rosa de Lima and Turbaco (a total of nine communities). * Municipality of El Paso, township of La Loma de Calenturas (one community).
	Reduction in property valuation	Negative	* Cartagena, approximately 57 properties. * Río Córdoba, three properties
	Contribute the resources to strengthen the sheep and goat agricultural and industrial line through entrepreneurship and production chains with a technical semi-stabling system in the township of La Palma, Municipality of San Alberto, Cesar	Positive	Township of La Palma in the municipality of San Alberto, Cesar
	Contribute the resources to reactivate the artistic-musical process of the Musical Training School for children, youth and adults by developing 12 artistic-musical workshops as a strategy for cultural strengthening in the townships of La Llana and La Palma, and their district areas (municipality of San Alberto, department of Cesar)	Positive	Townships of La Llana and La Palma in the municipality of San Alberto, Cesar
	Economic impact from the use of the region's products and services due to the development of the Cusiana Stage IV Project	Positive	Puerto Boyacá (Boyacá)
	Impact on the employment of the communities as a result of the increase in the gas transportation capacity due to the Cusiana Stage IV Project	Positive	Puerto Boyacá (Boyacá)
	TGI Annual activities with the different stakeholders that generate relations of trust and support, which results in operational activities without social problems, such as walkouts, rallies or the impossibility to execute works, thus affecting the corporate reputation or causing economic damage due to the halting of work or maintenance	Positive	87 districts and neighborhoods, 10 municipalities and 2 departments
	The dynamic of recruiting local and regional labor, as well as goods and services, in relation to the operation and maintenance work of the gas pipeline system	Positive	Municipalities of La Dorada, Guaduas, Honda, Mariquita, Fresno, Armero Guayabal, Lérída, Líbano, Venadillo, Ambalema, Alvarado, Piedras and Ibagué, and 70 districts in the gas pipeline's areas of direct influence.
	Mitigation of the risks related to the overlapping with other hydrocarbon projects and joint actions with mayors' offices, operating entities of the CMGRD, which have prevented conflicts, emergencies and events that could cause negative effects	Positive	Municipalities of La Dorada, Guaduas, Honda, Mariquita, Fresno, Armero Guayabal, Lérída, Líbano, Venadillo, Ambalema, Alvarado, Piedras and Ibagué, and 70 districts in the gas pipeline's areas of direct influence. Municipalities of La Belleza, Saboyá, Briceño, Florián, Chiquinquirá
	The dynamic of recruiting local and regional labor, as well as goods and services, in relation to the operation and maintenance work of the gas pipeline system	Positive	Municipalities of La Belleza and Saboyá: 50 districts in the areas of direct influence of the gas pipeline

Company	2018 Impact description	Type of impact	Where it occurred
TGI	Contribute resources to strengthen, encourage and promote reading based on an environmental approach for the community of the district of Palomas Mararabe of the municipality of Paratebueno, Cundinamarca, with cultural and social spaces through the <i>Listos a Leer</i> (Ready to Read) workshop	Positive	District of Palomas Mararabe, municipality of Paratebueno
	The economy of the sector where the operation takes place has a major positive impact on the community: it helps improve the quality of life of its inhabitants	Positive	The region of Lengupa (municipalities of Páez, Miraflores, Zetaquirá)
	Economic impact from the use of the region's products and services due to the development of the Cusiana Stage III and IV projects	Positive	Puente Nacional, Santander
	Impact on the employment of the communities as a result of the increase in the gas transportation capacity due to the Cusiana Stage III and IV projects	Positive	Puente Nacional, Santander
	A positive impact is generated on the communities of the area of direct influence of the gas compressor stations and the gas pipeline due to the employment of unskilled labor.	Positive	Jagua del Pilar, Hatonuevo
	Regional Recruitment Program-Positive Impact. The Company complies with this program to provide job opportunities in general services, security and driving. Contractors select from the gas pipeline's area of direct influence	Positive	Communities of the area of direct influence, operating center, GCS, Casacará, Curumani
	Dynamism of the local economy through the purchase of inputs (snacks) required in the execution of corporate activities from suppliers from the region	Positive	Manizales
	Dynamism of the local economy through the purchase of inputs (snacks) required in the execution of corporate activities (environmental studies and design) from suppliers from the region	Positive	Infraestructura de Regasificación del Pacífico Project's area of influence
Cálida	More services for the household segment as a result of the greater number of connections and the delivery of 31,486 gas appliances during the period (3.1 times the 2017 total)	Positive	More services for the household segment as a result of the greater number of connections and the delivery of 31,486 gas appliances during the period (3.1 times the 2017 total)
Contugas	As part of the Nutricontugas program, two soup kitchens are starting to sell their products at fairs (meals, sweets). One of them has acquired an oven to begin making bread and selling it	Positive	Pisco and Ica
	Labor generation (contractors)	Positive	Ica region
	Strengthening of sports academies (we provide input for the schools' continuity)	Positive	Vista Alegre, Nasca
	Recruitment of local suppliers	Positive	Nasca.
TRECISA	Recruitment of local labor	Positive	Sites for tower construction and laying of transmission lines; construction of infrastructure projects
	Recruitment of food and accommodation services	Positive	Sites for tower construction and laying of transmission lines; construction of infrastructure projects; community meetings
	Investment in community infrastructure projects	Positive	Communities of direct influence

(413-2) Operations with significant (real and potential) negative impacts on the local communities

Company	Operation center	Impact description
Grupo Energía Bogotá	UPME NTS 06-2014. Río Córdoba UPME RTS 07-2014. Río Córdoba UPME NTS 05-2012. Cartagena UPME NTS 01-2014. Loma 500	Alteration of the visual quality of the landscape due to the inclusion of foreign elements that will remain over time (substations, towers and transmission lines).
		Temporary alteration of the social dynamic (presence of strangers, use of roads and access to social services)
		Use of natural resources
		Reduction in property valuation
TGI	COGB-DI	The development of the operation has not caused negative impacts on the communities in the areas of direct influence of the territory
	COGB-Otanche (district of San José de Nazaret)	Impact on the local infrastructure
	COGB-Otanche (district of Curubita). COGB-Puerto Boyacá (district of La Fiebre).	Impact on property
	DIV	Social liabilities on the part of certain contractors preventing the execution of works and posing a risk to the safety of people and the infrastructure
	Miraflores Compressor Station	Temporary relocation of families due to the construction of the Miraflores Gas Compressor Station (ECGM, for the Spanish original) and the noise of the operation
	Puente Nacional	Impact on the road infrastructure
Cálidda	Lima and Callao	Impact on free movement due to road closing (we provided door-to-door information with a flyer before the beginning of the project, pursuant to the <i>Community Relations Guide</i>)
		Presence of strangers in the area (we provided door-to-door information through the “ <i>No se deje sorprender</i> ” (Don't be caught off guard) flyer to report the presence of people unrelated to the work)
TRECSA	Communities with transmission lines and SE under construction	Due to the construction work of the transmission lines, the vehicular inflow has increased
		People foreign to the community have to move through or stay overnight at the construction sites, which can cause disturbances in some communities

Community management goals by region in Colombia

Short-term goals (0 to 2 years)	Medium-term goals (3 to 5 years)	Long-term goals (more than 5 years)
<p>Central region</p> <ul style="list-style-type: none"> • Obtain environmental licenses for the three projects in the region • Structure and implement the shared value projects in the area of direct influence • Make the project socially viable in the municipalities that are against it • Build bonds of trust with stakeholders • Reduce the number of petitions, complaints and claims due to disagreement with the project • Build a portfolio of partners who will help leverage the shared value projects in the territories 	<p>Central region</p> <ul style="list-style-type: none"> • Have sustainable projects in our regions that will contribute to community development • Reduce the number of petitions, complaints and claims due to disagreement with the project 	<p>Central region</p> <ul style="list-style-type: none"> • Maintain the lines in operation with no social contingencies
<p>Northern region</p> <ul style="list-style-type: none"> • Reach agreements and implement the SVP in the different projects • Carry out the prior consultation processes as required in the Colectora and Loma 110 projects up to the formalization stage 	<p>Northern region</p> <ul style="list-style-type: none"> • Comply with 100% of the agreements reached with ethnic and non-ethnic communities • Continue to position the Grupo Energía Bogotá as a benchmark in relations 	<p>Northern region</p> <ul style="list-style-type: none"> • Consolidate scenarios for coexistence and respect for differences in the territories
<p>Southern region</p> <ul style="list-style-type: none"> • Complete the 66 social projects agreed to with the communities in the areas of direct influence in the south region 	<p>Southern region</p> <ul style="list-style-type: none"> • Formalize the shared value projects in the regions where we operate 	<p>Western Region</p> <ul style="list-style-type: none"> • Position Grupo Energía Bogotá in the area of influence of the transmission projects in the departments of Antioquia, Caldas, Quindío, Risaralda and Valle del Cauca • The social management of Grupo Energía Bogotá is recognized positively by stakeholders • Communities and authorities in the area of influence of the transmission projects recognize Grupo Energía Bogotá as a partner in the territory, along with its contribution to the improvement in the quality of life of the communities
<p>Western Region</p> <ul style="list-style-type: none"> • Perform the actions required by the environmental authority for the environmental licensing of the La Virginia-Alfárez and Alfárez-San Marcos environmental projects • Prioritize and structure shared value projects that will benefit the communities in the area of direct influence • Carry out prior consultation processes in the 500 kV Refuerzo Suroccidental Project 	<p>Western Region</p> <ul style="list-style-type: none"> • Maintain the decent treatment and relations of trust with stakeholders • Implement shared value projects for the benefit of communities in the area of influence of the transmission projects • Implement agreements in the framework of the prior consultation processes in the 500 kV Refuerzo Suroccidental Project 	

Employees, our best talent

(102-7) (102-8) (102-41) (401-1) (401-3) (405-1) Overall labor indicators

The following data do not include trainees or apprentices of the companies

2017

Indicators	Unit	Grupo Energía Bogotá	TGI	Cálidda	Contugas	TRECSA	Business Group
Women	Number	222	97	105	50	27	501
Men		328	326	286	130	90	1,160
Total employees		550	423	391	180	117	1,661
Labor category							
Senior Management (women)	Number	7	4	3	2	-	16
Senior Management (men)		10	3	7	4	1	25
Middle Management (women)		12	8	12	2	-	34
Middle Management (men)		32	33	16	12	3	96
Advisory (women)		98	1	19	8	4	130
Advisory (men)		162	6	37	25	14	244
Professional (women)		75	63	36	29	4	207
Professional (men)		86	128	118	43	18	393
Support/assistants (women)		30	21	35	9	19	114
Support/assistants (men)		38	156	108	46	54	402
Age							
Less than 30 years old	Number	70	26	45	74	15	230
Between 30 and 40 years old		288	162	199	84	54	787
Between 40 and 50 years old		118	166	112	39	38	473
Between 50 and 60 years old		63	60	31	8	7	169
Over 60 years old		11	9	4	-	3	27
Type of contract							
Fixed-term	Number	276	-	29	52	1	358
Permanent		274	423	362	128	116	1,303
Covered by collective bargaining agreements	Number	156	355	23	Without collective bargaining agreements 39%		534
Covered by collective bargaining agreements	%	28%	84%	6%			

2017

Indicators	Unit	Grupo Energía Bogotá	TGI	Cálidda	Contugas	TRECSA	Business Group
Turnover							
Employee turnover rate	%	19%	5%	4%	25%	15%	
Voluntary employee turnover rate		8%	4%	7%	25%	73%	
Terminations							
Mutual agreement	Number	0	0	4	7	2	13
Retirement or contract expiration		36	1	4	15	0	56
Voluntary resignation		46	15	13	14	7	95
Layoffs		20	7	5	1	6	39
Total number of terminations		102	23	26	37	15	203
Turnover by age group							
Less than 30 years old	%	18%	0%	1%	54%	1%	
Between 30 and 40 years old		45%	43%	3%	70%	1%	
Between 40 and 50 years old		27%	26%	2%	24%	1%	
Between 50 and 60 years old		10%	30%	0%	0%	0%	
Over 60 years old		0%	0%	0%	0%	0%	
Turnover by gender							
Female	%	45%	35%	3%	36%	1%	
Male		55%	65%	4%	64%	2%	
Maternity or paternity							
Employees entitled to maternity or paternity leave	Number	20	9	29	7	7	
Employees who took maternity or paternity leave		20	9	29	7	7	
Employees who returned to work after taking their maternity or paternity leave		20	9	29	7	6	
Employees who remain at the Company 12 months after having taken their maternity or paternity leaves		19	9	29	7	6	
Return-to-work rate	%	100%	100%	100%	100%	86%	

2018							
Indicators	Unit	Grupo Energía Bogotá	TGI	Cálidda	Contugas	TRECSA	Business Group
Women	Number	220	96	109	50	33	509
Men		311	328	298	128	111	1,177
Total employees		531	424	407	178	144	1,686
Labor category							
Senior Management (women)	Number	4	5	2	2	0	14
Senior Management (men)		12	10	7	3	7	38
Middle Management (women)		15	7	11	2	4	37
Middle Management (men)		29	16	18	11	17	89
Advisory (women)		99	1	17	11	0	130
Advisory (men)		161	6	44	27	0	242
Professional (women)		75	61	37	28	5	204
Professional (men)		73	133	121	45	31	403
Support/assistants (women)		27	22	42	7	24	124
Support/assistants (men)		36	163	108	42	56	405
Age							
Less than 30 years old	Number	74	31	60	48	34	241
Between 31 and 40 years old		277	170	202	89	62	800
Between 41 and 50 years old		112	149	114	33	39	452
Between 51 and 60 years old		59	67	27	8	8	172
Over 61 years old		9	7	4	0	1	21
Type of contract							
Fixed-term	Number	250	1	50	41	16	360
Permanent		281	421	357	137	127	1,323
Other types of contract		0	0	0	0	1	1
Covered by collective bargaining agreements	Number	152	317	20	Without collective bargaining agreements 29%		489
Covered by collective bargaining agreements	%	29%	75%	5%			
Turnover							
Employee turnover rate	%	28%	4%	10%	16%	18%	15%
Voluntary employee turnover rate		8%	3%	4%	3%	5%	5%

2018

Indicators	Unit	Grupo Energía Bogotá	TGI	Cálidda	Contugas	TRECSA	Business Group
Terminations							
Mutual agreement	Number	0	0	17	10	3	30
Retirement or contract expiration		73	1	5	12	0	91
Voluntary resignation		47	11	15	6	7	86
Layoffs		27	6	2	1	6	42
Total number of terminations		147	18	39	29	26	259
Turnover by age group and gender							
Less than 30 years old	Number	32	0	10	11	2	55
Between 30 and 40 years old		64	5	13	11	11	104
Between 40 and 50 years old		35	7	10	6	9	67
Between 50 and 60 years old		13	5	6	1	3	28
Over 60 years old		3	1	0	0	1	5
Female		61	6	19	8	11	105
Male		86	12	20	21	15	154
Less than 30 years old		%	22%	0%	26%	38%	8%
Between 30 and 40 years old	44%		28%	33%	38%	42%	40%
Between 40 and 50 years old	24%		39%	26%	21%	35%	26%
Between 50 and 60 years old	9%		28%	15%	3%	12%	11%
Over 60 years old	2%		6%	0%	0%	4%	2%
Female	41%		33%	49%	28%	42%	41%
Male	59%		67%	51%	72%	58%	59%
Maternity or paternity							
Employees entitled to maternity or paternity leave	Number	24	5	15	11	7	62
Employees who took maternity or paternity leave		24	5	15	11	7	62
Employees who returned to work after taking their maternity or paternity leave		24	5	15	11	7	62
Employees who remain at the Company 12 months after having taken their maternity or paternity leaves		19	5	14	11	6	55

2018							
Indicators	Unit	Grupo Energía Bogotá	TGI	Cálidda	Contugas	TRECSA	Business Group
Return-to-work rate	%	100	100	100	100	100	100
Recruitment by age and gender							
Total people recruited	Number	100	19	51	27	53	250
Less than 30 years old		22	4	25	9	20	80
Between 31 and 40 years old		47	8	15	17	20	107
Between 41 and 50 years old		25	5	9	0	10	49
Between 51 and 60 years old		5	2	2	1	2	12
Over 61 years old		1	0	0	0	1	2
Female		45	5	23	8	17	98
Male		55	14	28	19	36	152
Less than 30 years old	%	22%	21%	49%	33%	38%	32%
Between 31 and 40 years old		47%	42%	29%	63%	38%	43%
Between 41 and 50 years old		25%	26%	18%	0%	19%	20%
Between 51 and 60 years old		5%	11%	4%	4%	4%	5%
Over 61 years old		1%	0%	0%	0%	2%	1%
Female		45%	26%	45%	30%	32%	39%
Male		55%	74%	55%	70%	68%	61%

(202-1) Ratio of internal minimum wage to local legal minimum wage

Ratio of internal minimum wage to local legal minimum wage	Grupo Energía Bogotá		TGI		Cálidda		Contugas		TRECSA	
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
	2017 minimum wage ratio	1.77	2.10	1.25	1.25	2.82	2.82	2.08	2.52	1.87
2018 minimum wage ratio	2.29	2.29	1.25	1.25	1.72	1.72	1.96	2.37	1.91	1.58

(202-2) Proportion of Senior Management hired from the local community

Managers from the local community in places where significant operations are carried out	2017				
	Grupo Energía Bogotá	TGI	Cálidda	Contugas	TRECSA
Total number of senior managers	17	31	10	6	1
Indicate the number of managers from the local community	16	16	8	2	0
Proportion of Senior Management hired from the local community	94%	52%	80%	33%	0%

Managers from the local community in places where significant operations are carried out	2018				
	Grupo Energía Bogotá	TGI	Cálidda	Contugas	TRECSA
Total number of senior managers	16	40	9	5	7
Indicate the number of managers from the local community	15	14	9	2	3
Proportion of Senior Management hired from the local community	94%	35%	100%	40%	43%
Indicate what the Organization considers to be "local" (department, country, region, etc.)	Grupo Energía Bogotá, Cálidda, Contugas and TRECSA: local means country. TGI: local means region.				

(401-2) Benefits provided to full-time employees that are not provided to temporary or part-time employees

Employee benefits for full-time employees (non-mandatory benefits)	2018				
	Grupo Energía Bogotá	TGI	Cálidda	Contugas	TRECSA
Life insurance	X	X	X	X	X
Health insurance	X	X	X	X	
Accident insurance	X		X	X	X
Health subsidies	X		X		
Marriage subsidy		X			
Meal subsidy	X	X	X		
Vacation bonus		X			
Flexible schedules	X	X	X		
Result-based bonus	X	X	X	X	X

(Own) Diversity indicators

Diversity indicators	Grupo Energía Bogotá	
	2017	2018
Number of women in management positions (Senior Management + Middle Management)	19	18
Percentage of women in management positions (Senior Management + Middle Management)	31%	32%
Number of women in <i>junior management positions</i> (Middle Management)	12	13
Percentage of women in <i>junior management positions</i> (Middle Management)	27%	33%
Number of women in Senior Management positions (Senior Management)	7	5
Percentage of women in Senior Management positions (Senior Management)	41%	31%
Number of women in positions with revenue-generating duties	19	22
Percentage of women in positions with revenue-generating duties	31%	33%
Number of foreign employees at the Company working at the registered office or branches located in the country	3	3

(Own) Use of benefits

Use of benefits	2017					
	Grupo Energía Bogotá	TGI	Cálidda	Contugas	TRECSA	Business Group
Total employees	550	423	391	180	117	1,661
Number of employees who use the benefits	550	311	391	180	117	1,549
Percentage of use of benefits	100%	74%	100%	100%	100%	93%

Use of benefits	2018					
	Grupo Energía Bogotá	TGI	Cálidda	Contugas	TRECSA	Business Group
Total employees	533	424	407	178	144	1,686
Number of employees who use the benefits	531	311	407	178	144	1,571
Percentage of use of benefits	100%	73%	100%	100%	100%	93%

(Own) Employees trained

Employees trained	Unit	2018					
		Grupo Energía Bogotá	TGI	Cálidda	Contugas	TRECSA	Business Group
Number of employees trained	Number	437	344	407	184*	115	1,487
Total number of hours dedicated to training	Hours	9,706	15,967	16,317	9,178	3,492	54,660
Percentage of employees that received training	Percentage	82%	81%	100%	100%	80%	88%

This number of people is greater than the number of staff (employees) because those who retired were subjected to training during their employment.

(404-1) - Average hours of training per year per employee

Grupo Energía Bogotá	2017	2018
Total training hours per year for female employees	4,565.50	3,845.00
Total training hours per year for male employees	7,044.50	5,861.00
Average training hours per year for female employees	20.60	17.40
Average training hours per year for male employees	21.20	18.79
Average training hours per year for employees	21.60	18.21
Average training hours per year for Senior Management		33.13
Average training hours per year for Middle Management		32.85
Average training hours per year for advisers	NA	21.32
Average training hours per year for professionals		11.70
Average training hours per year for support/assistants		7.45

TGI	2017	2018
Total training hours per year for female employees	2,859.00	5,530.50
Total training hours per year for male employees	7,586.00	10,436.50
Average training hours per year for female employees	35.70	57.60
Average training hours per year for male employees	30.80	40.60
Average training hours per year for employees	33.30	38.00
Average training hours per year for Senior Management		41.00
Average training hours per year for Middle Management		66.50
Average coordination training hours per year (advisers)	NA	59.50
Average implementation training hours per year (professionals)		41.50
Average training hours per year for support/assistants		53.00

Cálidda	2017	2018
Total training hours per year for female employees	4,507.00	3,470.50
Total training hours per year for male employees	11,591.00	12,256.30
Average training hours per year for female employees	5.46	2.75
Average training hours per year for male employees	6.17	3.25
Average training hours per year for employees	6.15	3.00
Average training hours per year for directors		1.74
Average training hours per year for assistant managers		3.27
Average training hours per year for supervisors		3.58
Average training hours per year for coordinators	NA	3.08
Average training hours per year staff		3.91
Average training hours per year for trainees		2.44

Contugas	2017	2018
Total training hours per year for female employees	955	9,178.00
Total training hours per year for male employees	2,469	
Average training hours per year for female employees	19	42.90
Average training hours per year for male employees	19	52.49
Average training hours per year for employees	19	51.56
Average training hours per year for managers		84.00
Average training hours per year for assistant managers		48.00
Average training hours per year for supervisors and coordinators		40.43
Average training hours per year for senior analyst		30.43
Average training hours per year for analyst	NA	48.64
Average training hours per year for assistant		32.75
Average training hours per year for aide		0
Average training hours per year for technician		4.50
Average training hours per year for trainees		7.04

TRECSA	2017	2018
Total training hours per year for female employees	368	542
Total training hours per year for male employees	1,230	2,950
Average training hours per year for female employees	13.60	16.42
Average training hours per year for male employees	13.70	26.58
Average training hours per year for employees	13.70	24.25
Average training hours per year for Senior Management		53.00
Average training hours per year for Middle Management		43.00
Average training hours per year for advisers	NA	-
Average training hours per year for professionals		20.36
Average training hours per year for support/assistants		18.56

(404-2) Programs for upgrading employee skills and transition assistance programs

Grupo Energía Bogotá

- › Education and training programs on indicator creation topics
- › Alignment of objectives with the strategy
- › Upgrading conferences on legal matters
- › SAP system management
- › Ethics and conflicts of interest
- › Certifications for management of change leaders

The education and training program is for upgrading and is implemented on a yearly basis. A total of 467 employees benefited from training programs in 2018.

TGI

- › 2018 Annual Training Plan
- › VCO and VPO Plan for Closing Gaps (superintendents and secretaries)

- › The Annual Training Plan is designed for 100% of the Company
- › The Plan for Closing Gaps covered 37 people

Cálidda

In 2018, we provided more than 14,000 hours of training in soft skills and 5,400 hours in technical courses

Contugas

We prepared the Training Plan based on the needs of each Department, validated by General Management and aimed at meeting the regulatory requirements and Company objectives, and is provided for purposes of recognition. The Training Plan benefited 184 employees

TRECSA

At present, we are formalizing the performance review, which is an important input for carrying out a formal program to improve employee skills.

(404-3) Percentage of employees receiving regular performance and career development assessments

Grupo Energía Bogotá	TGI		Cálidda		Contugas		TRECSA	
	Men	Women	Men	Women	Men	Women	Men	Women
2018								
Senior Management	91%	100%	100%		100%	100%		100%
Middle Management	85%	77%		79%	100%			
Advisors	90%	91%		92%	NA			
Professionals	90%	84%		97%	97%			
Support/assistants	83%	90%		95%	95%			
Total by gender	89%	88%		NA		NA		NA
Total company	88%			89%		NA		NA

(405-1) - Diversity of governance bodies

Governance body employees	Grupo Energía Bogotá 2018					
	Men	Women	Less than 30 years old	Between 30 and 40 years old	Between 40 and 50 years old	Over 50 years old
Number of people on the Board of Directors	6	3	-	-	-	9
Percentage on the Board of Directors	67%	33%	0	0.00%	0.00%	100.00%

(405-2) Ratio of basic salary and compensation of women to men

Ratio of men's and women's salary distributed by job level	Grupo Energía Bogotá		TGI		Cálidda		Contugas		TRECSA	
	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018
Senior Management	0.99	0.95	1.05	1.13	1.20	1.23	1.33	1.15	N/A There are no women in this category.	N/A There are no women in this category.
Middle Management	1.05	0.94	0.43	0.72	1.05	1.09	7.95	1.13	1.48	1.04
Advisors	1.03	1.05	1.00	1.00	1.01	0.99	1.30	1.17	0.04	N/A There are no employees in this category.
Professionals	0.93	0.92	0.85	0.86	0.99	1.42	1.32	1.05	0.06	0.77
Support/assistants	1.41	0.95	0.81	0.82	0.94	0.44	1.08	1.05	0.10	0.54

(EU15) Percentage of employees eligible for retirement within the next 5 and 10 years by employment status and region

Professional category	Grupo Energía Bogotá			TGI			Cálidda			Contugas			TRECSA			Business Group		
	In 5 years	In 10 years	Total	In 5 years	In 10 years	Total	In 5 years	In 10 years	Total	In 5 years	In 10 years	Total	In 5 years	In 10 years	Total	In 5 years	In 10 years	Total
Senior Management	2	2	4	2	0	2	0	0	0	0	0	0	0	0	0	4	2	6
Middle Management	5	5	10	1	2	3	0	0	0	0	0	0	0	0	0	6	7	13
Advisors	16	21	37	3	0	3	0	0	0	1	0	1	0	0	0	20	21	41
Professionals	2	7	9	20	8	28	0	1	1	0	0	0	0	0	0	22	16	38
Support/assistants	6	8	14	29	3	32	2	2	4	0	2	2	0	0	0	37	15	52

(Own) Employee commitment

Measurement of employee commitment	Grupo Energía Bogotá	TGI	Cálidda	Contugas	TRECSA
Employee commitment	87%	77.1%	87%	84%	80%
Methodology	It is measured through work environment surveys administered internally three times per year. The surveys address the dimension of pride, which takes into account motivation, image and pride itself	This is the result of the "Great Place to Work" assessment	This is the result of the "Great Place to Work" assessment	As for the competence assessment, teamwork competence measures the level of employee commitment to achieve the Company objectives. This is a 180° assessment in which employees are evaluated by their superiors and subordinates	Through the organizational climate survey, the supplier provides an additional parameter that measures employee commitment, which consists of a choice of questions related to commitment. A Likert scale is used and it is based on a simple arithmetic average, according to the grade scale provided by the respondent

Leaders in caring for life

(403-2) (EU17) (Own) Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities and days worked by contractors and sub-contractors involved in construction, operation and maintenance activities and indicators on frequency and severity for employees and contractors

Indicator	Employees	
	2017	2018
Hours worked	1,485,887	1,114,990
Days worked	189,030	139,374
Days of absence due to work accidents	10	21
Total work accidents	7	1
Work accident frequency rate	1	0.18
Number of sick leave cases due to common illness	429	303
Work accident frequency rate	1.1	0.22

Employees

Grupo Energía Bogotá

Indicator	2017	2018
		Employees
Work accident severity rate	2.3	5
Deaths	0	0
Absenteeism (%)	0.8	0.9

Contractors

Grupo Energía Bogotá

Indicator	2017	2018
		Employees
Hours worked	3,048,347	3,022,966
Days worked	381,043	377,870.75
Days of absence due to work accidents	24,432.00	6,687
Total work accidents	75	74
Work accident frequency rate	5	5.86
Number of sick leave cases	NA	NA
Days lost due to common occupational illness	NA	NA
Work accident frequency rate	6	6.98
Work accident severity rate	1,923	639.42
Deaths	4	1
Absenteeism (%)	NA	NA

Annexes Chapter 6 We Create Shared Value - Environmental Dimension

We protect the environment

(302-1) Energy consumption within the Organization

Energy consumption within the Organization (Gj)	2017					Total	2018					Total
	Grupo Energía Bogotá	TGI	Cálidda	Contugas	TRECSA		Grupo Energía Bogotá	TGI	Cálidda	Contugas	TRECSA	
Consumption of energy from non-renewable sources	350.0	997,237.2	34,352.0	15,180.2	-	1,047,119.4	36.5	1,587,595.2	25,934.0	22,895.1	-	1,636,460.8
Diesel fuel consumption	350.0		-	10,924.9		11,274.9	36.5		-	16,456.5		16,493
Gasoline consumption			24,679.0	3,506.8		28,185.8			21,381.0	5,610.8		26,991.8
LPG consumption			-			-			4,553.0			4,553.0
Natural gas consumption		997,237.2	9,673.0	748.5		1,007,658.8		1,587,595	-	827.9		1,588,423.0
Purchased energy	750,379.3	13,371.8	1,552,596.0	927,807.0	-	3,244,154.1	2565.4	10,082	1,410,707.0	927,773.0	5,099.4	2,356,226.8
Purchased energy consumption	750,379.3	13,371.8	1,552,596.0	927,807.0		3,244,154.1	2565.4	10,082	1,410,707.0	927,773.0	5,099.4	2,356,226.8
Cooling consumption	-	-	391,704.0	-	-	391,704.0	-	0	316,262.0	-	-	316,262.0
Cooling consumption			391,704.0			391,704.0			316,262.0			316,262.0
Power generation for own consumption	19,888.8	-	-	-	-	19,888.8	-	0	-	-	-	-
Generation of solar energy (kWh)	19,888.8		-			19,888.8			-			-
Total internal energy consumption	770,618.1	1,010,609.0	1,978,652.0	942,987.2	-	4,702,866.3	2,601.9	1,597,677.1	1,752,903.0	950,668.1	5,099.4	4,308,986.02

(303-1) Water extraction by source

Water consumption (m³)	2017					2018				
	Grupo Energía Bogotá	TGI	Cálidda	Contugas	Total	Grupo Energía Bogotá	TGI	Cálidda	Contugas	Total
Groundwater					-		2,077			2,077.0
Municipal water supplies or other public or private water services	6,482.4		4,544.5	2,912.0	13,938.9	6,309.0	3,079	5,071.5	660,580.1	675,039.6
Total catchment (m³)	6,482.4	-	4,544.5	2,912.0	13,938.9	6,309.0	5,156.0	5,071.5	660,580.1	677,116.6

(304-1) Owned, leased or managed operations centers located in or alongside protected areas, or areas of substantial value for biodiversity located outside of protected areas

Grupo Energía Bogotá in 2018

Owned, leased or managed operation centers located in or alongside protected areas, or areas of substantial value for biodiversity located outside of protected areas	Geographic location	Land and underground areas that may be owned, leased or managed by the Organization	Location with respect to the protected area (in, next to or partly inside the protected area) or area of great value for biodiversity outside the protected area	Type of operation (office, manufacturing, production or extraction)	Value of biodiversity in terms of the characteristics of the protected area or area of great value for biodiversity outside the protected area (land, marine or fresh water ecosystems)	Value of biodiversity, characterized for being included on the protected list (one of the categories for protected area management of UICN, the Ramsar Convention and domestic laws)
230 kV transmission line; interconnection with Ecuador	San Francisco and Mocoa, department of Putumayo	N/A	Adjacent	Energy transmission	Thanks to the extensive biodiversity and its high level of conservation, animal and plant indicators in the area are high. Currently in the area there are vulnerable and threatened species such as the poison frog <i>Epidobates ingeri</i> , and plant species such as (<i>Cedrelinga catenaeformis</i>) and cumín (<i>Aniba sp.</i>), which increases the strategic value of the reserve; nonetheless, within the reserve there are human settlements that put pressure on these resources This is an example of regional conservation.	Protective Forest Reserve of the Upper Mocoa River Basin

Grupo Energía Bogotá in 2018

Owned, leased or managed operation centers located in or alongside protected areas, or areas of substantial value for biodiversity located outside of protected areas	Geographic location	Land and underground areas that may be owned, leased or managed by the Organization	Location with respect to the protected area (in, next to or partly inside the protected area), or area of great value for biodiversity outside the protected area	Type of operation (office, manufacturing, production or extraction)	Value of biodiversity in terms of the characteristics of the protected area or area of great value for biodiversity outside the protected area (land, marine or fresh water ecosystems)	Value of biodiversity, characterized for being included on the protected list (one of the categories for protected area management of UICN, the Ramsar Convention and domestic laws)
230 kV transmission line; interconnection with Ecuador	Pasto, department of Nariño.	N/A	Adjacent	Energy transmission	It is a protected reserve; La Cocha is located inside this reserve, and it is one of the most extensive and well conserved lagoons of the northern Andes, and is considered the largest fresh water reserve in the department of Nariño. Several rivers and streams, originating in the Guamués River, which is an affluent of the Putumayo River of the Amazon basin, flow into La Cocha Lagoon. The lake's La Corota Island is a wildlife sanctuary, an Andean <i>orobiome</i> forest with predominant species such as <i>encenillos</i> , Colombian pines, <i>siete cueros</i> , wax palm and the ecosystems of the Andean highlands (<i>páramo</i>) with the presence of <i>espeletia</i> species such as <i>Espeletia hartwegiana</i> , <i>Blechno loxensis</i> , <i>Calamagrostis spp.</i> , <i>Hypericum spp.</i> and <i>Festuca spp.</i>	La Cocha Lagoon-Patascoy Hilltop Protective Forest Reserve
Tesalia-Alfárez 230 kV line	Rioblanco, department of Tolima	N/A	Adjacent	Construction for energy transmission	The natural cover of the protected area includes very humid low mountain rainforest, mountain rainforest and sub-Andean <i>Páramo</i> rainforest in the Regional Nature Park (PNR, for the Spanish original), which contribute to the ecological integrity and connectivity between the various ecosystems. The historical, cultural and patrimonial wealth of the Nasa community of southern Tolima, by protecting the lagoon complexes within the <i>Páramo del Meridiano We'pe Wala</i> Regional Nature Park. The water resources from the upper Hereje River basin and its main tributaries (El Triunfo and Los Chorros streams), as goods and services provided by nature to the department of Tolima. The animal and plant species that are endemic or to some degree threatened with extinction	<i>Páramo del Meridiano We'pe Wala</i> Regional Nature Park

Grupo Energía Bogotá in 2018

Owned, leased or managed operation centers located in or alongside protected areas, or areas of substantial value for biodiversity located outside of protected areas	Geographic location	Land and underground areas that may be owned, leased or managed by the Organization	Location with respect to the protected area (in, next to or partly inside the protected area), or area of great value for biodiversity outside the protected area	Type of operation (office, manufacturing, production or extraction)	Value of biodiversity in terms of the characteristics of the protected area or area of great value for biodiversity outside the protected area (land, marine or fresh water ecosystems)	Value of biodiversity, characterized for being included on the protected list (one of the categories for protected area management of UICN, the Ramsar Convention and domestic laws)
UPME-07-2014 Project. Expansion of the Río Córdoba 1,100 kV Substation and installation of two 220/110 kV 100 MVA power transformers	Township of Cordoba, population center, municipality of Ciénaga, department of Magdalena	N/A	Immersed	Energy transmission	This is a protected area, known as an area of restoration for preservation (ARP, for the Spanish original). It is part of the Córdoba River basin and is mainly used for the purpose of restoration for preservation, with the aim of restocking plant and animal species, backed by scientific research. This is an example of regional conservation	Restoration for preservation, based on the zoning suggested by the Plan for Land Use and Management of the Hydrographic Basin (POMCA, for the Spanish original) of the Córdoba River.
UPME-07-2014 Project. Expansion of the Río Córdoba 1,100 kV Substation and installation of two 220/110 kV 100 MVA power transformers	Township of Cordoba, population center, municipality of Ciénaga, department of Magdalena	N/A	Adjacent	Energy transmission	Protective land according to the Ciénaga (Magdalena) Land Use Plan (POT, for the Spanish original), corresponding to the area for tourist, fishing and agricultural activity of Ciénaga Grande de Sevillano, protection area of the banks of rivers, streams and water bodies corresponding to the buffer zone of the Córdoba River, which is 30 m long on both sides, and a landscape and environmental protection area on the eastern and northern sides of the project. This is an example of local-municipal conservation	Protective land areas. Ciénaga, Magdalena POT
UPME-06-2014 220 kV Río Córdoba Project and transmission lines	Township of Cordoba, population center, municipality of Ciénaga, department of Magdalena	N/A	Immersed	Energy transmission	This is a protected area, known as an area of restoration for preservation (ARP, for the Spanish original). It is part of the Córdoba River basin and is mainly used for the purpose of restoration for preservation, with the aim of restocking plant and animal species, backed by scientific research. This is an example of regional conservation	Restoration for preservation, based on the zoning suggested by the Plan for Land Use and Management of the Hydrographic Basin (POMCA) of the Córdoba River

Grupo Energía Bogotá in 2018

Owned, leased or managed operation centers located in or alongside protected areas, or areas of substantial value for biodiversity located outside of protected areas	Geographic location	Land and underground areas that may be owned, leased or managed by the Organization	Location with respect to the protected area (in, next to or partly inside the protected area), or area of great value for biodiversity outside the protected area	Type of operation (office, manufacturing, production or extraction)	Value of biodiversity in terms of the characteristics of the protected area or area of great value for biodiversity outside the protected area (land, marine or fresh water ecosystems)	Value of biodiversity, characterized for being included on the protected list (one of the categories for protected area management of UICN, the Ramsar Convention and domestic laws)
UPME-06-2014 220 kV Río Córdoba Project and transmission lines	Township of Cordoba, population center, municipality of Ciénaga, department of Magdalena	N/A	Adjacent	Energy transmission	This is an example of local-municipal conservation. Protective land according to the Ciénaga (Magdalena) Land Use Plan, corresponding to the area for tourist, fishing and agricultural activity of Ciénaga Grande de Sevillano, protection area of the banks of rivers, streams and water bodies corresponding to the buffer zone of the Córdoba River, which is 30 m long on both sides, and a landscape and environmental protection area on the eastern and northern sides of the project. This is an example of local-municipal conservation	Protective land areas. Ciénaga, Magdalena POT
UPME-05-2012 Project. Second circuit Cartagena-Bolívar and associated 220 kV transmission lines	Department of Bolívar, occupies urban areas of the municipality of Cartagena and its rural areas, as well as those of Turbaco and Santa Rosa de Lima	N/A	Immersed	Energy transmission	This is an example of regional conservation Strict conservation, environmental restoration, ornamental planting, technified captivity, stabled aquaculture, public use, planned and controlled mining	Area for production and recovery for preservation, POMCA of Ciénaga de la Virgen (adopted by Resolution 0768/ September 20, 2005)
UPME-05-2012 Project. Second circuit Cartagena-Bolívar and associated 220 kV transmission lines	Department of Bolívar, occupies urban areas of the municipality of Cartagena and its rural areas, as well as those of Turbaco and Santa Rosa de Lima	N/A	Immersed	Energy transmission	This is an example of regional conservation It is regulated only for the use of temporary agricultural practices or flooding with clean technology, urban development with environmental criteria, stabled, technified or intensive cattle-raising, suburban and recreational housing, irrigation (endogenous, exogenous and multiple), clean mariculture and protected natural areas	Area for production and recovery of the lower basin, POMCA of Ciénaga de la Virgen (adopted by Resolution 0768/ September 20, 2005)

Grupo Energía Bogotá in 2018

Owned, leased or managed operation centers located in or alongside protected areas, or areas of substantial value for biodiversity located outside of protected areas	Geographic location	Land and underground areas that may be owned, leased or managed by the Organization	Location with respect to the protected area (in, next to or partly inside the protected area), or area of great value for biodiversity outside the protected area	Type of operation (office, manufacturing, production or extraction)	Value of biodiversity in terms of the characteristics of the protected area or area of great value for biodiversity outside the protected area (land, marine or fresh water ecosystems)	Value of biodiversity, characterized for being included on the protected list (one of the categories for protected area management of UICN, the Ramsar Convention and domestic laws)
Guavio-Circo 230 kV energy transmission line (currently operating)	N/A	N/A	Adjacent	Transmission.	UICN protection category: VI protective forest reserve value for biodiversity, even though it preserves its landscape value and important biodiversity; represented in its units of moorland and submoorland cover, it is also evident that there are alterations in its cold rain forests due to the productive activities present, including potato farming and dairy cattle breeding. Well-preserved vegetation, connected to the Chingaza National Nature Park to the south, can be found in areas of rugged relief with difficult access, as well as along the banks of the water courses	Páramo Grande Protective Forest Reserve
Bogotá system and southern corridor 230 kV energy transmission line	N/A	N/A	Adjacent	Transmission.	UICN protection category: IV protective forest reserve; this is a strategic area for the city of Bogotá and its surroundings due to the environmental services that it provides, including aquifer recharge and regulation, soil protection, scenic value, oxygen contribution, climate regulation and water supply for different communities. Nearly 64% of the area with forest cover is in well-preserved condition and contains important ecological values with high levels of both plant and animal biodiversity	Bosque Oriental de Bogotá Protective Forest Reserve

These are eleven adjacent operations of the transmission business in Colombia, which are immersed or adjacent in areas with high biodiversity value and occupy a total of 738.9 ha.

Contugas in 2018

Owned, leased or managed operation centers located in or alongside protected areas, or areas of substantial value for biodiversity outside of protected areas	Geographic location	Land and underground areas that may be owned, leased or managed by the organization	Location with respect to the protected area (in, next to or partly inside the protected area) or area of great value for biodiversity outside the protected area	Type of operation (office, manufacturing, production or extraction)	Value of biodiversity in terms of the characteristics of the protected area or area of great value for biodiversity outside the protected area (land, marine or fresh water ecosystems)	Value of biodiversity, characterized for being included on the protected list (one of the categories for protected area management of UICN, the Ramsar Convention and domestic laws)
Location 1. Pisco Operating Center	Located in the department of Ica, province of Pisco, district of Paracas	Pisco Operating Center (pk 36 + 400 of the Humay-Pisco branch) Right of way of the Human-Pisco branch.	Pisco Operating Center and right of way of the Human-Pisco branch, located in the buffer zone of the Paracas National Reserve	Natural gas distribution	The Paracas National Reserve (RNP, for the Spanish original) is one of the two designated Protected Natural Areas (ANP, for the Spanish original) in the Ica region that protects representative samples of marine and coastal ecosystems. Its importance lies in that it protects large biological diversity that is essential for storing different biological cycles that guarantee the preservation of the species; it also generates economic income for thousands of inhabitants. It also protects various archaeological remains of the Paracas culture that settled in many areas of this reserve	The Paracas National Reserve is included on the list of wetlands of global importance (RAMSAR sites). In 2003, the International Maritime Organization (IMO) declared the Paracas National Reserve a highly sensitive maritime zone. The list of vulnerable species in this protected natural area includes the Peruvian diving petrel, the fur seal, the otter, the leatherback turtle, the green turtle, the parrot beak turtle and the hawksbill turtle
Location 2. City gate Marcona PK 194.	Located in the department of Ica, province of Nasca, district of Marcona	<i>City gate</i> Marcona PK 194. Right of way of the Human-Marcona branch. Right of way of the Nasca branch.	<i>City gate</i> Marcona, located in the buffer zone of the San Fernando National Reserve. Right of way of the Human-Marcona branch, located in the San Fernando National Reserve. Right of way of the Nasca branch, in the San Fernando National Reserve, and buffer zone of the San Fernando National Reserve	Natural gas distribution	The San Fernando National Reserve preserves marine and coastal ecosystems of great value such as benthic species and marine and coastal wildlife (area of influence of the project components). In this protected natural area, there are plant ecosystems, such as <i>Tillandsial</i> , short-stem cacti and guanacos	According to the red list and categorization of legally protected threatened wildlife species (approved by Supreme Decree 004-2014-MINAGRI), the guanaco or <i>Lama guanicoe cacsilensis</i> , is critically endangered.

(304-3) Habitats protected or restored

Grupo Energía Bogotá in 2018

Location (department/ municipality) of the habitat protected or restored	Size of the area protected or restored by direct actions of the Company (hectares)	Is there collaboration with a third party to protect or restore this area? Who?	Describe the current condition of the area and indicate the main advances	Explain the standards or methodologies used for the calculation
UPME-07-2014 Project. Expansion of the 1,100 kV Río Córdoba Substation and installation of two 220/110 kV 100 MVA power transformers	We decided to establish 157 seedlings on La Mano de Dios property owned by Hermes Beltrán, in the district of Cordobita of the township of Cordobita, on a total of 0.12 ha, thus complying with Resolution 1051/April 29, 2016 for forestry use	N/A	N/A	<p>The area established for planting was based on the method for planting individual specimens for an area where the 157 seedlings could be planted.</p> <p>General clearing was carried out, consisting of the elimination of weeds and shrubs that would prevent the main crop from growing, that is to say, reforestation.</p> <p>Outlined on three square meters.</p> <p>Diameter of one meter.</p> <p>Hole dug to 0.3 m deep with a diameter of 0.3 m</p>
UPME-06-2014 220 kV Río Córdoba Project and transmission lines	Planting of 156 individual specimens of the species <i>Cecropia peltata</i> L., <i>Enterolobium cyclocarpum</i> , <i>Guazuma ulmifolia</i> , <i>Pachira quinata</i> and <i>Tabebuia rosea</i> on a total of 0.18 ha, thus complying with Resolution 2289/ November 3, 2015, after which the ban was partially lifted	N/A	N/A	<p>The area established for planting was based on the method for planting individual specimens for an area where the 157 seedlings could be planted.</p> <p>General clearing was carried out, consisting of the elimination of weeds and shrubs that would prevent the main crop from growing, that is to say, reforestation.</p> <p>Outlined on three square meters.</p> <p>Diameter of one meter.</p> <p>Hole dug to 0.3 m deep</p>
UPME-05-2012 Project. Second circuit Cartagena-Bolívar and associated 220 kV transmission lines	In 2018, we did not take any action regarding the protected or restored areas. Offsetting efforts will begin soon	N/A	N/A	N/A

Grupo Energía Bogotá in 2018

Location (department/ municipality) of the habitat protected or restored	Size of the area protected or restored by direct actions of the Company (hectares)	Is there collaboration with a third party to protect or restore this area? Who?	Describe the current condition of the area and indicate the main advances	Explain the standards or methodologies used for the calculation
Cundinamarca, Guatavita and Sesquilé; Guavio, Guasca	12	N/A	There are 12 ha with restoration strategies on properties of the Tominé reservoir. During the first year after planting, we carried out maintenance every three months, in addition to monitoring implementation at time zero	The restoration process had an impact on 12 ha directly through the planting of 400 individual species per hectare in core and connector strategies
Risaralda, Pereira, Barbas-Bremen Land Conservation District	10.8	Offsetting required by environmental license resolution of the Santa Cruz de Barbas community	Planting and enrichment of native forest species and bamboo, and five maintenance services	The number was based on the requirement of the ANLA through Resolution 0582/ June 5, 2014
Quindío, Pereira, Barbas-Bremen Land Conservation District	45	Voluntary agreement signed with the regional autonomous authorities of Quindío (CRQ, for the Spanish original)	Planting and enrichment of native forest species and bamboos, the fifth maintenance service is being scheduled	Methodology proposed by the CRQ through a resolution
Quindío, Pereira, Barbas-Bremen Land Conservation District	8.8	Offsetting required by the environmental license resolution	The planting and enrichment of native forest species and bamboo will begin in 2019	The number was based on the requirement of the ANLA through Resolution 0582/ June 5, 2014

Contugas in 2018

Location (department/ municipality) of the habitat protected or restored	Size of the area protected or restored by direct actions of the Company (hectares)	Is there collaboration with a third party to protect or restore this area? Who?	Describe the current condition of the area and indicate the main advances	Explain the standards or methodologies used for the calculation
<p>The San Fernando National Reserve is located in the district of Marcona, province of Nasca, region of Ica, categorized as a protected natural area</p>	<p>218.21 ha of the protected area have been restored by transplanting <i>Tillandsia</i></p>	<p>Yes, there is currently a specific inter-institutional agreement between the National Service of Natural Areas Protected by the Peruvian State (Sernanp, for the Spanish original) and Contugas by means of which we manage and implement various activities for the conservation of biodiversity in the area. Thus, we are complying with the biannual biological monitoring through <i>Bioconsulting S. A. C.</i> Also, the Nasca Town Hall is cooperating in the various activities carried out as part of the protection of the San Fernando National Reserve.</p>	<p>In 2016, we transplanted the species <i>Tillandsia spp.</i>, for which we have been assessing the survival and development of the <i>Tillandsia</i> in the receiving or replacement area (Nasca branch) in the San Fernando National Reserve. Currently, at the operating stage, we have an inter-institutional cooperation agreement and its addendum, signed between the National Service of Natural Areas Protected by the Peruvian State (Sernanp) and Contugas, in which the Company has committed to contributing to the conservation of the biodiversity in the San Fernando National Reserve through the activities of monitoring the species <i>Tillandsia</i>, raising environmental awareness and signposting the roads in the reserve.</p>	<p>To assess the survival and development of the <i>Tillandsia</i>, we have developed a monitoring program that also includes plants and animals in the <i>Tillandsia</i> ecosystem.</p> <p>Methodology for monitoring vegetation Quadrant method. Consists of delimiting a square, which in this case would be 10 m x 10 m. Samples are taken at random and all the species found within the square are counted, for which we have developed statistical tables. In these quadrants, we will take inventory of the existing plants, find the diversity indicators and monitor the vegetation cover. We will also make a curve of the number of species by quadrants.</p> <p>Methodology for monitoring animals Arthropofauna. We collected terrestrial arthropods using standard methodologies (Hill, 1999; Escobar <i>et al.</i>, 2005; Larsen & Forsyth, 2005): <i>yellow-traps</i> and manual or direct collection with the help of entomological networks and suction devices. Birds. To create the complete bird inventory, we took into account the species observed during the censuses and otherwise, in addition to those determined by indirect evidence that support their presence at the location. To do so, we performed captures with mist nets, censuses using the transect method, intensive searches at each sampling site, direct observation with binoculars (10 x 50), visual and auditory searches for the detection of birds, identification by prints, feathers, nests, underground galleries, feces and regurgitation; we also interviewed the park rangers of the ANP. Herpetofauna. Fixed-strip transects. We applied transects measuring 200 m long by 10 m wide, taking into account the type of vegetation, the area of the zone and the geography of the area of study. Within these delimited sampling units, we used the visual encounter survey (VES) method for our searches. Visual encounter survey. This method consists of the intensive search for reptiles in a specific area, on the substrate amid the vegetation, reviewing potential places of shelter for the reptiles, such as rocks, stones and vegetation. Mastofauna. Method for large mammals. We established sampling units in accordance with the size of the area, which consisted of 1.5 km transects with a variable width; the distance of separation between each transect was at least 1 km.</p>

(305-1) (305-2) (305-3) Direct and indirect GHG emissions

Direct and indirect emissions (tons of CO ₂ eq)	2017					2018				
	Grupo Energía Bogotá	TGI	Cálidda	Contugas	Total	Grupo Energía Bogotá	TGI	Cálidda	Contugas	Total
Scope 1 emissions	1,482.7	96,157.1	14,022.3	25,456.6	137,118.7	1,521.17	108,820.9		1,733.1	249,300.2
Scope 2 emissions	61.7	739.2	288.3	201.3	1,290.4	78.55	239.0		162.9	1,752.6
Scope 3 emissions	449.4	N/A	36.7	144.6	630.7	N/A	359.4		202.1	1,753.6
Scopes 1, 2 and 3 emissions	1,993.8*	96,896.3	14,347.3	25,802.5	139,039.8	1,599.72	109,419.3	-	2,098.0	252,806.3

*These emissions were offset in 2018 through certified carbon credits in forest plantations, established in the department of Meta in Colombia.

(305-5) Reduction of GHG emissions

Cálidda in 2018

Indicate the projects carried out to reduce or prevent emissions and indicate the tons of CO ₂ reduced by implementing the project	Description of the initiative (not to exceed 300 characters)	Gases included in the calculation (CO ₂ , CH ₄ , N ₂ O, HFC, PFC, SF ₆ , NF ₃ or all)	Scopes in which there were reductions (scopes 1, 2 and 3)	Explain the standards or methodologies used for the calculation
Change in fuel used in vehicles (use of natural gas)	We changed the type of fuel on which some of the cars/trucks of the Company's fleet run; the change consisted of converting the vehicles to the dual-fuel system: gasoline/natural gas. We encouraged the consumption of natural gas and gasoline as a backup	CO ₂	To date, there is no traceability regarding the measurement of the reduction of CO ₂ eq	To date, there is no traceability regarding the measurement of the reduction of CO ₂ eq
Implementation of a chiller that runs on natural gas	We acquired and activated a chiller that runs on natural gas, in an attempt to reduce the consumption of electricity.	CO ₂	To date, there is no traceability regarding the measurement of the reduction of CO ₂ eq	To date, there is no traceability regarding the measurement of the reduction of CO ₂ eq
Motion sensors for turning off lights	We activated a system for the remote turning on/off of lights in the administrative building of Cálidda (San Borja) in avoid keeping the lights on in spaces where they are not required	CO ₂	To date, there is no traceability regarding the measurement of the reduction of CO ₂ eq	To date, there is no traceability regarding the measurement of the reduction of CO ₂ eq

Contugas in 2018

Indicate the projects carried out to reduce or prevent emissions and indicate the tons of CO ₂ reduced by implementing the project	Description of the initiative, not to exceed 300 characters	Gases included in the calculation (CO ₂ , CH ₄ , N ₂ O, HFC, PFC, SF ₆ , NF ₃ or all)	Scopes in which there were reductions (scope 1, 2 and 3)	Explain the standards or methods used for the calculation
Project 1. Detailed Work Plan	All the preventive and predictive maintenance activities are scheduled to ensure the reliability of the distribution system; one of the objectives is to prevent and control potential environmental impacts due to the effect of the operation of the natural gas distribution system	The gas included is methane	There were reductions in scopes 1 and 2	These values are in the form "greenhouse gas inventory of Grupo Energía Bogotá": [1] IPCC 2007. Guidelines of the IPCC/2006 for national greenhouse gas inventories. Chapter 3. Mobile combustion. Table 3.2.2. Default emission factors of N ₂ O and CH ₄ of ground transportation and uncertainty ranges. [2] FECOC. "Emission factors for Colombian fuels". Mining and Energy Planning Unit (UPME, for the Spanish original). Ministry of Mines and Energy. Colombia
Project 2. Damage Prevention Plan	Disseminate the culture of prevention in excavation activities near the gas network in order to prevent/ decrease impacts (ruptures) of the natural gas distribution network through guidelines among our stakeholders, which allow the reduction of gas emissions and potential air pollution	The gas included is methane	There were reductions in scopes 1 and 2	These values are in the form "greenhouse gas inventory of Grupo Energía Bogotá": [1] IPCC 2007. Guidelines of the IPCC/2006 for national greenhouse gas inventories. Chapter 3. Mobile combustion. Table 3.2.2. Default emission factors of N ₂ O and CH ₄ of ground transportation and uncertainty ranges. [2] FECOC. "Emission factors for Colombian fuels". Mining and Energy Planning Unit (UPME, for the Spanish original). Ministry of Mines and Energy. Colombia

(306-2) Waste by type and disposal method

Waste management (tons)	2017					2018				
	Grupo Energía Bogotá	TGI	Cálidda	Contugas	Total	Grupo Energía Bogotá	TGI	Cálidda	Contugas	Total
Total hazardous waste by disposal method	0	467.03	24.41	8.64	500.08	0	12,153.6	22.188	1.61	12,177.398
Internal or external reuse		2.3	0		2.3					0
Recycling		0.57	0		0.57					0
Composting			0		0					0
Incineration			0		0					0
Hazardous waste landfill		8.96	24.41	8.64	42.01		11,577.6	22.188	1.61	11,601.398
Unclassified		455.2	0		455.2		576			576
Total non-hazardous waste by disposal method	15.419	13.83	5.421	15.774	50.444	11.475	43	12.064	16.02834	82.56734
Internal or external reuse			0		0			1.353		1.353
Recycling	15.419	4.7	1.5	0.114	21.733	11.475	30.4	2.398	0.88834	45.16134
Composting			0		0			0		0
Sanitary landfill	N/A	9.13	3.921	15.66	28.711	N/A	12.6	8.313	15.14	36.053
Total waste disposed (tons)	N/A	18.09	28.331	24.3	70.721	N/A	11,590.2	30.501	16.75	11,637.451
Total waste generated by the Organization	15.419	480.86	29.831	24.414	550.524	11.475	12,196.6	34.252	17.63834	12,259.96534

Independent Auditor's report on limited assurance for Grupo Energía Bogotá S.A. ESP.

We have been hired by the Management of Grupo Energía Bogotá S.A. ESP hereinafter GEB, to provide limited assurance regarding the parameters and indicators of sustainability included in the Sustainable Management Report of GEB, (hereinafter "the Report") for the year ended December 31, 2018, received on June 25, 2019. The parameters and indicators of sustainability covered by this commission of limited assurance are:

Sustainability Parameters Insured	Assurance scope	Standard Insured
Direct economic value generated and distributed	Sucursal de transmisión en Colombia y corporativo	201-1
Communication and training about anti-corruption policies and procedures	Sucursal de transmisión en Colombia y corporativo	205-2
Confirmed cases of corruption and measures taken	GEB	205-3
Energy consumption within the organization	Sucursal de transmisión en Colombia y corporativo	302-1
Operation centers owned, leased or managed located within or next to protected areas or adjacent zones of areas with high biodiversity value.	Sucursal de transmisión en Colombia y corporativo	304-1
Direct GHG emissions (Scope 1)	Sucursal de transmisión en Colombia y corporativo	305-1
Indirect GHG emissions product of energy generation (scope 2)	Sucursal de transmisión en Colombia y corporativo	305-2
Waste by type and disposal method	Sucursal de transmisión en Colombia y corporativo	306-2
Types of accidents and accident frequency rates, occupational diseases, lost days, absenteeism and number of deaths due to work-related accidents or occupational diseases.	Sucursal de transmisión en Colombia y corporativo	403-2
Lost-Time Injury Frequency Rate (LTIFR) – direct employees	Sucursal de transmisión en Colombia y corporativo	403-2
Lost-Time Injury Frequency Rate (LTIFR) – Contractors	Sucursal de transmisión en Colombia y corporativo	403-2
Annual average training hours per employee	Sucursal de transmisión en Colombia y corporativo	404-1
Savings in the hiring process 2018	Trecca, Contugas, sucursal de transmisión en Colombia y corporativo	Own standard
Customer satisfaction measurements	Cálidda, TGI, Contugas	Own standard

Management's responsibility

Management is responsible for the preparation and presentation of parameters and indicators of sustainability. In the subchapter "About this report". In said subchapter, the self-declared compliance option is detailed.

This responsibility includes: Designing, implementing and maintaining the internal control necessary to allow the preparation of sustainability parameters and indicators.

Management is also responsible for preventing and detecting fraud, and for identifying and ensuring that the company complies with the laws and regulations pertaining to its activities.

Management is also responsible for ensuring that the people involved in the preparation and presentation of information are properly trained and the information systems are up-to-date.

KPMG's responsibility

Our responsibility is to express a limited assurance conclusion about the preparation and presentation of the sustainability parameters described above and included in the GEB Annual Report.

Our work has been carried out in accordance with the international standard for assurance works ISAE 3000 and ISAE 3410, Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standard Board.

The firm applies the international standard of quality control and in this sense maintains an integral system of quality control, including documented policies and procedures related to compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the requirements of independence and others included in the Ethical Code of the Federation of Accountants issued by the Internal Ethics Standards Board for Accountants that establishes fundamental principles regarding integrity, objectivity, confidentiality, conduct and professional competencies. Based on the foregoing, we confirm that we have executed this assignment for GEB, independently and free of conflicts of interest.

ISAE 3000 requires that we plan and perform our work in such a way that we obtain limited security on whether the parameters and indicators of sustainability are free of material errors.

Limited Assurance of the Parameters and Sustainability Indicators

Our limited assurance work on the sustainability parameters and indicators consisted in the formulation of questions, mainly to the people responsible for the preparation of parameters and sustainability indicators, and in applying analytical and other procedures as appropriate. These procedures included:

- Interviews with management and relevant personnel at the corporate level in relation to the sustainability strategy and policies for material matters, as well as the implementation thereof in the company.
- Inquiry with the administration to obtain an understanding of the process carried out by GEB, to determine material issues, as well as the participation of stakeholders in this process.
- Interviews with relevant GEB personnel, at the corporate level, responsible for the preparation of the parameters and indicators subject to limited assurance.
- Inquiries about the design and implementation of the systems and methods used to collect and report the parameters and indicators subject to limited verification, including the aggregation of the reported information.
- Comparison of the Sustainability Parameters subject to Limited Assurance with relevant underlying sources with a sample base to determine if all the relevant information has been appropriately included in the Report.
- Comparison of parameters and sustainability indicators subject to limited assurance with the relevant underlying sources based on sampling, to determine if it has been adequately included in the Report.
- Visit to the facilities of the main headquarters located in Bogotá D.C. selected based on a risk analysis including qualitative criteria.
- Reading of the Limited Assurance Sustainability Parameters and Indicators presented in the Report to determine if they are in line with our general knowledge and experience in relation to GEB's sustainability performance.

The procedures performed in a limited assurance work vary in nature and time and are less in scope than a reasonable assurance work, and therefore the level of assurance obtained is substantially lower than that which would have been obtained in a reasonable assurance work. As a result, we do not express a reasonable assurance conclusion about the parameters and sustainability indicators subject to limited assurance.

Purpose of Our Report

In accordance with the terms of our work, this assurance report has been prepared for GEB, with the purpose of assisting the Management in determining if the sustainability parameters and indicators subject to limited assurance are prepared and presented in accordance with the GRI standards for the preparation of Sustainability Reports of the Global Reporting Initiative and the calculations of the company's own indicators.

Restrictions on the use of the report

This report should not be considered appropriate to be used or relied upon by any third party wishing to acquire rights against KPMG other than GEB for any purpose or in any other context. Any third party other than GEB who obtains access to our report or a copy thereof and determines to rely on it, or any part of it, will do so at your own risk. To the fullest extent possible, as permitted by law, we do not accept or assume responsibility to third parties other than GEB, for our work, for this limited assurance report, or for the conclusions we have reached.

Our report is delivered to GEB on the basis that it should not be copied, referenced or disclosed, in its entirety (except for the internal purposes of GEB) or in part, without our prior written consent.

Our conclusions

Our conclusion has been established, based on and subject to the matters described in this report.

We believe that the evidence we have obtained is sufficient and appropriate to support the conclusion that we express below.

Based on the execution of the procedures described above and the evidence obtained, with the exception of the data associated with the contents 205-2, 403-2 and 404-1, nothing has drawn our attention to indicate that the parameters and indicators of sustainability mentioned in the table above, for the year ended December 31, 2018 of GEB, are not prepared and presented adequately, in all its significant aspects, in accordance with the GRI standard for the preparation of Sustainability Reports of Global Reporting Initiative and calculations of the company's own indicators for the report.

For contents 205-2: Communications and training on anti-corruption policies and procedures; 403-2: Types and rates of injuries, occupational diseases, lost days, absenteeism and fatalities, Lost-Time Injury Frequency Rate (LTIFR) - Direct Collaborators and Lost-Time Injury Frequency Rate (LTIFR) - Contractors; and 404-1: Average hours of training per employee per year, not enough information was available to ensure the contents presented in the report. As a result, we cannot conclude that these standards are prepared and presented in accordance with the requirements of the GRI standards for the preparation of Sustainability Reports of the Global Reporting Initiative.

In another document, we will provide the GEB Administration with an internal report that contains our findings and areas for improvement.

KPMG Advisory, Tax & Legal S.A.S.



Fabián Echeverría Junco
Socio
June 26, 2019



The passion, effort and commitment of our employees made the good results of 2018 possible. Thanks to them, we were able to **turn energy into good deeds**. In recognition of their efforts, we are opening the pages of our report to publish their photos that give an account of how we are taking progress to the regions.