

Sustainability Report 2020



**Working with the people and their territories,
we continue to build stories of progress**

Grupo·epm



Our
group ▶

Grupo·epm

The background is a vibrant green with a fine, woven texture. Three large, detailed leaves are arranged in a circular pattern around the center text. A thin yellow arc and a thin white arc also circle the text. In the top right corner, there are several dark green and white geometric shapes, including triangles and a square. The bottom of the page is filled with a variety of small, white line-art icons representing different concepts: a smartphone, a laptop with a Wi-Fi signal, a bar chart with an upward arrow, a gear, a lightbulb with a Wi-Fi signal, a hand holding a lightbulb, a plant growing from a battery, a wind turbine, a solar panel, a recycling symbol, a fingerprint, a house with a Wi-Fi signal, a car with a Wi-Fi signal, a location pin, a cloud with a download arrow, and a lightbulb with a Wi-Fi signal.

Corporate Governance Report

Grupo·epm

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Presentation

Presentation

EPM, in its role as parent company of the Grupo EPM, annually prepares a Corporate Governance Report that is presented to the EPM Board of Directors with the other year-end documents, after a favorable review and report from the Audit Committee. **Country Code 33.1,**

GRI 102-32

Grupo EPM understands corporate governance as the system by which companies are directed, managed and controlled by balancing ownership and administration, in order to guarantee their sustainability and growth, the rights of their investors, transparency and ethics in its performance and access to information for its stakeholders. Corporate governance is relevant for the Grupo EPM because it allows to evidence management in accordance with the business philosophy, it leverages the achievement of strategic objectives and generates trust in stakeholders and in society.

This report gives an account of the monitoring of the main corporate governance practices, as well as the progress and changes that occurred during 2020, and is a sample of EPM's commitment to transparency and the disclosure of information to its stakeholders. **Country**

Code 33.2, 33.3

As a consequence of the change in municipal administration in Medellín, during 2020 there were movements in EPM's governing bodies (ownership, direction and management), which always represent great challenges for corporate governance; some of the main changes occurred in the presidency of the Board of Directors, in the filling of two vacancies on the Board of Directors and the replacement of one of its members, the General Manager and some members of the team of vice presidents; subsequently, on August 11, 8 members of the Board of Directors resigned, which led to the appointment of new members of the Board of Directors by the Mayor of Medellín.

EPM's corporate governance is not immune to the effects of the transitions that are taking place in the world in the concepts of governance. There is a growing demand for leaders to act with awareness of the impacts generated by each of their actions and decisions and to seek that the general interest always prevails over the particular interest.

Maintain the balance between the governing bodies of the company (owner, represented by the Mayor of Medellín, Board of Directors and General Manager), to guarantee the stability of the system of checks and balances, so that each body adequately exercises the rights, decisions and responsibilities that have been assigned within the governance structure, ACCORDING TO the corresponding level (ownership, direction, management); and that there are appropriate information flows between said bodies, towards the entire organization and towards its stakeholders, in order to guarantee transparency and disclosure of information;

they will be one of the great challenges of corporate governance in EPM, to generate trust and maintain a long-term vision in the strategic direction and in the plans, programs and projects of the Company.

All of this contributes to the sustainability of the Organization, which is the COMMON interest of its governing bodies, its stakeholders and society in general, as well as to guaranteeing quality, continuity and coverage in the provision of domiciliary public services in the territories where the Grupo EPM has a presence, having as a pillar the ecosystem purpose of “Contribute to the harmony of life for a better world”.

Grupo EPM Corporate Governance Code

EPM’s Board of Directors approved the update of the Corporate Governance Code and its annexes through Decree 472 of September 24, 2019; subsequently, through Decree 481 of January 13, 2020, it approved the modification of subparagraph “4.3 First-level executives with direct report to the General Manager.”

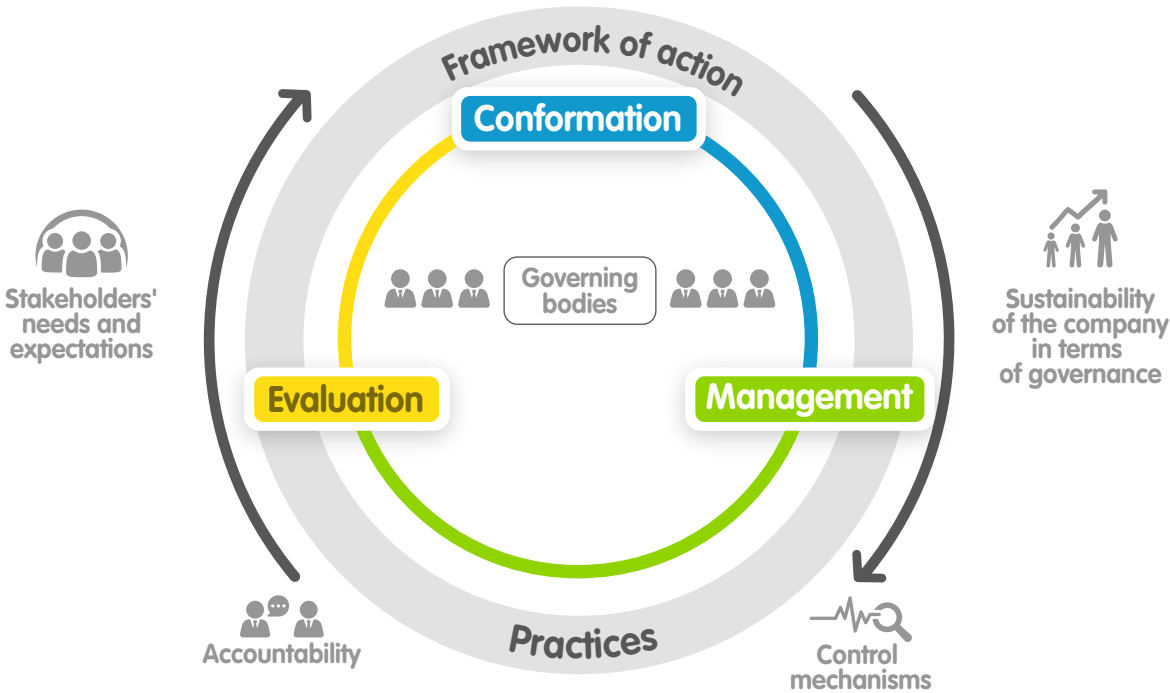
The Code compiles and discloses the practices that are defined and implemented in EPM in matters of corporate governance and are adopted by the subsidiaries of the business group ACCORDING TO their internal procedures, adapting them to the standards and particularities that apply to each company of the EPM Group.

In 2020, 8 Colombian subsidiaries approved the new Corporate Governance Code in their respective Boards of Directors.

EPM has concentrated its efforts on the implementation of the General Framework of Corporate Governance of Grupo EPM, which is the set of elements that INTERACT to strengthen corporate governance, promoting unity of purpose and direction through the implementation of a model aligned with the strategic direction defined for the business group.

This model is based on the governing bodies, the definition of their Framework for Action through governance practices, control mechanisms and accountability [\(see Annex 1: General Framework of the Corporate Governance of Grupo EPM\)](#).

Corporate governance planning




Verification of corporate governance

General Framework of Corporate Governance.

Compliance with the Code

Subparagraph "9.2 Annual Corporate Governance Report of Grupo EPM" establishes, among other things, that EPM will issue a report in which, in addition to disclosing data related to the content of the Code, it will indicate its degree of compliance. The degree of compliance with the Corporate Governance Code is published on the EPM website, which you can check [here](#).

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Ownership structure of EPM

EPM ownership structure

EPM is an official entity of DOMICILIARY Public services, constituted as a State Industrial and Commercial Company, of the municipal order, subject to the legal regime that regulates the provision of DOMICILIARY Public services, established in Act 142 of 1994.

The Municipality of Medellín is the SOLE owner of EPM.



La Alpujarra Administrative Center

The relationship with the Municipality of Medellín, in its capacity as owner, respect for the autonomy granted by administrative decentralization and internal regulations are contained in the Framework Relations Agreement signed in 2007 between the Mayor's Office of Medellín and EPM. The powers of the Medellín Council in relation to EPM are defined in the Company's Bylaws and in Colombian law.

The Mayor of Medellín, in his capacity as representative of the owner, exercises the property exclusively through the Board of Directors of EPM, in his role as President of the same, by virtue of the provisions of the Framework Relations Agreement. By legal provision and the Company's Bylaws, the Mayor of Medellín appoints the General Manager and appoints the members of the Board of Directors.

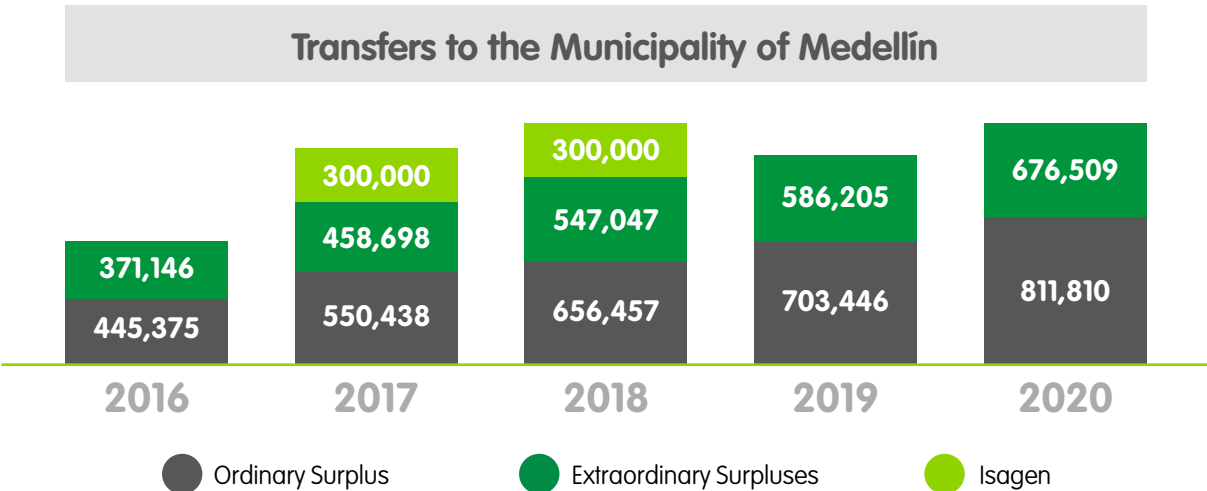
As of January 1, 2020, Mr. Daniel Quintero Calle took office as Mayor of Medellín, and therefore as representative of the owner of EPM.

Transfers to the Municipality of Medellín

Municipal Agreement No. 69 of 1997 of the Council of Medellín establishes that EPM must transfer annually, in an ordinary way, up to 30% of the profit. However, the Relations Framework Agreement allows additional transfers to be decreed, considering both the financial requirements of the Municipality for specific investment programs and the financial sustainability of EPM. Additional transfers must be authorized by the Medellín Council.

In 2020 EPM delivered to the Municipality transfers equivalent to COP 1,488,319 million, of this amount COP 811,810 million were ordinary corresponding to 30% of the profits of the year 2019 and COP 676,509 million as extraordinary corresponding to 25% of the profits.

The following graph shows the transfers for the LAST five years:



**Ordinary and extraordinary transfers between 2016 - 2020
to the Municipality of Medellín (value in millions of COP).**

Note: transfers for Isagén are given in ACCORDANCE WITH the provisions of the Medellín Council in Agreement No. 032 of June 5, 2017, in relation to the transfer of an item of EPM's assets, product of the sale of the EPM's shareholding in Isagén SAESP, to the general budget of Medellín distributed in fiscal periods 2017 and 2018, for a value that amounts to COP 600,000 million of the total obtained in the transaction, which amounted to COP 1.4 trillion.

Ordinary and extraordinary transfers between 2016 - 2020 delivered to the Municipality of Medellín amounted to COP 6,407,132 million (COP 3,167,527 for ordinary and COP 3,239,605 for extraordinary.)

Framework Agreement for EPM Relations - Municipality of Medellín

In the Relations Framework Agreement, signed between EPM and the Municipality of Medellín in 2007, the obligations of both parties are agreed through self-regulations that define the exercise of property and business management, while the COMMON objective of the two entities to generate business management conditions in EPM that improve the generation of value for its stakeholders and make it viable as a growing and sustainable source of income for the city of Medellín.

In this agreement the principles of the owner-company relationship are determined. These principles go beyond the legal conditions that both entities must comply with, becoming self-regulations that limit the exercise of property and business management. In this way, a system of counterweights is generated that establishes responsibilities and self-limitations for each of the parties.

The provisions of this agreement are a clear example that corporate governance is a key factor in competitiveness and business sustainability, which contributes to the proper balance in the exercise of ownership, direction and management ([see Annex 2:Context on the Framework Relations Agreement](#)).

EPM's self-evaluation of compliance with its obligations established in the Framework Agreement

The following is a detail of the self-assessment carried out by EPM of the fulfillment during the year 2020 of its obligations:

	Obligation	Management
Compliance with financial management indicators	Carry out efficient and productive financial management, based on technical criteria and reflected in minimum EBITDA criteria, profitability of equity and other financial indicators. The Board of Directors will define the indicators annually, based on the strategic plans and the budget, for the time horizons agreed upon therein.	Financial indicators are part of the Balanced Scorecard (CMI), a mechanism through which the performance of the business group's strategy is periodically monitored. The CMI in turn is part of Grupo EPM's business plan and strategic plan, which are approved by the Board of Directors. Monitoring of the CMI is periodically presented to the Board of Directors.
Transfers to the Municipality	Transfers may only be greater than 30%, considering financial requirements of the Municipality for specific investment programs and financial needs of EPM, so as not to jeopardize business viability or its expansion. Additional transfers must be authorized by the Council, with prior support from the Mayor of the effects on EPM's finances.	See Transfers delivered to the Municipality in the chapter on EPM ownership structure in this report.
Settlement of transfers	The plan to carry out the transfers must consult the cash requirements of the Municipality and the availability of liquid resources of EPM. In this way, adequate cash management will be carried out in both entities.	The surpluses to deliver to the Municipality of Medellín are defined ACCORDING TO what is established in the EPM Bylaws: Ordinary surpluses correspond to 30% of the net profit of the previous year and extraordinary surpluses have corresponded to a maximum of 25% of the net profit of the previous year. Based on the above, the current projection of the surpluses to the Municipality corresponding to 55% of the profit of the previous year, contemplates the fulfillment of the legal and statutory requirements and the monitoring of the liquidity of the company with which the resources are guaranteed for the normal operation of the businesses and the execution of the infrastructure investment plan, in order to continue providing quality public services. In this way, the obligation to properly manage cash management in EPM is fulfilled.
Communication Mechanisms	For the owner-decentralized entity relationship, the conduit is: Mayor - Board of Directors - EPM Management. For the other relationships: Private Secretary of the Municipality and External Relations Management of EPM.	The communication channel in the owner-company relationship has been: Mayor -> Board of Directors and its committees Mayor -> EPM Management Mayor's Office -> directly with some vice presidencies Formal procedures and requests are channeled through EPM's External Relations Management (VP of Communication and Corporate Relations).

	Obligation	Management
Commitment to transparency with the community	Contractual processes under principles of transparency, impartiality and objectivity, in an environment of free competition, applying the regime of inabilities and incompatibilities. Invite the presentation of offers through the corporate information system.	<ul style="list-style-type: none"> - Decree 362 of 2014 of the Board of Directors by which the general contracting regulations are issued. - Policy for the supply of goods and services approved by the Board of Directors in December 2014. - Application of the declaration of transparency of servers. See Compliance chapter in this report.
	Define profiles and competencies for the servers, which will be strictly verified in the selection processes.	EPM has defined the Positions Manual. It is available on the corporate intranet and is the input for the selection processes.
	Have mechanisms for communication and dissemination of information to the public related to the hiring and selection processes.	<p>EPM publishes the selection and hiring processes on its website, at the following links:</p> <p>Job offers: https://www.epm.com.co/site/home/nuestra-empresa/ofertas-de-empleo</p> <p>Contractual processes for suppliers and contractors: https://cu.epm.com.co/proveedoresycontratistas/contratacion/te-cuento</p>
Permanent External Audit	<p>Permanent External Auditor hired ACCORDING TO the Audit Committee guidelines.</p> <p>He will not be able to provide different services within the entity and his contract will be no longer than 3 years.</p> <p>It will be ensured that the External Auditor is the same for all the companies that make up the EPM Group.</p>	<p>See Compliance chapter in this report.</p>
Corporate social responsibility	<p>Formulate and develop CSR policies, especially with actions aimed at the most vulnerable population and taking into account the following criteria:</p> <ul style="list-style-type: none"> - Activities circumscribed in the corporate purpose and aligned with the strategic objectives. - Actions that do not compromise financial viability. - CSR model incorporated into the strategic framework, keeping the sustainability of the Company as a central objective and taking into account the commitments of the Global Compact. 	<p>The Sustainability and CSR Model is an integral part of the EPM Group's Strategy dimension, approved by the Board of Directors. Likewise, this model in the Grupo EPM is based on an ethical conviction and is materialized in events that add value to stakeholders and to the Company.</p> <p>The CSR policy was approved by the EPM Board of Directors on September 1, 2009.</p>
Provision of human resources	Provide, with its servers, support to the Municipality under special circumstances, formalized through agreements in which the resource is expressed, the time required and the consideration.	A professional B of Project Management and Engineering of the Water, Sanitation, Gas and Locative Projects Management 2, is on commission in the Municipality of Medellín from March 16, 2020 and until March 16, 2022.

Public Accountability

Aware that the citizens of Medellín are ULTIMATELY the owners of EPM, as a practice of transparency and in compliance with the constitutional and legal provisions, EPM annually its Public accountability to publicize the main achievements and challenges of business management and its articulation with stakeholders.



The Public rendering of accounts was held on May 7, 2020, a 100% virtual event due to the confinement situation due to COVID-19 and was televised on the regional channels Tele Medellín and Teleantioquia.

Public Accountability 2020

The EPM management issues addressed in this space were the following:

Management Report 2019

- Strategic targeting
- Services to our clients and users
- Environmental management
- Project development
- Innovation Management
- Operation of our businesses
- Information technology
- Suppliers and contractors
- People Grupo EPM
- Corporate Governance
- EPM Foundation
- Financial results
- Integrated Planning and Management Model - MIPG
- Awards and distinctions

Balance 100 first days 2020

- **Focus 1:** Services of the future in the framework of smart cities and the fourth industrial revolution
- **Focus 2:** City / Region
- **Focus 3:** Growth / Portfolio Management
- **Focus 4:** : Socio-economic benefits of public services
- **Focus 5:** Optimization of operations
- **Focus 6:** Ituango Hydroelectric Project
- **Focus 7:** CaribeMar
- **Focus 8:** Cultural evolution
- Other relevant management events

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Structure of EPM administration ▶

[Back to content](#)

EPM administration structure

Critical Concerns

GRI 102-33 102-34

For the purposes of this report, critical concern is understood to be an event that imposes challenges to the governing bodies in their management and has a reputational impact.

In 2020, the main critical concerns were:

- Resignation of 8 of the 9 members of the EPM Board of Directors on August 11.

In order to restore this administrative body, the Mayor appointed the Board of Directors, which is currently in office. This implied a total renovation of this governing body.

As a consequence of the indicated corporate governance situation, MULTIPLE requests from the Superintendency of RESIDENTIAL Public Services, the Financial Superintendency, surveillance entities, investors, creditors, councilors, congressmen, oversight bodies, unions and other interest groups were met. Given the great demand for information, a commission was created with the function of reviewing and guiding the different requests that were received.

Likewise, the Corporate Audit Vice Presidency carried out an Internal Audit whose general objective was: to evaluate the management carried out by the Company to face the impact on the risks of the Grupo EPM generated by the current situation of corporate governance.

- Presentation of requests for extrajudicial conciliation before the Delegate Attorney's Office before the Administrative Court of Antioquia, in which he summoned the contractors of the Ituango Hydroelectric Project and the insurance companies, in order to claim the damages derived from the contingency in the Ituango Hydroelectric Project, started on April 28, 2018.

In 2021, after the conciliations had been declared failed, the corresponding lawsuits were filed.

EPM Board of Directors

The management of EPM is in charge of the Board of Directors, by virtue of the provisions of the Company's Bylaws.

Formation of the Board of Directors

Country Code 33.3 – ii. a); GRI 102-18 102-22

Conformation of the Board of Directors from January 1 to August 11, 2020

At the beginning of the 2020 term, the Board of Directors had two vacancies due to the resignation of members Claudia Jiménez Jaramillo and Carlos RAÚL Yepéz Jiménez as of December 31, 2019. Through Decrees 0090 of January 24, 2020 and 0091 of January 27, 2020, the Mayor of Medellín appointed in their replacement, as members of the Board of Directors of EPM, Messrs. Jesús Arturo Aristizábal Guevara and Luis Fernando Álvarez Jaramillo, respectively.

On March 10, 2020, through Decree 0329, the Mayor elected Mr. Oswaldo León Gómez Castaño from the list of control members, and appointed him a member of the EPM Board of Directors to replace the also control member, Mr. Alberto Arroyave Lema.



Daniel Quintero Calle

President (Not independent)

Profile: Mayor of Medellín

Start: 01/01/2020

Participation in other Boards: 3



Elena Rico Villegas

Controlling Member (Independent)

Profile: Management of Public services

Start: 1/26/2016

Participation in other Boards: 0



Andrés Bernal Correa

Independent

Profile: Business and financial

management Start: 06/02/2012

Participation in other Boards: 3



Gabriel Ricardo Maya Maya

Control Member (Independent)

Profile: Legal

*Start: 02/22/2008 **

Participation in other Boards: 3



Manuel Santiago Mejía Correa

Independent

Profile: Business and financial

management Start: 4/30/2012

Participation in other Boards: 3



Javier Genaro Gutiérrez Pemberthy

Independent

Profile: Public services

Start: 3/9/2016

Participation in other Boards: 1



Luis Fernando Álvarez Jaramillo

Independent

Profile: Legal

Start: 27/01/2020

Participation in other Boards: 1



Jesús Arturo Aristizábal Guevara

Independent

Profile: Project management and Public services

Start: 1/24/2020

Participation in other Boards: 6



Oswaldo León Gómez Castaño

Control Member (Independent)

Profile: Social and solidarity management

Start: 10/03/2020

Participation in other Boards: 6



Alberto Arroyave Lema

Controlling Member (Independent)

Profile: Control and social participation

Start: 25/02/2008**

Participation in other Boards: 3

* Mr. Gabriel Ricardo Maya Maya was also a member of the Board of Directors from January 30, 2004 to January 16, 2006.

** Mr. Alberto Arroyave Lema was a member of the Board of Directors until March 9, 2020.

Until August 10, 2020, the Board of Directors was made up of: Daniel Quintero Calle, Elena Rico Villegas, Andrés Bernal Correa, Gabriel Ricardo Maya Maya, Javier Genaro Gutiérrez Pemberthy, Jesús Arturo Aristizábal Guevara, Luis Fernando Álvarez Jaramillo, Manuel Santiago Mejía Correa and Oswaldo León Gómez Castaño.

On August 11, 2020, the members of the Board of Directors: Elena Rico Villegas, Andrés Bernal Correa, Gabriel Ricardo Maya Maya, Javier Genaro Gutiérrez Pemberthy, Jesús Arturo Aristizábal Guevara, Luis Fernando Álvarez Jaramillo, Manuel Santiago Mejía Correa and Oswaldo León Gómez Castaño, resigned from the Board of Directors of EPM.

Conformation of the Board of Directors as of August 25, 2020

The new Board of Directors was made in full on 25 August 2020 by the Mayor of Medellín and was informed EPM by sending the decrees appointing as follows: Mr. Jorge Iván Palacio Palacio and Omar Flórez Vélez, through Decree 0785 of the August 17, 2020; Pablo Felipe

Robledo Del Castillo, by Decree 0801 of August 21, 2020, and Messrs. Jorge Andrés Carrillo Cardoso, Bernardita Pérez Restrepo, Guillermo León Diosa Pérez, Gildardo Antonio Correa Salazar and Olmer Orlando Palacio Garzón, by Decree 0806 of August 25 2020.



Daniel Quintero Calle
President (Not independent)
Profile: Mayor of Medellín
Start: 1/1/2020
Participation in other Boards: 3



Jorge Iván Palacio Palacio
Independent
Profile: Public and legal management
Start: 8/17/2020
Participation in other Boards: 0



Pablo Felipe Robledo del Castillo
Independent
Profile: Public and legal management
Start: 8/21/2020
Participation in other Boards: 0



Bernardita Pérez Restrepo
Independent
Profile: Public and legal management
Start: 8/25/2020
Participation in other Boards: 2



Omar Flórez Vélez
Independent
Profile: Public and legal management
Start: 8/25/2020
Participation in other Boards: 0



Jorge Andrés Carrillo Cardoso
Independent
Profile: Public ADMINISTRATION, Public and environmental services
Start: 8/25/2020
Participation in other Boards: 0



Gildardo Antonio Correa Salazar
Control member (Not independent)
Profile: Social and community management and public services
Start: 8/25/2020
Participation in other Boards: 0



Olmer Orlando Palacio Garzón
Control Member (Independent)
Profile: Social and community management and public services
Start: 8/25/2020
Participation in other Boards: 0



Guillermo León Diosa Pérez
Control Member (Independent)
Profile: Social and community management, Public and environmental services
Start: 8/25/2020
Participation in other Boards: 0

Composition of the Board of Directors

- The Mayor of the city of Medellín, who presides over it.
- Five people freely designated by the Mayor of Medellín, all of them independent.
- Three people chosen by the Mayor of Medellín from among the control officers registered by the development and social control committees of home Public services (Article 27.6 of Act 142 of 1994). **Country Code 33.3 – ii. f); GRI 102-24**

EPM's Board of Directors has maintained a NUMBER of independent members (higher than the 25% required by Article 44 of Act 964 of 2005 for issuers of securities and 55.6%, defined in internal regulations). Currently seven of the nine members of the Board of Directors are independent (78% of the total).

EPM's Corporate Governance Code indicates the criteria that the Mayor must consider for the appointment of the members of the Board of Directors: **GRI 102-24**

- Professional academic training and in subjects related to the corporate purpose of EPM and with the functions of a member of the Board of Directors.
- Business or work experience related to the public services SECTOR.
- For the control members, evidence is required of the length of stay in the Development and Social Control Committee that elected them, the relationship they have with it, and the actions they have taken to carry out their duties.

The relationship of the Board of Directors with the users of the DOMICILIARY Public services is fulfilled through the participation of the control members in the collegiate body. In this way, the constitutional precept of citizen participation in the management and supervision of the Company as an entity that provides home Public services is materialized. Likewise, in the Board of Directors, the control members represent the interest groups, clients and users, the community and, in some cases, the suppliers and contractors. **GRI 102-21 102-22**

In order that the strategic direction, policies and guidelines set by the Board of Directors have continuity and do not generate negative effects for the operation of the Company as a result of changes in municipal administration, and to preserve the level of knowledge and experience acquired by the members of the Board of Directors, for their composition, by virtue of the Relations Framework Agreement, the Mayor of Medellín will endeavor to

maintain at least (5) of the independent members. Additionally, he will promote a gradual renewal of the members of the Board of Directors, which consult its profile, as well as the target average AGE of its members.

Thus, for the conformation of the Board of Directors that served between January and August 2020, the criterion of gradual renewal, established in the Corporate Governance Code, was met, since ONLY 2 vacancies were filled by resignation and one of its members, 5 of the independent members remained, of them 44% had a permanence between 4 and 7 years, and 33% a permanence of more than 7 years. The current Board of Directors had a total renovation, except its president, after, on the occasion of the resignation of 8 of its 9 members, the Mayor appointed 8 new members.

The members of the Board of Directors who are independent have this quality from the date of their appointment. In accordance with the provisions of the Corporate Governance Code, those persons who are:

- Employees or directors of the Company or of any of its affiliates, subsidiaries or controllers, including those persons who have had such capacity during the LAST 5 years immediately prior to the appointment, except in the case of the re-election of an independent person. **Country Code 33.3 – ii. d); GRI 102-22**
- Partners or employees of associations or companies that provide advisory or consulting services to EPM or to the companies that belong to the business group, when the income from such concept represents 20% or more of their operating income.
- Employees or directors of a foundation, association or society that receives contributions or sponsorships from the Company.
- People who receive from EPM any remuneration other than fees as a member of the Board of Directors, the Audit Committee or any other committee created by the Board of Directors.
- Office Secretaries, employees of the Municipality of Medellín or of any of the entities controlled, attached or linked to it, or that have been during the LAST 5 years, before their appointment.
- Administrators of an entity in whose board of directors EPM participates.
- People who depend exclusively on the income received from fees as members of the Board of Directors of EPM.
- Family members of any person who is or has been employed in the LAST three years by the Company or its subsidiaries as an executive.
- Advisor or employee of a company that advises the Company or one of its members of Senior Management.

- Supplier or significant customer of the Company.
- People who have signed contracts for personal services with the Company, or with a board member of the same.
- Partner or employee of the Company's External Audit firm for the LAST three years.

The above independence criteria consult the provisions of Act 964 of 2005 (Article 44), the Framework Relations Agreement and good corporate governance practices.

The members of the Board of Directors are subject to the disability and incompatibility regime established by law, in accordance with Article 9 of the Bylaws.

Profiles of the members and characteristics of the composition of the Board

The characteristics of the Board of Directors, in terms of training, experience and trajectory of its members, the diversity of perspectives and gender and participation in other boards, are factors that contribute to adequate strategic decision-making.

Profile matrix of the members of the Board of Directors

By "profile" is understood the area of knowledge in which there is training or experience
(Meeting from January 1 to August 11, 2020)

Training and / or experience / Board Member	Daniel Quintero Calle	Andrés Bernal Correa	Jesús Arturo Aristizábal Guevara	Javier Genaro Gutiérrez Pemberthy	Manuel Santiago Mejía Correa	Luis Fernando Álvarez Jaramillo	Elena Rico Villegas	Gabriel Ricardo Maya Maya	Oswaldo León Gómez Castaño	Alberto Arroyave Lema
Business management with an emphasis on international business.	X	X		X			X			
Financial management.	X	X		X	X		X			
Management of home Public services or other sectors of EPM's business including urban development.			X	X			X	X	X	X
Ethics, sustainability and corporate social responsibility.		X		X	X					
Public management or legal management.	X		X	X	X	X	X	X		

Profile matrix of the members of the Board of Directors

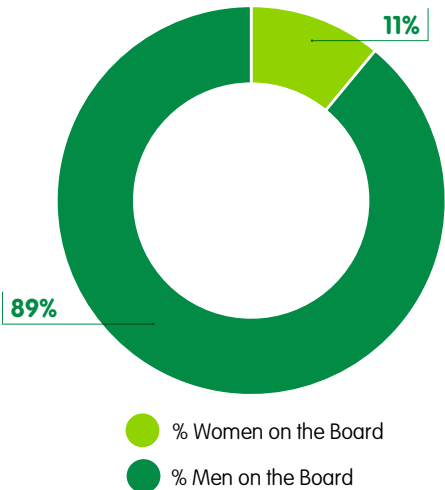
By "profile" is understood the area of knowledge in which there is training or experience (Board as of August 25, 2020)

Training and / or experience / Board Member	Daniel Quintero Calle	Jorge Iván Palacio Palacio	Bernardita Pérez Restrepo	Pablo Felipe Robledo del Castillo	Jorge Andrés Carrillo Cardoso	Omar Flórez Vélez	Guillermo León Diosa Pérez	Gildardo Antonio Correa Salazar	Olmer Orlando Palacio Garzón
Business management.	X					X			
Financial management.	X								
Management of home Public services or other business sectors of EPM including urban development and social control of public services.					X		X	X	X
Ethics, sustainability and corporate social responsibility.					X		X		
Public management or legal management.	X	X	X	X	X	X	X		
Social and community management.								X	X

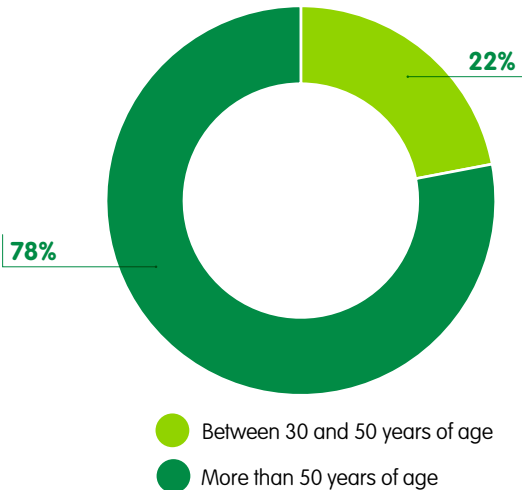
The details of the resume of the members of the Board of Directors can be found at the end of this report [\(see annex 3:CV members of the Board of Directors\)](#). **Country Code 33.3 – ii. b); GRI 102-22**

Board of Directors from January 1 to August 11, 2020

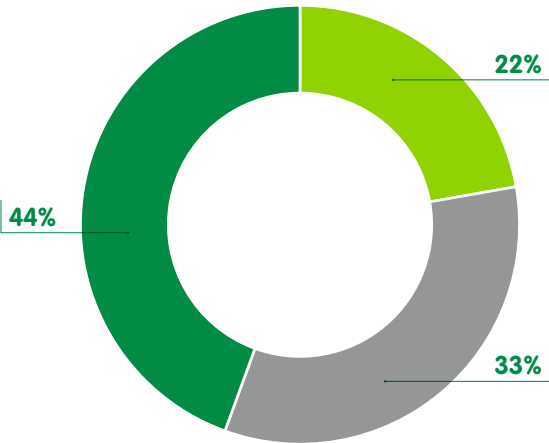
Distribution
by gender



Distribution
by age range

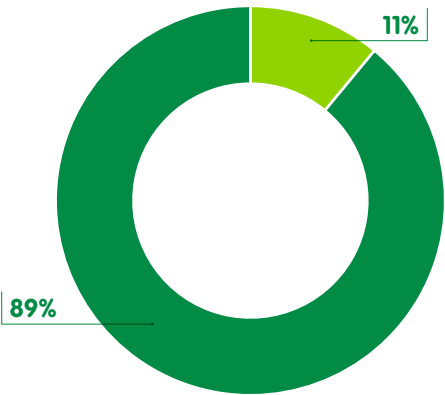




Distribution by range of time
spent on the Board of Directors



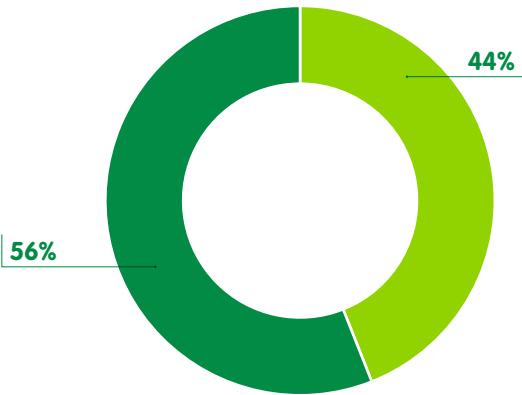
Board of Directors as of August 25, 2020



Distribution
by gender



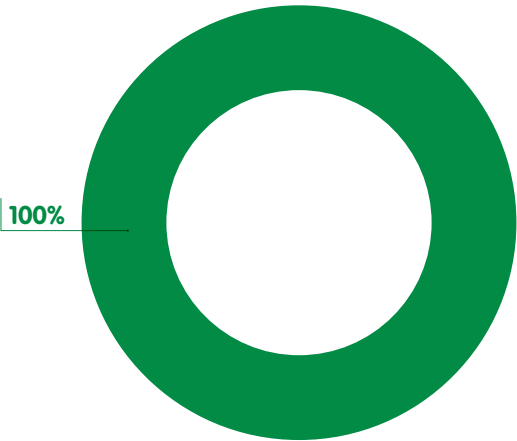
 % Women on the Board
 % Men on the Board

Distribution
by age range



 Between 30 and 50 years of age
 More than 50 years of age

Distribution by range of time
spent on the Board of Directors



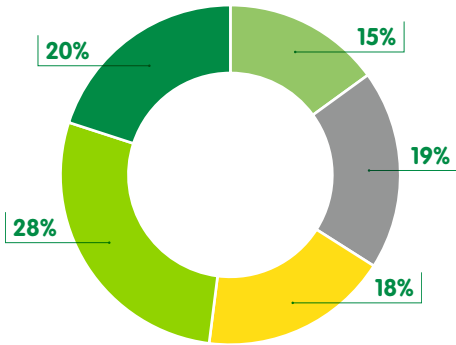
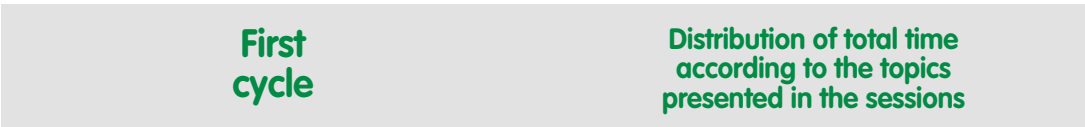
 Less than 4 years of permanence

Induction of the Board of Directors

During 2020, the induction program to the Board of Directors was executed in two cycles, due to the changes in its composition. This program aims to:

- Provide context to the new members of the Board of Directors on EPM and the business group, in addition to the corporate governance practices that facilitate the exercise of their role.
- Generate spaces for conversation between the Board of Directors and the Administration, which allow to align expectations in relation to the management of the company and the exercise of their roles.
- Address concerns about specific topics that arise during the development of each induction session.

The first induction cycle was directed to Luis Fernando Álvarez Jaramillo, Oswaldo León Gómez Castaño and Jesús Arturo Aristizábal Guevara. Below are the main statistics:



- 2 months of induction (July and August).
- The fulfillment of the planned time was 71%.
- Average total attendance was 87%.
- The context of strategic direction was programmed in the August session of the Board of Directors.
- The presentation of the Gas, Transmission and Distribution, Energy and Water and Sanitation vice presidencies (which includes Solid Waste), were scheduled in accordance with what is defined in the typical agenda of the Board of Directors.

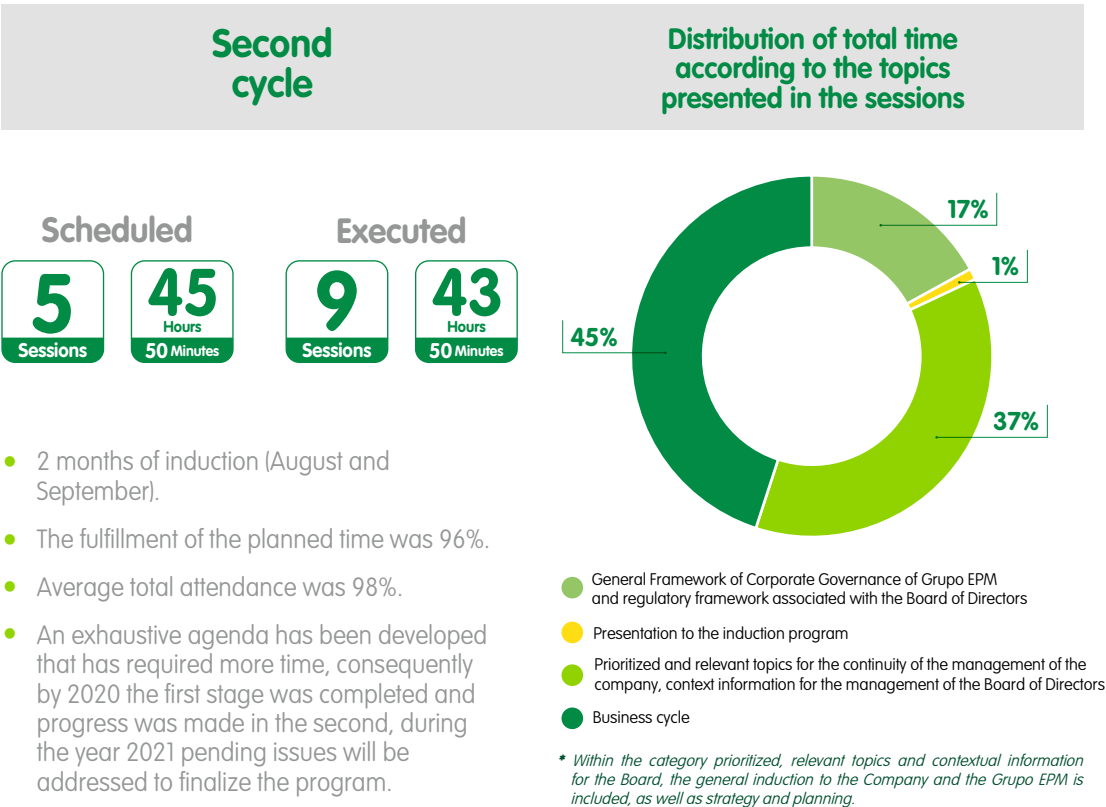
- Presentation of the induction program, General Framework of Corporate Governance of the Group and regulatory framework associated with the Board of Directors
- Relevant issues for the management of the Board of Directors
- General introduction to the Company and the EPM Group, strategy and planning
- Regulatory framework and business cycle
- Business cycle and support process

* Due to the news in the formation of the Board, a session corresponding to the cycle of support processes and the evaluation of the induction program was pending.

The second induction cycle was addressed to the new Board members, Mrs. Bernardita Pérez Restrepo and Mr. Jorge Iván Palacio Palacio, Pablo Felipe Robledo del Castillo, Omar Flórez Vélez, Jorge Andrés Carillo Cardoso, Gildardo Antonio Correa Salazar, Olmer Orlando Palacio Garzón, Guillermo León Diosa Pérez.

The induction plan was presented at the August Board session and was structured in 3 stages that included the presentation of the Group's General Corporate Governance Framework, the regulatory framework associated with the Board of Directors, context information for the management of the Board of Directors, prioritized and relevant issues for the continuity of the Company's management, business cycle and its regulation, new businesses, innovation, technology and support processes.

During 2020, it was possible to complete the prioritized topics in the first stage and progress was made in the second, in 2021 the pending sessions will be held to allow the conclusion of the program. Below are the main statistics:



- 2 months of induction (August and September).
- The fulfillment of the planned time was 96%.
- Average total attendance was 98%.
- An exhaustive agenda has been developed that has required more time, consequently by 2020 the first stage was completed and progress was made in the second, during the year 2021 pending issues will be addressed to finalize the program.

At the end of the proposed schedule, the evaluation of the induction program will be applied.

Board of Directors Quorum

Country Code 33.3 – ii. i)

The deliberative quorum for the sessions of the Board of Directors is formed with the majority of its members.

The decision-making quorum corresponds to the majority of those present in the respective session. For decision-making purposes, each of the members of the Board of Directors has one vote.

Management of the Board of Directors

The functions of the Board of Directors are defined in article 17 of the Bylaws, contained in Agreement 12 of 1998 of the Medellín Council. Regarding contracting, the Board of Directors is responsible for issuing the general regulations and indicating the amounts within which the General Manager can delegate the competence to award and enter into contracts. **GRI 102-19**

In accordance with the Internal Regulations of the Board of Directors, the main functions of the President include the following: **GRI 102-26**

- Appoint and remove its members freely.
- Ensure that the Board of Directors sets and efficiently implements the strategic direction of the Company.
- Coordinate and plan its operation through an annual work plan.
- Be a spokesperson for the Board of Directors and delegate said responsibility when deemed necessary.
- Ensure the execution of the agreements and the fulfillment of the responsibilities and participation of all its members.
- Lead the evaluation process of the Board and its committees.
- Promote active coordination between the Company and issues of interest to the city of Medellín, in compliance with what is defined in the Relations Framework Agreement, and ensure compliance with the Regulations of the Board of Directors. **Country Code 33.3 – ii. k); GRI 102-23**

The Secretary of the Board of Directors, who according to the Bylaws is also the Secretary General of EPM, has among his main functions the following:

- Make the summons to meetings.
- Give timely processing to the requests of the Board of Directors.
- Prepare the minutes of the sessions and sign them jointly with the President.
- Ensure the preservation of the documents of the Board of Directors and the legality of their actions.
- Define the procedure for the effective development of the sessions of the Board of Directors. **Country Code 33.3 – ii. I)**

Article 8 of the Regulations of the Board of Directors details the procedure to be followed by the areas of the Organization to bring matters within their competence to the Board of Directors, among the main steps are the following: **GRI 102-33**

- At the Management Committee meeting the week after the Board of Directors session, the issues that will be presented for consideration by the Board of Directors in the next session and the person responsible for presenting each issue and the time they will have to do it are defined.
- All approval issues that will be submitted to the Board of Directors for consideration will be previously analyzed by a Strategic Committee of the Organization (Management or CORE), as well as by a Committee of the Board of Directors, in accordance with the respective regulations.
- On the first business day of the week prior to the meeting of the Board of Directors, the documents, presentations, studies and annexes that will serve as support for the presentation of the topics will be delivered to the General Secretariat.

Outstanding actions of the Board of Directors in 2020

GRI 102-29 102-31

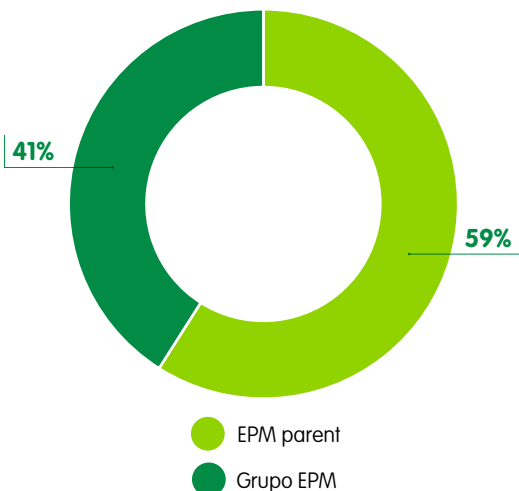
- Approval of the typical agenda of the Board of Directors and annual calendar for the year 2020.
- Approval of the modification of subparagraph 4.3 of the Corporate Governance Code.
- Approval of the adjustment to the structure of the Organization. The creation of dependencies with managerial-level positions is noteworthy, such as the General Secretariat, in charge of corporate governance management, the Vice Presidency of Risks, the Executive Vice Presidency of New Businesses, Innovation and Technology, and the Vice Presidency Strategy and Planning. Likewise, the structure of the Executive Vice Presidency of Finance and Investments was modified, to eliminate the functions related to risk management and of the Vice Presidency of Human Talent and Organizational Development, to eliminate the functions associated with information technology.

- Approval of short and long-term financing alternatives for EPM in the face of the COVID-19 situation.
- Monitoring of the development of the necessary actions to overcome the contingency of the Ituango Hydroelectric Project.
- Monitoring of EPM's businesses and the performance of its subordinates.
- Approval of the creation of the Relationship Committee.
- Approval of modifications to the investment plan, business plan, budget and future validity, in compliance with the provisions of Municipal Agreement 109 of March 6, 2019, which regulates the preparation, conformation and execution of the budgets of industrial and commercial companies of the State of the municipal order of Medellín.
- Approval of the CaribeMar transaction.
- Approval of the strategic plan of Grupo EPM 2021-2030, based on article 3 of Decree 1571 of 2006 and literal C of article 17 of Municipal Agreement 12 of 1998.
- Monitoring of the conciliation process of the Ituango Hydroelectric Project.
- Approval of the modification of the Human Talent Policy. **Country Code 33.3 – ii. e)**
- Approval of the Business Plan 2021-2024.
- Approval of the EPM Budget for the year 2021.

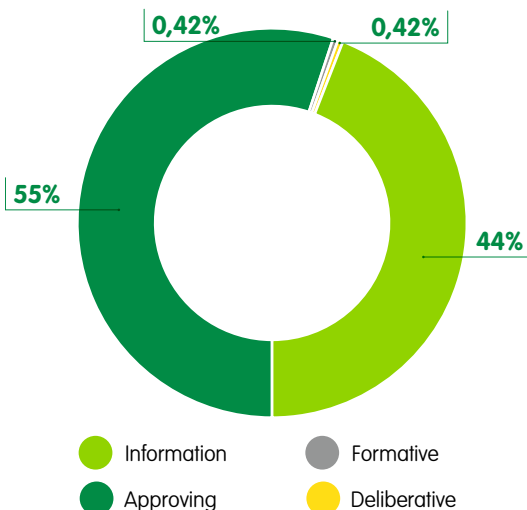
Between August 2018 and August 2020, the Board of Directors had the advice of Mr. Luis Fernando Rico Pinzón, for matters related to the contingency of the Ituango Hydroelectric Project. During 2020, he attended 12 sessions of the Project Monitoring Committee, chapter of the Ituango Hydroelectric Project. **Country Code 33.3 – ii. n); GRI 102-27**

The topics analyzed by the EPM Board of Directors during 2020 are distributed as shown in the following graphs:

EPM vs
Group Topics



Character
of the topics



Typical Board of Directors Agenda and Calendar

GRI 102-31

The definition of the typical agenda and the annual calendar of the Board of Directors of EPM, is a planning instrument that allows the collegiate body to address the issues that are fundamental and in which its contribution is greater, in accordance with the provisions of the Regulation of the Board of Directors and in line with the recommendations of the Country Code.

The typical agenda defines the frequency and periodicity with which economic, environmental and social issues are discussed during the year, within the issues scheduled in the typical 2020 agenda are the following:

Subject	Theme	Character
Formal business of the Board	Verification of the quorum and approval of the agenda	Approving
	Consideration and approval of the previous act	Approving
	Follow-up to requests from the Board of Directors	Informative
	Various (includes topics of the members of the Board of Directors)	Informative
	Relevant information	Approving

Subject	Theme	Character
Update and follow-up	Reports of the Board of Directors committees	Informative
	General Manager Report	Informative
	Follow-up to the Ituango Hydroelectric Project	Informative
	Monitoring the CMI and the risk map	Informative
	Monitoring of financial statements	Informative
	Investment decision monitoring	Informative
	Follow-up to the EPM Foundation	Informative
	MaxSeguros Management Report	Informative
	Monitoring of legal contingencies within the scope of Grupo EPM	Informative
	CaribeMar and CSC follow-up	Informative
Strategy	Corporate strategic direction and analysis of the environment	Approving
	Innovation and technology within the reach of Grupo EPM	Informative
	Human talent strategic plan with the scope of Grupo EPM	Informative
	Strategic communication and relationship plan scope Grupo EPM	Informative
	Financial projections	Informative
	Strategic plan for shared supply and services within the scope of Grupo EPM	Informative
	Preliminary investment plan	Informative
	Additional session: EPM 2021-2024 business plan, 2021 budget, 2021-2024 infrastructure investment plan and 2021-2024 CMI goals.	Approving
Monitoring of the EPM Group's business strategy	Business monitoring from the customer-user perspective in charge of the administration and control members of the Board of Directors.	Informative
	Generation business with scope of Grupo EPM	Informative
	Gas Business	Informative
	Water Supply and Wastewater Management Businesses within the scope of Grupo EPM	Informative
	Solid Waste Business	Informative
	Transmission and Distribution Businesses within the scope of Grupo EPM	Informative
Financial issues	Financial statements of EPM and Grupo EPM as of December 31	Approving
	Opinion of the External Auditor	Approving
Risk and audit issues	Audit planning 2021	Approving
	Follow-up to the audit plan and presentation of the evaluation carried out by assurance providers	Informative
	Risk management monitoring	Informative
	Management report of the Compliance Unit, annual compliance and anti-corruption plan	Informative
Human development	Salary increase Public EMPLOYEES	Approving
	Cultural evolution	Informative

Subject	Theme	Character
Gobierno Corporativo	Typical Board Agenda and Annual Calendar	Approving
	Board of Directors committee's management report	Informative
	Annual management report of the General Manager	Approving
	Corporate Governance Report	Approving
	Country Code Report	Informative

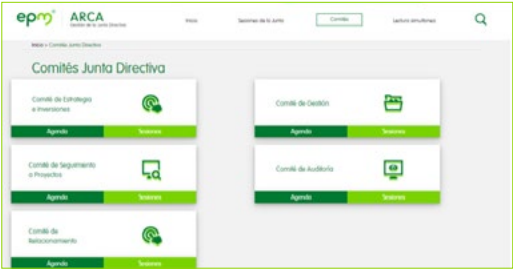
Information system of the Board of Directors

Country Code 33.3 – ii. o)

The management of the information associated with the Board of Directors is subject to the Information Management policy approved by the Board of Directors on December 2, 2014, in order to guarantee its integrity, reliability, availability and timeliness, for an adequate capture decision that leverage business growth and sustainability.

EPM has an information system called ARCA that was developed to meet the specific needs that were evidenced in the information management of the Board of Directors and its committees. Through ARCA, the main aim is to guarantee the criteria of transparency, security and timeliness in the supply of information, through a systematized process of administration, collection, storage, processing and distribution of data.

The contingency due to COVID-19, during 2020, led to a scenario in which the value generated by ARCA in the information management process of the Board of Directors and its committees could be made visible in a powerful way, by allowing calls in real time, consult and review documents through workflows, generate task notifications, sign and publish minutes, among other functionalities, without necessarily requiring presence and with a significant level of resource optimization.



Country Code 33.3 – ii. j)

January 10, 2020

December 15, 2020

22

HOURS

07

Average duration
of ordinary meetings

01



MINUTES



35

Board Member	% Assistance	Period
Daniel Quintero Calle	100%	January - December
Elena Rico Villegas	100%	January - August 11
Andrés Bernal Correa	100%	
Gabriel Ricardo Maya Maya	100%	
Javier Genaro Gutiérrez Pemberthy	100%	
Jesús Arturo Aristizábal Guevara	100%	
Luis Fernando Álvarez Jaramillo	100%	
Manuel Santiago Mejía Correa	100%	
Oswaldo León Gómez Castaño	100%	March 10 - August 11
Alberto Arroyave Lerna	100%	January - March 9
Bernardita Pérez Restrepo	100%	August 25 - December
Gildardo Antonio Correa Salazar	100%	
Guillermo León Diosa Pérez	100%	
Jorge Iván Palacio Palacio	100%	
Jorge Andrés Carrillo Cardoso	100%	
Olmer Orlando Palacio Garzón	100%	
Omar Flórez Vélez	100%	
Pablo Felipe Robledo Del Castillo	100%	

Management of the Board of Directors committees

In 2020, the Board of Directors approved the creation of a Board Committee called the Relationship Committee, in order to guide and support the strategic relationship of the Organization at the local, national and international levels.

The five committees of the EPM Board of Directors analyzed the issues under their responsibility in a manner articulated with the recommendations of the Country Code and with the legal and statutory functions. The committees are spaces designed with the purpose of guaranteeing efficiency in decision-making, through a detailed analysis of the issues before each session of the Board of Directors.

EPM's External Auditor is a permanent guest on the Audit Committee, as he has constant and periodic relationship with the Board of Directors. **Country Code 33.3 – ii. m)**

Most of the committees are made up and chaired by independent members of the Board of Directors, considering the training and experience of its members and the definition and responsibility of each of them: **Country Code 33.3 – ii. p) GRI 102-18 102-26 102-30**

Committee	Activities	Conformation
Audit	Supervision: internal audit, disclosure of financial information, external audit, Internal Control system, Comprehensive Risk Management system, compliance, loan proposals, internal and external control entities, operations between related parties, intellectual property and Corporate Governance Report.	From January 1 to August 11, 2020 Alberto Arroyave Lema (until March 9) Oswaldo León Gómez Castaño Andrés Bernal Correa Gabriel Ricardo Maya Maya From August 25 to December 31, 2020 Bernardita Pérez Restrepo Pablo Felipe Robledo del Castillo Olmer Orlando Palacio Garzón
Management	Monitoring of business management, corporate reputation, intellectual capital, ethics, business image, administrative structure, business and commercial development projects, appointments and remuneration, conflicts of interest, evaluation of the Management and Senior Management, and corporate governance.	From January 1 to August 11, 2020 Gabriel Ricardo Maya Maya Javier Genaro Gutiérrez Pemberthy Luis Fernando Álvarez Jaramillo From August 25 to December 31, 2020 Bernardita Pérez Restrepo Pablo Felipe Robledo del Castillo Omar Flórez Vélez

Committee	Activities	Conformation
Strategy and investments	Strategy, unity of purpose and direction, business policies, investments and new businesses, research, development and innovation projects, corporate social responsibility, sustainability, environmental management and engagement plan with stakeholders.	<p>From January 1 to August 11, 2020 Elena Rico Villegas Javier Genaro Gutiérrez Pemberthy Jesús Arturo Aristizábal Guevara</p> <p>From August 25 to December 31, 2020 Jorge Iván Palacio Palacio Jorge Andrés Carrillo Cardoso Guillermo León Diosdado Pérez</p>
Project monitoring	Monitoring of the formulation, execution and evaluation of the projects prioritized by the Board of Directors, as well as their respective risk maps, CMI and other control instruments.	<p>From January 1 to August 11, 2020 Manuel Santiago Mejía Correa Elena Rico Villegas Jesús Arturo Aristizábal Guevara</p> <p>From August 25 to December 31, 2020 Guillermo León Diosdado Pérez Jorge Andrés Carrillo Cardoso Omar Flórez Vélez</p>
	Specific chapter dedicated to monitoring the Ituango Hydroelectric Project [*]	<p>From January 1 to August 11, 2020, the following participated: Javier Genaro Gutiérrez Pemberthy</p> <p>From August 25 to December 31, 2020, the following participated:: Jorge Iván Palacio Palacio</p>
Relationship	Guide and support the strategic relationship of the Organization at the local, national and international levels.	<p>From January 1 to August 11, 2020 Manuel Santiago Mejía Correa Jesús Arturo Aristizábal Guevara Luis Fernando Álvarez Jaramillo Alberto Arroyave Lema (until March 9)</p> <p>From August 25 to December 31, 2020 Jorge Iván Palacio Palacio Omar Flórez Vélez Gildardo Antonio Correa Salazar</p>

[*] In August 2018, the Board of Directors created, as part of the Project Monitoring Committee, the chapter for monitoring the Ituango Hydroelectric Project, the objective of which is to carry out detailed monitoring and analysis of the contingency recovery and continuity activities. Between January and August 2020, he had the external advice of Mr. Luis Fernando Rico Pinzón. During 2020, 22 sessions were held. **GRI 102-34**

Attendance to the committees of the Board of Directors

Country Code 33.3 – ii. j)

Attendance to the Board of Directors committees is 99% on average, as follows:

Total NUMBER OF sessions	12	11	18	13	11	22
Member	Management	Relationship	Strategy and investments	Audit	Project monitoring	Project Monitoring [Cap. P. H. Ituango]

From January 1 to August 11, 2020

Alberto Arroyave Lema		100%		100%		
Andrés Bernal Correa				100%		
Elena Rico Villegas			100%		100%	100%
Gabriel Ricardo Maya Maya	100%			100%	100%	100%
Javier Genaro Gutiérrez Pemberthy	100%		100%	100%		100%
Jesús Arturo Aristizábal Guevara		100%	100%		100%	100%
Luis Fernando Álvarez Jaramillo	100%	100%				
Manuel Santiago Mejía Correa		100%			100%	100%
Oswaldo León Gómez Castaño				100%	100%	50%

From August 25 to December 31, 2020

Bernardita Pérez Restrepo	100%			100%		
Gildardo Antonio Correo Salazar		100%				
Guillermo León Diosa Pérez			100%		100%	100%
Jorge Andrés Carrillo Cardoso			100%		100%	100%
Jorge Iván Palacio Palacio		100%	100%			100%
Olmer Orlando Palacio Garzón				100%		
Omar Flórez Vélez	100%	75%			100%	100%
Pablo Felipe Robledo Del Castillo	100%			100%		
% Total attendance	100%	96%	100%	100%	100%	95%

Note: The percentage of attendance is given based on the NUMBER of sessions attended over the NUMBER of sessions scheduled. If there are modifications in the composition of the Committees during the period, a greater NUMBER of members will be reflected in the Committee whose composition was modified.

In the Board of Directors session of July 28, 2020, AS recorded in Act No. 1690, the Mayor requested that the Private Secretary of the Mayor's Office or whoever she delegates, attend the board committees.

Remuneration of the Board of Directors

Country Code 33.3 – ii. h); GRI 102-36

Through [Decree 1165 of August 12, 2009](#), the Mayor of Medellín as representative of the community and the owner of EPM, defined the remuneration of the members of the Board of Directors of EPM in three legal monthly minimum wages in force in Colombia, for attendance to each session of the Board of Directors and to each committee. Country Code 33.3 – ii. g); GRI 102-35 102-37

At EPM, the members of the Board of Directors do not have variable remuneration and the Mayor of Medellín, in his capacity as a member of the Board of Directors, does not receive remuneration.

The following is the amount paid for fees to the members of the Board of Directors in 2020:

Concept	Amount paid in 2020
Board of Directors	COP 437,145,894
Committees of the Board of Directors	COP 560,916,117
Total paid	COP 998,062,011

Evaluation of the Board of Directors

Country Code 33.3 – ii. q); GRI 102-28

The evaluation of the Board of Directors and its committees is a monitoring mechanism for the management of this collegiate body. At EPM it is an annual exercise implemented as a good practice in matters of corporate governance, sustainability, transparency and accountability.

The EPM Board of Directors during 2020 had great challenges, among them, the contingency due to COVID-19 and the change of 8 out of 9 of its members; In this sense, since self-evaluation is one of the components of the evaluation, it should be borne in mind that it

corresponds to the period August - December 2020, since it was carried out by the new members.

The evaluation process was in charge of the Corporate Governance Unit of EPM and was developed with a methodology that allows to present the vision of the members of the Board of Directors and top-level managers about the performance and operation of the Board of Directors of EPM.

The instruments used in the process were:

- Self-evaluation survey of the Board of Directors with which it is sought to determine the degree of fulfillment of the duties and responsibilities of each of them, the value that their performance contributes to the entity, and the recommendations to make the Board a highly effective body. It was filled out by 8 of its 9 members.
- Evaluation survey of the Board of Directors carried out by first level managers. It was completed by 8 managers.
- Private meeting with the members of the Board of Directors to analyze the results and define the strengthening plan.

Senior Management

GRI 102-20

The Administration of EPM, its representation and the management of its businesses are in charge of the General Manager, who has the powers to celebrate or execute, without other limitations than those established in the Bylaws, all the acts included in its object or that are directly related with its existence or operation.

As of January 1, 2020, Mr. Daniel Quintero Calle began his term as Mayor of Medellín. In use of his legal and statutory powers, on January 1, 2020, through Decree No. 002 of 2020, Mr. Álvaro Guillermo Rendón López was appointed as General Manager of EPM, who took office on January 2, 2020.

As part of the management team consolidation process, the General Manager requested the creation and modification of the vice presidencies that report directly to him as follows:

NO.	Structure 2019	New Structure 2020	Structure 2020
1	Executive VP Business Management	Without changes	Executive VP Business Management
2	Executive VP Projects and Engineering	Without changes	Executive VP Projects and Engineering
3	Executive VP Strategy and Growth	It changes its name, its category (it goes from VPE to VP) and the functions related to the growth of the Grupo EPM and innovation are abolished	VP Strategy and Planning
4	Executive VP Corporate Finance, Risk Management and Investments	The name is changed and the functions related to risk management are abolished	Executive VP Finance and Investments

NO.	Structure 2019	New Structure 2020	Structure 2020
5	VP Human Talent and Technology	Renamed and IT-related functions removed	VP Human Talent and Organizational Development
6	VP Supplies and Shared Services	Without changes	VP Supplies and Shared Services
7	VP Communication and Corporate Relations	Without changes	VP Communication and Corporate Relations
8	VP Legal Affairs and General Secretariat	The name changes and the functions related to the General Secretariat are abolished	VP Legal Affairs
9	VP Corporate Audit	Without changes	VP Corporate Audit
10		New VP	General Secretary
11		New VP	Executive VP New Business, Innovation and Technology
12		New VP	VP Risks

In accordance with the foregoing, EPM's Senior Management is made up of twelve executives, reporting directly to the General Manager of EPM. They have functions within the scope of Grupo EPM and are responsible for directing, planning and verifying compliance with the objectives, plans and goals of EPM and the subsidiaries of the business group.

The team of vice presidents that accompanied the management of Mr. Álvaro Guillermo Rendón López, as General Manager, during 2020 had the following developments:

NO.	Position	Developments	Office Holder
1	Executive VP Business Management	Between January 1 and 28 this position was vacant, during this period the persons in charge were: Santiago Ochoa Posada (from January 1 to 6) and Inés Helena Vélez Pérez (from January 7 to 28). As of January 29, Daniel Arango Ángel took office	Daniel Arango Ángel
2	Executive VP Projects and Engineering	Between December 23, 2019 and March 8, 2020, this position was vacant, during this period the persons in charge were: John Jairo Celis Restrepo (from December 23 to January 15) and Ana Milena Joya Camacho (from January 16 to March 7). As of March 9, Gabriel Jaime Betancourt Mesa took office.	Gabriel Jaime Betancourt Mesa
3	VP Strategy and Planning (formerly VP Strategy and Growth)	Gabriel Jaime Betancourt Mesa was the head of the VPE Strategy and Growth position until March 8. Between March 9 and May 21 this position was vacant, during this period the persons in charge were: As of May 22, Mónica María Ruiz Arbeláez took office.	Mónica María Ruiz Arbeláez
4	Executive VP Finance and Investments	Jorge Andrés Tabares Ángel was the incumbent of the position until November 5, the date on which his resignation became effective. Between November 6 and 29 this position was vacant, during this period Juan Carlos Castro Padilla was in charge. As of November 30, Miguel Alejandro Calderón Chatet took office.	Miguel Alejandro Calderón Chatet
5	VP Human Talent and Organizational Development	Ricardo José Arango Restrepo was the holder of the position until January 26, the date on which his resignation becomes effective. Between January 27 and September 3, this position was vacant, during this period the persons in charge were: María Patricia Giraldo Velásquez (from January 27 to March 1) and Alejandra Vanegas Valencia (from March 2 to September 3). As of September 4, Alejandra Vanegas Valencia took office.	Alejandra Vanegas Valencia
6	VP Supplies and Shared Services	José Nicolás Ríos Correa was the holder of the position until January 27, the date on which his resignation becomes effective. Between January 28 February 20, this position was vacant, during this period the persons in charge were Daniel Arango Ángel. As of February 21, Carlos Enrique Londoño Amariles took office.	Carlos Enrique Londoño Amariles

NO.	Position	Developments	Office Holder
7	VP Communication and Corporate Relations	Luz Mercedes Mejía López was the incumbent until January 27, the date on which her resignation became effective. Between January 28 and February 20 this position was vacant, during this period the persons in charge were Mónica María Ruiz Arbeláez. As of February 21, Manuel Eduardo Osorio Lozano took office.	Manuel Eduardo Osorio Lozano
8	VP Legal Affairs	Maritza Alzate Buitrago held the post until January 19, the date on which her resignation became effective. Between January 20 and June 15 this position was vacant, during this period the person in charge was Gabriel Jaime Velásquez Restrepo. As of June 16, Jhon Alexander Sánchez Pérez took office.	Jhon Alexander Sánchez Pérez
9	VP Corporate Audit	Without changes, the holder of the position since January 4, 2018 is Oscar Alberto Cano Castrillón.	Oscar Alberto Cano Castrillón
10	General Secretary	Juan Gabriel Rojas López was the incumbent of the position between February 21 and September 23, the date on which his resignation became effective. As of September 24, this position is vacant; Between September 28 and December 25, Marcela Salgado Gutiérrez was in charge.	Vacancy _ No current holder.
11	Executive VP New Business, Innovation and Technology	Darío de Jesús Amar Flórez has held the position since March 9.	Darío de Jesús Amar Flórez
12	VP Risks	Between March 9 and August 31, this position was vacant; Between March 9 and August 4, Angela Vergara Jaller was in charge. As of September 1, Andrés Felipe Uribe Mesa took office.	Andrés Felipe Uribe Mesa

During 2020, the management of Senior Management was focused on 8 management focuses proposed by the General Manager:

- **Focus 1:** Services of the future, smart cities and the fourth industrial revolution
- **Focus 2:** City / Region
- **Focus 3:** Growth / Portfolio Management
- **Focus 4:** Socio-economic benefits of public services
- **Focus 5:** Optimization of operations
- **Focus 6:** Ituango Hydroelectric Project
- **Focus 7:** CaribeMar
- **Focus 8:** Cultural evolution

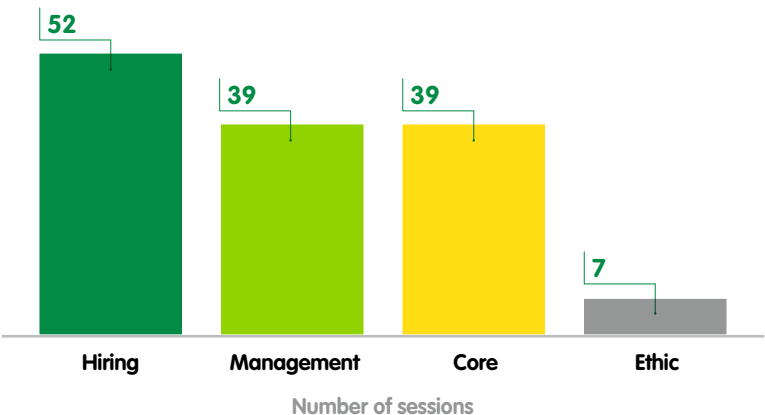
Senior Management Performance

GRI 102-26

The strategic committees are the mechanisms that facilitate the interaction of the Senior Management, to attend the decisions and / or relevant and strategic actions in an articulated and coherent.

The following is the composition of the strategic committees and the NUMBER of sessions held during 2020:

Sessions of the 2020 strategic committees



Management

Objective

Articulate and control the management of the company, through the analysis, definition, approval and monitoring of the matters that concern it, in order to achieve the strategic direction of EPM.

Conformation

President:

Leader of the EPM Group, General Manager of EPM

Secretary:

VP Strategy and Planning

Members:

- Level I Vice Presidents
- Permanent guests:
- Business Vice President (one per week)

Thematic

- Planning
- Policies for EPM.
- Monitoring of the performance of EPM's businesses and services (EPM CMI).
- Risk management strategy, articulated with integrated planning.
- Comprehensive risk monitoring and management.
- Organizational capabilities including digital transformation, technology and information.
- Projects in EPM.
- Relationship with interest groups of the company.
- Customer experience.
- Internal audit.
- Modifications to the administrative structure of EPM.
- Reports from external assurance providers.

Core

Objective

Establish and lead the unity of purpose and direction that all Grupo EPM companies must follow, by analyzing, defining and monitoring the matters that concern it, in order to achieve the objectives of the business group.

Conformation

President:

Leader of the EPM Group, General Manager of EPM

Secretary:

VP Strategy and Planning

Members:

- Level I Vice Presidents
- Permanent guests:
- Head of Corporate Governance Unit

Themes / Key missions

- **Strategic leadership:** provide the vision, direction and purpose of Grupo EPM.
- **Capital:** minimize the cost of capital and provide funds for growth.
- **Capabilities:** enable the implementation of strategic direction.
- **Control:** ensure compliance with strategies, plans, guidelines and compliance with legal and regulatory requirements.
- **Identity:** formulate shared vision and values for Grupo EPM.

Hiring

Objective

Analyze and recommend on the matters of contracting associated with the process of acquisition of goods and services and contracts in which EPM ACTS as a contributor, ACCORDING TO the delegations decree.

Conformation

President:

Head of Categories and Contracting Unit

Secretary:

VP Legal Affairs

Members:

- General Manager
- General Secretary
- VPE Finance and Investments
- VP Risks
- Supply Chain Manager
- VP Corporate Audit

Permanent guests:

- Competent Executive to hire, ACCORDING to delegations decree
- The vice president of the management area accompanied by the manager who makes the requisition

Thematic

- Pre-contractual and contractual procedures, in accordance with the principles that govern contracting and with the corporate policy for the acquisition of goods and services, approved by the Board of Directors of EPM.
- Recommendations or pertinent observations to the competent manager, ACCORDING TO the delegations decree.
- Periodic reports presented by the vice presidencies of Shared Supplies and Services and Corporate Audit related to the contracting of EPM and the pertinent recommendations.
- Monitoring of the annual hiring plan.

Ethic

Objective

Promote and lead the implementation of ethical management, guiding the consolidation of the exercise of PUBLIC function in terms of efficiency, transparency, probity and service to citizens by all PUBLIC SERVANTS.

Conformation

President:

VP Human Talent and Organizational Development

Secretary:

Human Development and Organizational Culture Management

Members:

- VP Risks
- VP Communication and Corporate Relations
- VP Corporate Audit
- Head of Compliance Unit
- External member
- Server chosen by the General Manager

Permanent guests:

- Labor Relations Management Manager
- Corporate Communication Manager
- Support Audit Manager

Themes / Key missions

- Framework of action for ethical management. Initiatives, mechanisms and methodologies for ethical management.
- Ethical commitments.
- Analysis of ethical dilemmas.

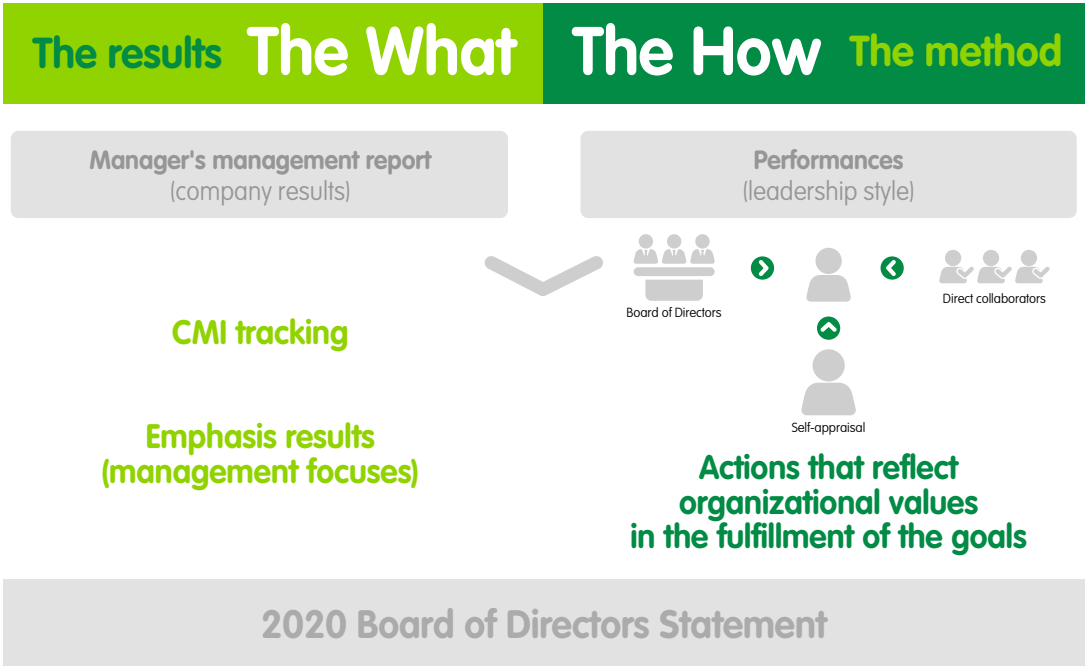
Induction of the General Manager

The Corporate Governance Unit developed an induction plan for the General Manager, however upon arrival he chose to use a methodology that he called “express splicing”, which consisted of selecting the 20 critical points of the Company, which in his opinion are more relevant, from a report delivered by the previous administration; During 3 weeks the areas responsible for these matters delivered the reports for each of the topics selected by the Manager, after that time the “express splice” was concluded and the Manager took care of his work with the philosophy of “learning by doing”.

General Manager Evaluation

Country Code 33.3 – ii. q); GRI 102-28

The Board of Directors of EPM carries out a systemic process that allows to show achievements and challenges of the General Manager’s management in terms of its results and methods to obtain them (what and how).



Likewise, the Government Code in numeral 4.7 establishes, among other matters, that the evaluation can “use the self-evaluation of the General Manager, the evaluation by the

Board of Directors and the evaluation by the top-level management team. ; its results will be disclosed in the public rendering of accounts and in the Corporate Governance Report ”.

The evaluation process of the manager’s management during 2020 began in 2021 with the presentation of the methodology in the Management Committee in its January session and the subsequent sending of the forms to the Board of Directors, at the first directive level and the Manager. However, given the declaration of non-subsistence of the Manager as of February 1, 2021, the evaluation process could not be completed, since it is closed in a space designated in the agenda of the same session of the Board of Directors in which the management report and the end-of-year results are presented, which was scheduled for March 23, where the results (what) and the method to obtain them (how) are reviewed.

Senior Management Remuneration

Country Code 33.3 – ii. h); GRI 102-36

In the Human Talent Management policy, approved by the Board of Directors on December 7, 2010, the Human Talent and Technology Vice Presidency issued Guideline 51 on November 15, 2019, which addresses three important issues related to variable compensation, fixed compensation and benefits for EPM workers. **GRI 102-35**

The total remuneration of Senior Management in 2020 was as follows:

EPM Senior Management Remuneration		
Grouper	Position	Total paid in 2020
General management	General Manager	\$ 6,233,928,202
Executive Vice Presidencies	VPE New Business, Innovation and Technology	
	VPE Finance and Investments	
	VPE Business Management	
	VPE Projects and Engineering	
Level I Vice Presidents	VP Strategy and Planning	
	VP Corporate Audit	
	VP Legal Affairs	
	VP Communication and Corporate Relations	
	VP Supplies and Shared Services	
	VP Human Talent and Organizational Development	
	General Secretary	
	VP Risks	

Note:

- Payments include vacations, bonuses, and benefits (including vehicle recognition).
- Severance payments are those paid directly to the worker or consigned in February 2020 to the Funds.
- Payments are affected in 2020 for the following reasons:
 - a) The Act of the Board of Directors of EPM No. 1394 of 2002 is no longer applied, which indicated that for EPM Public employees the amount to be paid for the service premium (June) was one (1) month plus one (1) day of ordinary salary, and they were paid for this concept the equivalent of fifteen (15) days of average salary.
 - b) There is a change of administration and the technical premium is paid according to the fulfillment of the requirements of the server occupying the position.

- Ratio of the total semi-annual compensation of the highest paid person in the Organization to the median of the total semi-annual compensation of all employees, excluding the highest paid person: **9.04** **GRI 102-38**
- Ratio of the percentage increase in the total semi-annual compensation of the highest paid person in the Organization compared to the median percentage increase in the total semi-annual compensation of all employees excluding the highest paid person: **1** **GRI 102-39**

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Operations with related parties

Operations with related parties

Since the implementation of IFRS, in 2013, EPM accepted the definitions established by IAS 24 regarding related parties, and specific financial policies and guidelines were established in accordance with the applicable financial regulations.

The Governance Agreement and the relationships derived from it, as well as the annual transfer pricing statement, are articulated with the information published in the financial statements under IFRS as elements that frame the operations with related parties of the EPM Group.

EPM's transactions with its related parties are executed under conditions equivalent to those that exist in transactions between independent parties, in terms of their object and conditions. The details of the operations with the most relevant related parties can be found in the Financial Report, an integral part of the EPM Group's Sustainability Report (annual). Additionally, operations between companies of the Grupo EPM are included each year in this report.

Conflict of interest

Country Code 33.3 - iii. c); GRI 102-25

Annex No. 8 of the Corporate Governance Code, "Manual of conflicts of interest and treatment of decisions in the interest of Grupo EPM", issued by Decree No. 390 of November 24, 2015, establishes the procedure for managing conflicts of interest of the members of the Board of Directors. When the conflict is permanent and prevents the independent exercise of the functions, the Board member must resign. Country Code 33.3 - iii. d); GRI 102-25

This manual regulates the differences that may arise between the parent company of the Grupo EPM and the subordinate companies, with respect to the interest of the business group. The procedure consults the Governance Agreement between the companies of the EPM Group, the shareholders' agreements signed and the governance model defined for each of the subordinate companies. It also indicates the actions that correspond in each case to the Board of Directors of the subordinate company, the Management Committee of the Parent Company and the Board of Directors with their respective committees. Country Code 33.3 - iii. a)

In compliance with subparagraph 11 of the manual where it indicates that “The conflicts of interest that arise and oblige the administrator to refrain from participating in the debate on a certain matter, will be published annually in the Corporate Governance Report.”, It is reported:

In EPM during 2020 there was 1 conflict of interest on the part of the members of the Board of Directors.

The conflict of interest presented in EPM is detailed below:

NO.				
	Date	Minutes number	Description of the conflict	Date reported to Compliance Unit
1	24-nov-20	1699	<p>Mr. Guillermo León Diosa Pérez stated that he could be in a situation of conflict of interest by participating in the discussion and decision on the topic “Future Validity” on the “PCH TZ II 10.5 MW Connection Project- Tarazá 44kV Substation”.</p> <p>The Board of Directors analyzed the issue and declared the existence of a conflict of interest, which is why Mr. Guillermo León Diosa Pérez abstained from participating in the deliberation and decision related to the issue “Future Validity”, which was presented to the Board of Directors. November 24, 2020.</p>	11-dic-20

In the Colombian subsidiaries of Grupo EPM during 2020, Aguas Nacionales reported 4 conflicts of interest on the part of the members of the Board of Directors. There were no conflicts in the other companies.

The conflicts of interest presented in Aguas Nacionales are detailed below:

NO.	Date	Minutes number	Description of the conflict
1	27/08/2020	233	<p>The main member and Chairman of the Board of Directors, Santiago Ochoa Posada, departed from the deliberation and decision of the first three issues that had to do with the authorization to sign a transaction agreement with EPM for the provision of auditing services, as well as the modification of the structure and the creation of jobs and positions for these purposes.</p> <p>The Board of Directors, made up of Jorge Alberto Cadavid and Juan Carlos González, deliberated on these issues.</p>
2	18/09/2020	234	<p>The main members of the Board of Directors, Santiago Ochoa Posada and Darío Amar Flórez, expressed their impediment to making the decision corresponding to the approval of the modification to the basic function and the modification of the experience of the positions related to the application and associates to the project "Diagnosis, design, construction and replacement of aqueduct and sewerage networks, connections and accessory works, where EPM provides its services".</p> <p>With the above, a vote was requested from Jorge Alberto Cadavid and Johnier Alberto Montoya, first and second alternate of the administrative body, respectively.</p>
3	3/12/2020	237	<p>The main member, Santiago Ochoa Posada, after sending the request, expressed an impediment to making the decision to sign a bilateral modification act of the sewerage interconnection contract No. CT-2013-002297-A421, decreasing its value by \$ 2,583 million.</p> <p>Jorge Alberto Cadavid, the first alternate of the administrative body, was asked to vote.</p>
4	10/12/2020	238	<p>At this point it is recorded that authorization is requested to sign a modification to the Interconnection Contract No. CT-2013-002297-A421 that Mr. Santiago Ochoa, departed from the deliberation and decision regarding the authorization.</p> <p>The Board of Directors, made up of Jorge Alberto Cadavid, president of the session, and Juan Carlos Castro, deliberated on this issue.</p>

Government Agreement

Country Code 33.3 – iii. b)

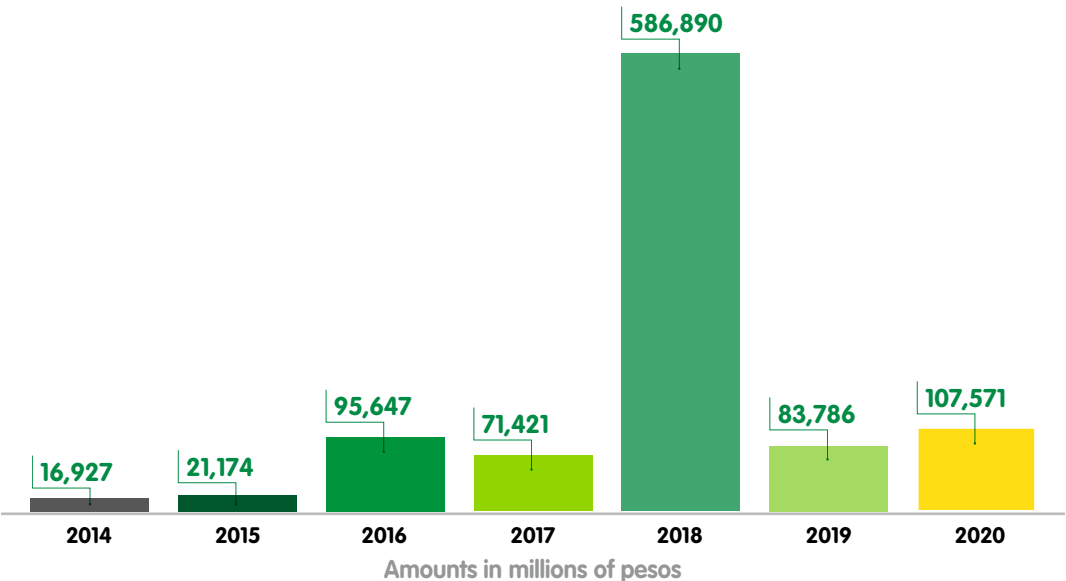
The Governance Agreement is a document that formally defines and guides the relationships between the companies that make up Grupo EPM. It has allowed the signing of different minutes that facilitate the achievement of business objectives and the obtaining of business group synergies, in tune with the unity of purpose and direction.

General report of the minutes signed in the framework of the Government Agreement:

Transaction relationships

They are those that are established between the parties in order to supply goods and provide services (that do not correspond to the provision of home Public services), in order to amplify competitive advantages, such as shared infrastructure and support, technical and commercial services, among others.

Transaction minutes



Compared to the information published at the end of 2019, it is reported that the historical data of the Transaction Minutes presented the following variations:

1. In 2017, a decrease of COP 341 million is reflected due to modifications in 6 transaction documents, among which the following stand out:
 - Minutes signed with CENS in order to "Set the administrative, technical and legal conditions on which the parties agree that the contractor will provide the contractor with the basic services of information and communications technology and specialized technical advice in the same areas of knowledge". This act presented a lower value corresponding to COP 240 million.
 - Minutes signed with CENS in order to "Set the administrative, technical and legal conditions on which the parties agree that the contractor will provide the contractor with Cloud Computing services under the modality of Infrastructure as a Service (IaaS) and Platform as a Service (PaaS) ". This act presented a lower value corresponding to COP 129 million.
2. In 2018, an increase of COP 45 million is reflected due to modifications in 5 transaction documents, among which the following stand out:
 - Minutes signed with CHEC for "The provision, by the supplier to the client, of the selection service with the provision of human talent, taking into account the job profiles defined to meet the needs of the business group." This act presented a higher value corresponding to COP 79 million.
 - Minutes signed with Emvarias in order to "Provide by EPM the basic services of information technology, operation and support of IT solutions". This act presented a lower value corresponding to COP 53 million.
3. In 2019, a decrease of COP 726 million is reflected due to modifications in 14 transaction documents, among which the following stand out:
 - Minutes signed with EDEQ in order to "Set the administrative, technical and legal conditions based on which the parties agree that the contractor will provide the contractor with implementation, operation and support services for information systems solutions." This act presented a lower value corresponding to COP 894 million.
 - Minutes signed with CENS in order to "Set the administrative, technical conditions and legal based on which the parties agree that the contractor will provide to the

contractor the services of implementation, operation and support of information systems solutions". This act presented a lower value corresponding to COP 280 million.

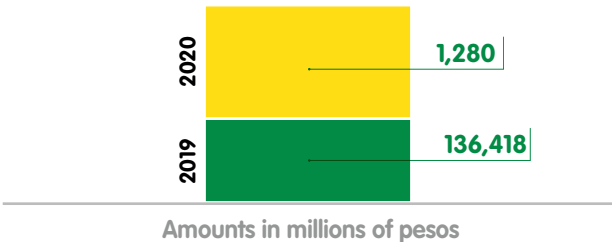
- Minutes signed with Emvarias in order to "Provide by EPM the basic services of information technology, operation and support of IT solutions". This act presented a higher value corresponding to COP 278 million.
- Minutes signed with Ticsa for the purpose of "Construction of the outlet structures associated with the modernization project of the La Ayurá drinking water production plant". This act presented a higher value corresponding to COP 231 million.
- Minutes signed with EDEQ in order to "Provide EDEQ with infrastructure services in information and communications technology and specialized assistance, necessary for its operation and functioning". This act presented a lower value corresponding to COP 212 million.

Regarding the year 2020, 156 transaction minutes worth COP 107,571 million were signed, among which the following stand out:

- Minutes signed with Ticsa for the purpose of "Design, supply, construction, assembly, commissioning and commissioning of an operational flexibility module - MOFLO - with a capacity of 1.0 m³ / s maximum daily flow (QMD) for the Manantiales "drinking water production plant, worth COP 47,149 million.
- Minutes signed with Aguas Nacionales for the purpose of "Administrative, technical, financial, social, environmental and OSH auditing for the diagnosis, design, construction and replacement of aqueduct and sewer networks and accessory works, where EPM provides its services", for the value of COP 14,922 million.
- Minutes signed with the EPM Foundation in order to "Set the financial, administrative and legal conditions based on which the parties agree to the provision of services, by the Foundation, for the administrative management of the EPM Library, operation and provision of the services that make up its programmatic offer; as well as providing training services and execution of activities and programs indicated by EPM to achieve the objectives of the EPM University ", for a value of COP 4.706 million.
- Minutes signed with the EPM Foundation for the purpose of "Provision of services for the development and execution of relationship activities, social management, training and qualification in matters of home Public services under different methodologies", for a value of COP 3,413 million.

The following is the summary of the transaction minutes signed between subsidiaries, in which EPM is not an involved party:

Transaction record between subsidiaries

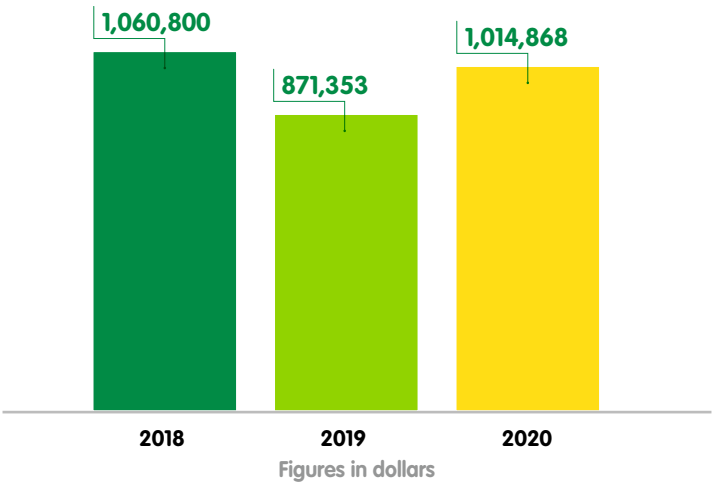


Compared to the information published at the end of 2019, an increase of COP 229 million is reflected due to a modification in the transaction document signed between Aguas de Malambo and Ticsa with the purpose of "Design, construction and start-up of the treatment system of sludge from the El Concorde water treatment plant".

During 2020, 6 transaction minutes worth COP 1,280 million were signed, among which the following stand out:

- Minutes signed between Aguas Nacionales and the EPM Foundation for the purpose of "Provision of services for the realization of the programmatic offer of a RECREATIONAL, educational, cultural, recreational and environmental nature at the UVA Aguas Claras de Aguas Nacionales EPM SA ESP", for the value of COP 668 million.
- Minutes signed between CENS and ESSA for the purpose of "Provision of administration services for application servers and databases of the Commercial Suite SAC, in their production and testing environments", for a value of COP 244 million.
- Minutes signed between Aguas Nacionales and Ticsa with the aim of "Provision and installation of four (4) folding doors with a complement in the sludge dehydration building, in the loading and unloading area of WET biosolids in the Aguas Claras treatment plant", by value of COP 200 million.

Transaction record between subsidiaries



During 2020, the following 3 transaction documents were signed for a value of USD 1,014,868:

- Minutes signed between Delsur and ENSA for the purpose of "Functional / technical support and maintenance of the SAP system", for a value of USD 1,000,800.
- Minutes signed between ENSA and ENSA Servicios for the purpose of "Energy monitoring and management for corporate buildings", for a value of USD 8,068.
- Minutes signed between ENSA and ENSA Servicios for the purpose of "SAP improvement projects due to COVID-19", for a value of USD 6,000.

Intervention relationships

They are those that are established between EPM and the other parties to execute a directive of the CORPORATE CORE that implies a certain transaction for the supply of goods and provision of services between a Grupo EPM company and a third party, derived from actions of control and good governance such as, for example, contracts for the tax audit and information systems required by the CORPORATE CORE for all Grupo EPM companies, among others.

Intervention Minutes

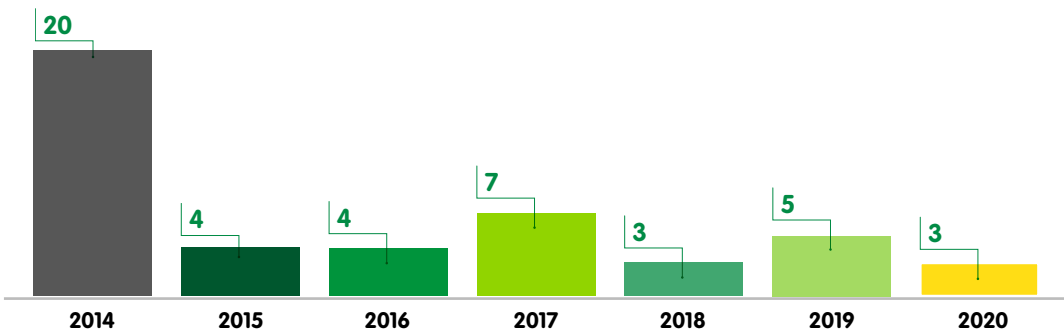


There are no variations in relation to the historical data of the intervention minutes. During 2020, no minutes of intervention were signed, nor were the existing ones modified.

Interaction relationships

They arise in order to enable the unity of purpose and direction of the Group and allow, among other aspects, to optimize processes and adopt integrated procedures defined by the CORPORATE CORE for the benefit of the business group.

Interaction Minutes



In 2020, EPM signed 3 interaction minutes for:

- Strengthen the processes and procedures of the CENS Distribution Maintenance team, through knowledge transfer by EPM personnel. Aimed at engineers and technologists, who carry out analysis, planning and leadership activities in the execution of work with tension, in order to improve the optimization of times, resources and effectiveness in scheduled work.
- Standardize the digital security process, the Information Security Management System (ISMS) and cybersecurity, the strategy and implementation controls of the El Centinela project at Distribuidora de Electricidad Delsur, based on the strategy defined by the Group's parent company EPM.
- Implementation of the directives of the CORPORATE CORE, which promote unity of purpose and direction of the EPM Group.

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Ownership structure of Grupo EPM

Ownership structure of Grupo EPM

Grupo EPM, whose parent company is EPM, is a multi-Latin business group that has a diversified portfolio that benefits about 20 million people in Mexico, Guatemala, El Salvador, Panama, Chile and Colombia, through 7 businesses: Power Generation, Power Transmission, Power Distribution, Gas, Water Supply, Waste Water Management and Solid Waste Management.

At the end of 2020, Grupo EPM's revenues amounted to COP 19,799 billion.

Capital and ownership structure of Grupo EPM

Country Code 33.3 – i. a); GRI 102-10

In 2020, the following developments were presented in the ownership structure of Grupo EPM:

- Acquisition of 100% of the company CaribeMar de la Costa SAS E.S.P. - Afinia.
- Increase in EPM's shareholding in Aguas Nacionales EPM SAESP from 99.9706% to 99.9723%.
- Decrease in the shareholding of EPM Inversiones SA in Aguas Nacionales EPM SAESP from 0.0288% to 0.0271%.
- Withdrawal of EV Alianza Energética SA due to liquidation.
- Increase in EPM's shareholding in Aguas Regionales EPM SAESP from 67.25% to 72.45%.
- Decrease in the shareholding of EPM Inversiones SA in Aguas Regionales EPM SAESP from 2.51% to 2.11%.
- Capitalization of Investments and Projects Hidrosur SpA in the amount of USD 15,500,000, through the issuance of 15,500 shares, keeping EPM Chile's 100% stake in this company.

The ownership structure of Grupo EPM can be consulted in appendix 4 of this report ([see appendix 4: Shareholding composition of Grupo EPM](#)).

As of October 1, 2020, Afinia, a trademark of the CaribeMar company, becomes a subsidiary of Grupo EPM.

Corporate Governance in the framework of the acquisition of CaribeMar

The National Government and EPM formalized on September 30, 2020 the closing of the transaction, which allowed after the fulfillment of the conditions established in the Share Acquisition Agreement, that CaribeMar de la Costa SAS ESP became, as of October 1, 2020, a subsidiary of Grupo EPM, provider of electric power service in the departments of Bolívar, Sucre, Córdoba, Cesar and 13 municipalities of Magdalena.

In this way, the challenges that the growth of the Grupo EPM and the consolidation of the new subsidiary entail, make corporate governance relevant to facilitate the new company to implement management practices in accordance with the philosophy of the business group that leverage the achievement of the strategic objectives and those prioritized for the provision of the service, sustainability, among other relevant matters, and thus generate trust in the different interest groups. In this sense, the corporate governance team managed various actions and deliverables such as:

- Government model of the subsidiary.
- Adjustments to the bylaws in aspects related to corporate governance.
- Adhesion to the Government Agreement by the subsidiary.
- Coordination of actions, before the competent ones, for the conformation of governing bodies and agenda of first sessions.
- Planning of the Board of Directors of the subsidiary (calendar and agenda) in accordance with the strategic priorities and aligned with Grupo EPM issues.
- Induction to Secretary General and Member of the External Board.
- Diagnosis and plan to close gaps in corporate governance for the corresponding execution in 2021.

On the other hand, as a consequence of the separation of the markets served by Electricaribe in the 7 departments of northern Colombia, a Shared Services Center (CSC) was set up, given that since Electricaribe is a single company and considering the division of the market into two companies (CaribeMar and CaribeSol), the information technology (IT) and operation

technology (OT) systems were migrated to the CSC because they could not be divided before the closing of the transaction. This company has the mission of migrating IT-TO systems to both CaribeMar and CaribeSol within a maximum period of 3 years. The ONLY clients of the CSC are CaribeMar and CaribeSol, which in turn are its SOLE shareholders and each company has a 50% stake. The Board of Directors is made up of 5 main members and 5 alternates, of these 4 members are non-independent, 2 nominated by CaribeMar and 2 by CaribeSol and the fifth member is independent. There is a shareholder's agreement and a temporary services contract where the guidelines for interaction are stipulated. Although the company Centro de Servicios Compartidos is not part of Grupo EPM, it is of vital importance for CaribeMar's operation.

Shareholder agreements in Grupo EPM

Country Code 33.3 i. f)

The shareholder agreements signed by EPM and in force as of December 31, 2020 are presented below.

Company	Parties involved	Signature Date	Synthesis
UNE EPM Telecommunications	<ul style="list-style-type: none">• EPM• Millicom Spain SL (and other companies of the Millicom Group)• Institute of Sports and Recreation of Medellín (Inder)	October 1, 2013	Relationship and commitments between shareholders. Establishes the special majorities of the Assembly and the Board.
Aguas Regionales EPM*	<ul style="list-style-type: none">• EPM• Gobernación de Antioquia• Municipality of Apartadó• Municipality of Chigorodó• Municipality of Mutatá• Municipality of Turbo• Municipality of Carepa	December 1, 2006	Conditions and framework of action for their participation as shareholders, taking into account the antecedents and special considerations for the management and development of the regional aqueduct that is the object of the company.
	<ul style="list-style-type: none">• EPM• Gobernación de Antioquia• Municipality of Santa Fe de Antioquia• Municipality of Sopetrán• Municipality of San Jerónimo• Municipality of Olaya	December 19, 2007	
	<ul style="list-style-type: none">• EPM• Gobernación de Antioquia	December, 2006 December 27, 2007	Ensures that decisions in society are made through the plural vote of EPM and the Government of Antioquia.

* After the merger of Aguas de Urabá SAESP and Regional Occidente SAESP in 2015, the shareholder agreements that existed in each of the merged companies are maintained.

Company	Parties involved	Signature Date	Synthesis
Aguas de Malambo	<ul style="list-style-type: none"> • EPM • Municipality of Malambo • Juntas de acción comunal de Malambo • Instituto Municipal de Deportes • Hospital de Malambo • Instituto de Cultura de Malambo 	June 29, 2011	Conditions and framework of action for their participation as shareholders, taking into account the antecedents and special considerations for the management and development of the regional aqueduct that constitutes the object of each of these companies.
Hidroecológica del Teribe S.A. (HET S.A.)	<ul style="list-style-type: none"> • EPM • Administradora Serviagro SA • Consultores Asociados de Ingeniería SA • MacEnergy (Cayman) Ltda. 	November 6, 2003	Determine the basic conditions that will govern their relationships within the company, as well as the establishment of the agreements required to exercise and fulfill their rights and obligations to achieve the complete execution of the project.
Centro de Servicios Compartido S.A.S.	<ul style="list-style-type: none"> • CaribeMar de la Costa S.A. E.S.P. • Air-e S.A.S. E.S.P. 	October 1, 2020	Establish the terms and conditions that will govern the relations of the parties regarding their participation as shareholders of the company Centro de Servicios Compartidos SAS (the "CSC" or the "Company"), in order to: <ul style="list-style-type: none"> • achieve an adequate and harmonious collective participation in the Company's corporate bodies; • establish the way in which a vote should be taken at the General Shareholders' Meeting to make certain decisions; • regulate the transfer of shares; and • regulate other relations of the shareholders among themselves and between the shareholders and the company.

Shareholders' meetings and relationship with partners

During 2020, ordinary meetings of the shareholders' assemblies of all the companies of the Grupo EPM were held, in these spaces the management reports of the Board of Directors and Management were presented, as well as the financial results at the end of the year, The Board of Directors was also appointed for the period from March 2020 to March 2021. These meetings are par excellence the meeting place with the different members of the EPM Group. Due to the Public health contingency due to COVID-19, the National Government authorized the shareholders' assemblies to meet virtually.

In order to strengthen trust with partners, the companies of the Grupo EPM are committed to keeping the section on the website of each subsidiary updated, enabled for the attention of this interest group. Thus, transparency, access to information and communication channels are strengthened. **Country Code 33.3 – v. b) c)**

The relationship plan with the Partners interest group was 100% compliant in 2020. With the leadership of the managers of each subsidiary, activities programmed in the relationship agenda were carried out, as well as the induction for the partners.

The background is a light gray with a fine, diagonal line pattern. It is decorated with several green leaves of different shapes and sizes, some of which are slightly blurred. There are also various geometric shapes, including triangles and circles, in white and green. A large, faint white circle is centered behind the text.

Structure of the administration of Grupo EPM

Structure of the administration Grupo EPM

The Grupo EPM Administration is exercised through its governing bodies: General Assembly of Shareholders, Board of Directors and General Manager of each subsidiary. These bodies must guarantee the articulation of each of the companies with the vision of the business group.

Boards of Directors Grupo EPM

The composition of the boards of directors of the subsidiaries responds to the relationship model established in the business group. Strategic factors, the specific situation of each company, the level of involvement of the subsidiary with EPM and knowledge of the plans drawn up by the EPM Group for each business by the EPM executives who are part of the respective business are taken into account, in search of the unity of purpose and direction that characterizes business groups. Thus, AS defined in the "Guide for the nomination of Boards of Directors of Group companies", the predominant profile of the members representing EPM will be business, and business / financial in some cases. **GRI 102-18**

The objective is to have administrative bodies that align the management of the companies with the unity of purpose and direction, while facilitating the implementation of the strategy and business plans outlined by the Headquarters, and have a coordinated process decision-making and effective instruments to develop the corporate governance principles that govern Grupo EPM, aimed at generating value. The boards of directors have the mission of controlling compliance with financial and ethical plans and standards.

In this way, the boards of directors have internal members who are part of the directive body of EPM and do not receive additional remuneration for this function, and with representatives of the partners who, for the most part, correspond to territorial entities.

Additionally, in some cases, EPM EVALUATES the relevance of nominating external members who contribute diversity in the profiles of the boards of directors, provide experience in the local context for decision-making in the board and contribute to the strategic relationship of the business group in the territory. Therefore, for the appointment of these members, the aim is to select people from the market of incidence of each one of the companies.

In 2020 the formation of the boards of directors of the subsidiaries was done with different procedures and some criteria far from those established in the Guide for the Nomination of Boards of Directors of the companies of the EPM Group.

The following table includes the composition of the Boards of Directors / Directories / Boards of Directors of the companies of the EPM Group for the period between March 2020 and March 2021:

National Water and Sanitation Companies			
Company	Position	Name	Category
Aguas de Oriente	1	León Arturo Yepes Enríquez	Internal
	2	Edgardo Martínez Echeverri	Internal
	3	Santiago Wilches Yepes	Internal
	4	Mayor of the Municipality of El Retiro	Partner
	5	El Retiro Municipality Representative	Partner
	Sup. 1	Luisa María Pérez Fernández	Internal
	Sup. 2	Valeria Restrepo Abad	Internal
	Sup. 3	Juan Carlos González Ramírez	Internal
	Sup. 4	El Retiro Municipality Representative	Partner
	Sup. 5	El Retiro Municipality Representative	Partner
Aguas de Malambo	1	Santiago Ochoa Posada	Internal
	2	Jorge Antonio Yepes Vélez	Internal
	3	Lady Johanna Ospina Corso	External
	4	Maritza Amparo Orrego Martínez	Internal
	5	Mayor of the Municipality of Malambo	Partner
	Sup. 1	Jorge William Ramírez Tirado	Internal
	Sup. 2	Leon Arturo Yepes Enríquez	Internal
	Sup. 3	Johnier Alberto Montoya Pereira	Internal
	Sup. 4	Valeria Restrepo Abad	Internal
	Sup. 5	Julio César García Fernández	Internal
Aguas Regionales	1	Jorge William Ramírez Tirado	Internal
	2	Álvaro León Ospina Montoya	Internal
	3	Alejandro Villa Sánchez	External
	4	Luis Fredy Mejía Betancur	Internal
	5	Representative of the Department of Antioquia	Partner
	Sup. 1	Valeria Restrepo Abad	Internal
	Sup. 2	Jorge Antonio Yepes Vélez	Internal
	Sup. 3	Leon Arturo Yepes Enríquez	Internal
	Sup. 4	Julio César García Fernández	Internal
	Sup. 5	Representative of the Department of Antioquia	Partner
Aguas Nacionales	1	Santiago Ochoa Posada	Internal
	2	Darío Amar Flórez	Internal
	3	Juan Carlos Castro Padilla	Internal
	Sup. 1	Jorge Alberto Cadavid Monroy	Internal
	Sup. 2	Johnier Alberto Montoya Pereira	Internal
	Sup. 3	Juan Carlos González Ramírez	Internal

International Water and Sanitation Companies			
Company	Position	Name	Category
Ticsa	1	Daniel Arango Ángel	Internal
	2	Darío Amar Flórez	Internal
	3	Santiago Ochoa Posada	Internal
	4	Francisco Canal	External
	5	Gilberto Escobedo	External
	Sup. 1	Carlos Israel Orduz Aguilar	Internal
	Sup. 2	Juan Felipe Valencia Gaviria	Internal
	Sup. 3	Jorge Antonio Yepes Vélez	Internal
	Permanent guest	Miguel Ángel Godinez	External
Aguas de Antiofagasta	1	Santiago Ochoa Posada	Internal
	2	Álvaro García Hurtado	External
	3	Mónica María Ruíz Arbeláez	Internal
	4	John Alberto Maya Salazar	External
	5	Carlos Enrique Londoño Amariles	Internal
	Permanent guest	Juan Carlos Canal Colmenares	External
Hidrosur	1	Santiago Ochoa Posada	Internal
	2	Mónica María Ruíz Arbeláez	Internal
	3	Carlos Enrique Londoño Amariles	Internal
	4	Luisa María Pérez Fernández	Internal
	5	John Alberto Maya Salazar	External

Solid Waste Company			
Company	Position	Name	Category
Emvarias	1	Santiago Ochoa Posada	Internal
	2	Luis Javier Vélez Duque	Internal
	3	Armando Hernández	External
	Sup. 1	Juan Carlos Castro Padilla	Internal
	Sup. 2	Juan David Vélez Hoyos	Internal
	Sup. 3	Luisa María Pérez Fernández	Internal
	Permanent guest	Pedro Miguel Estrada Londoño	External

National Energy Companies			
Company	Position	Name	Category
EDEQ	1	Juan Felipe Valencia Gaviria	Internal
	2	Juan Carlos Duque Ossa	Internal
	3	Jaime Zapata Franco	External
	Sup. 1	Juan Rafael López Foronda	Internal
	Sup. 2	Blanca Liliana Ruiz Arroyave	Internal
	Sup. 3	Carlos Mario Jaramillo Duque	Internal
CHEC	1	Daniel Arango Ángel	Internal
	2	Diego Humberto Montoya Mesa	Internal
	3	Blanca Liliana Ruiz Arroyave	Internal
	4	Jaime Ramos Agudelo	External
	5	Governor of Caldas	Partner
	Sup. 1	Juan Rafael López Foronda	Internal
	Sup. 2	Carlos Enrique Londoño Amariles	Internal
	Sup. 3	Alberto Mejía Reyes	Internal
	Sup. 4	Carlos Mario Jaramillo Duque	Internal
	Sup. 5	Mayor of Manizales	Partner
ESSA	1	Inés Helena Vélez Pérez	Internal
	2	Ana Milena Joya Camacho	Internal
	3	Governor of Santander	Partner
	Sup. 1	Juan Carlos Duque Ossa	Internal
	Sup. 2	John Jairo Celis Restrepo	Internal
	Sup. 3	Governor's Delegate	Partner
CENS	1	Inés Helena Vélez Pérez	Internal
	2	Juan Carlos Canal Colmenares	External
	3	Governor of Norte de Santander	Partner
	Sup. 1	Juan Carlos Duque Ossa	Internal
	Sup. 2	Jaime Alberto Villa Valencia	Internal
	Sup. 3	Carlos Mario Tobón Osorio	Internal
Afinia	1	Daniel Arango Ángel	Internal
	2	Juan Carlos Castro Padilla	Internal
	3	Alejandro José Jaramillo Arango	Internal
	4	Andrea Pérez Cadavid	External
	5	Vacant	
	Sup. 1	Juan Felipe Valencia Gaviria	Internal
	Sup. 2	Carlos Enrique Londoño Amariles	Internal
	Sup. 3	Alejandra Vanegas Valencia	Internal
	Sup. 4	Vacant	
	Sup. 5	Vacant	

International Energy Companies

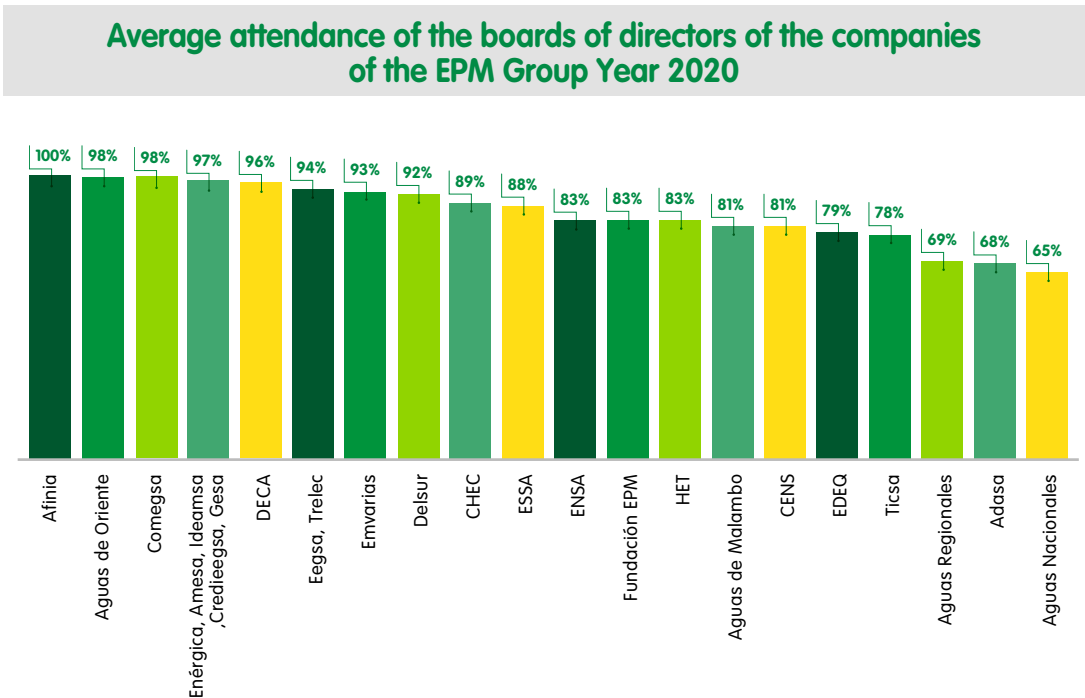
Company	Position	Name	Category
Delsur	1	Inés Helena Vélez Pérez	Internal
	2	Carlos Mario Tobón Osorio	Internal
	3	Eric Casamiquela	External
	Sup. 1	Diego Humberto Montoya Mesa	Internal
	Sup. 2	José Enrique Salazar Velásquez	Internal
	Permanent guest	Sergio Restrepo Muñoz	External
Egsga, Trelec	1	Vacant	
	2	Inés Helena Vélez Pérez	Internal
	3	Alejandra Vanegas Valencia	Internal
	4	Ana Milena Joya Camacho	Internal
	5	Raúl Edmundo Archila S	External
	Sup. 1	Diego Humberto Montoya Mesa	Internal
	Sup. 2	José Enrique Salazar Velásquez	Internal
	Sup. 3	John Jairo Celis Restrepo	Internal
	Sup. 4	Juan Rafael López Foronda	Internal
Comegsa	1	Vacant	
	2	Inés Helena Vélez Pérez	Internal
	3	Alejandra Vanegas Valencia	Internal
	4	Ana Milena Joya Camacho	Internal
	5	Diego Humberto Montoya Mesa	Internal
	Sup. 1	José Enrique Salazar Velásquez	Internal
	Sup. 2	John Jairo Celis Restrepo	Internal
	Sup. 3	Carlos Mario Jaramillo Duque	Internal
	Sup. 4	Juan Rafael López Foronda	Internal
	Sup. 5	Juan Carlos Duque Ossa	Internal
DECA II	1	Vacant	
	2	Inés Helena Vélez Pérez	Internal
	3	Alejandra Vanegas Valencia	Internal
	4	Ana Milena Joya Camacho	Internal
	5	Raúl Edmundo Archila S	External
GESA, Amesa, Ideamsa, Energica, Credieegsa	1	Mario Alberto Naranjo Echeverri	Internal
	2	Inés Helena Vélez Pérez	Internal
	3	Vacant	
	4	Alejandra Vanegas Valencia	Internal
	5	Raúl Edmundo Archila S	External
	Sup. 1	Diego Humberto Montoya Mesa	Internal
	Sup. 2	Juan Rafael López Foronda	Internal
	Sup. 3	Carlos Mario Jaramillo Duque	Internal
ENSA	1	Daniel Arango Ángel	Internal
	2	Inés Helena Vélez Pérez	Internal
	3	Alejandro Villa Sánchez	External
	4	Federico Alfaro Boyd	Partner
	5	Julio Javier Caballero Decerega	Partner
HET	1	Carlos Alberto Solano Bonnett	Internal
	2	Luz Marina Escobar Arango	Internal
	3	Alberto Mejía Reyes	Internal
	Sup. 2	Santiago Villegas Yepes	Internal

Investment vehicles			
Company	Position	Name	Category
EPM Inversiones	1	Vacant	
	2	Juan Carlos Castro Padilla	Internal
	3	Ángela Vergara Jaller	Internal
	Sup. 1	Carlos Mario Giraldo Gómez	Internal
	Sup. 2	Ángela María Ocampo Carmona	Internal
	Sup. 3	Ángela María Loaliza Cortés	Internal
EPM Latam	1	Carlos Mario Tobón Osorio	Internal
	2	Juan Carlos Castro Padilla	Internal
	3	Maritza Amparo Orrego Martínez	Internal
Panamá Distribución Group -PDG-	1	Carlos Mario Tobón Osorio	Internal
	2	Juan Carlos Castro Padilla	Internal
	3	Ángela María Ocampo	Internal
EPM Chile	1	Carlos Mario Tobón Osorio	Internal
	2	Juan Carlos Castro Padilla	Internal
	3	Maritza Amparo Orrego Martínez	Internal
EPM Capital México	1	Juan Carlos Castro Padilla	Internal
	2	Carlos Mario Tobón Osorio	Internal
	3	Maritza Amparo Orrego Martínez	Internal

Corporate companies			
Company	Position	Name	Category
Maxseguros	1	Vacant	
	2	Tatiana Isaza Jaramillo	Internal
	3	Daniel Sandoval	External
Promobiliaria	1	Carlos Enrique Londoño Amariles	Internal
	2	Vacant	
	3	Hugo Javier Arango Acevedo	Internal
	4	Fernando León Duque Becerra	External
	5	Vacant	
Fundación EPM	1	Manuel Eduardo Osorio Lozano	Internal
	2	Vacant	
	3	Vacant	
	4	Secretario de Educación de Medellín	Partner
	5	Ana Milena Joya Camacho	Internal
	Sup. 1	Diana Rúa Jaramillo	Internal
	Sup. 2	Jorge Hernán Villa Hoyos	Internal

Attendance at the Boards of Directors of Grupo EPM

Below is the average attendance of the main members of the board of directors of the companies of the EPM Group:



Typical agenda and calendar of the Boards of Directors of Grupo EPM

GRI 102-31

As a good corporate governance practice and to promote the unity of purpose and direction of Grupo EPM, the Corporate Governance Unit prepares each year the integrated calendar of the ordinary sessions of the boards of directors and assemblies of the subsidiaries and defines the typical agenda. In the Joint Boards session of December 5, 2019, these instruments were approved for the year 2020 and during this period the respective follow-up was carried out.

The typical agenda of the EPM Group Board of Directors in 2020 had an average compliance for Colombian companies of 99.6% (100% energy and 99% water subsidiaries) and for international companies of 97.2% (energy subsidiaries of the 99.5% and 95% water).

Evaluation of the Boards of Directors of Grupo EPM

Since 2014, the EPM Group has a unified evaluation methodology of the Group's boards of directors, in order to know in detail, the management of this body, the degree of compliance with the commitments that each of its members has assumed and the value that their performance adds to each company. The government codes implemented in 2020 in the national subsidiaries include what is related to this practice.

The components evaluated are the following:

1. Relationship of the Board of Directors with the administration of the company.
2. Performance and effectiveness of the Board of Directors as a collegiate body.
3. Role of the President and Secretary of the Board of Directors.
4. Individual performance as a member of the Board of Directors.
5. Level of discussion and depth of topics by the Board of Directors.
6. Interaction and relationship between the parent company and the subsidiaries.

Additionally, and in order to strengthen the evaluations of the boards of directors and embrace best practices in the matter, since 2017 the evaluation was implemented from the perspective of the administration, with the purpose of evaluating the degree of alignment and the interaction between Management (Board of Directors) and Administration (Senior Management).

The following is a synthesis of the results of the self-evaluations by component evaluated and by group of companies:

No.	Water, sanitation and solid waste companies														
	Components evaluated	Oriente		Malambo		Regionales		Nacionales		Emvarias		Ticsa		Adasa	
		2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020
1	Relation of the Board of Directors with the administration of the company	<div><div></div></div> 78%	<div><div></div></div> 78%	<div><div></div></div> 91%	<div><div></div></div> 87%	<div><div></div></div> 91%	<div><div></div></div> 98%	<div><div></div></div> 90%	<div><div></div></div> 89%	<div><div></div></div> 90%	<div><div></div></div> 83%	<div><div></div></div> 93%	<div><div></div></div> 90%	<div><div></div></div> 89%	<div><div></div></div> 95%
2	Performance and effectiveness of the Board of Directors as a collegiate body.	<div><div></div></div> 87%	<div><div></div></div> 87%	<div><div></div></div> 97%	<div><div></div></div> 92%	<div><div></div></div> 97%	<div><div></div></div> 97%	<div><div></div></div> 91%	<div><div></div></div> 98%	<div><div></div></div> 95%	<div><div></div></div> 93%	<div><div></div></div> 93%	<div><div></div></div> 91%	<div><div></div></div> 95%	<div><div></div></div> 97%
3	Role of the President and Secretary of the Board of Directors.	<div><div></div></div> 91%	<div><div></div></div> 92%	<div><div></div></div> 100%	<div><div></div></div> 98%	<div><div></div></div> 96%	<div><div></div></div> 98%	<div><div></div></div> 94%	<div><div></div></div> 100%	<div><div></div></div> 98%	<div><div></div></div> 97%	<div><div></div></div> 100%	<div><div></div></div> 97%	<div><div></div></div> 93%	<div><div></div></div> 100%
4	Individual performance as a member of the Board of Directors.	<div><div></div></div> 96%	<div><div></div></div> 93%	<div><div></div></div> 98%	<div><div></div></div> 96%	<div><div></div></div> 99%	<div><div></div></div> 97%	<div><div></div></div> 98%	<div><div></div></div> 96%	<div><div></div></div> 95%	<div><div></div></div> 100%	<div><div></div></div> 100%	<div><div></div></div> 96%	<div><div></div></div> 97%	<div><div></div></div> 100%
5	Level of discussion and depth of topics by the Board of Directors.	<div><div></div></div> 83%	<div><div></div></div> 83%	<div><div></div></div> 91%	<div><div></div></div> 88%	<div><div></div></div> 88%	<div><div></div></div> 95%	<div><div></div></div> 84%	<div><div></div></div> 90%	<div><div></div></div> 88%	<div><div></div></div> 81%	<div><div></div></div> 94%	<div><div></div></div> 90%	<div><div></div></div> 89%	<div><div></div></div> 93%
6	Interaction and relationship Parent - Subsidiaries.	<div><div></div></div> 91%	<div><div></div></div> 76%	<div><div></div></div> 100%	<div><div></div></div> 83%	<div><div></div></div> 98%	<div><div></div></div> 95%	<div><div></div></div> 90%	<div><div></div></div> 93%	<div><div></div></div> 100%	<div><div></div></div> 78%	<div><div></div></div> 96%	<div><div></div></div> 88%	<div><div></div></div> 97%	<div><div></div></div> 95%
Total average		<div><div></div></div> 87%	<div><div></div></div> 85%	<div><div></div></div> 96%	<div><div></div></div> 91%	<div><div></div></div> 95%	<div><div></div></div> 97%	<div><div></div></div> 91%	<div><div></div></div> 94%	<div><div></div></div> 94%	<div><div></div></div> 89%	<div><div></div></div> 96%	<div><div></div></div> 92%	<div><div></div></div> 93%	<div><div></div></div> 97%

Approval levels

● Averages greater than 91%

● Averages between 84% and 91%

● Averages equal to or less than 83%

		Energy companies																
No.	Components evaluated	CHEC		EDEQ		CENS		ESSA		Afinia	DECA II		Delsur		ENSA		HET	
		2019	2020	2019	2020	2019	2020	2019	2020	2020	2019	2020	2019	2020	2019	2020	2019	2020
1	Relation of the Board of Directors with the administration of the company.	<div><div></div></div> 99%	<div><div></div></div> 97%	<div><div></div></div> 99%	<div><div></div></div> 99%	<div><div></div></div> 96%	<div><div></div></div> 99%	<div><div></div></div> 98%	<div><div></div></div> 97%	<div><div></div></div> 88%	<div><div></div></div> 83%	<div><div></div></div> 93%	<div><div></div></div> 82%	<div><div></div></div> 96%	<div><div></div></div> 96%	<div><div></div></div> 97%	<div><div></div></div> 91%	<div><div></div></div> 98%
2	Performance and effectiveness of the Board of Directors as a collegiate body.	<div><div></div></div> 95%	<div><div></div></div> 97%	<div><div></div></div> 98%	<div><div></div></div> 99%	<div><div></div></div> 99%	<div><div></div></div> 99%	<div><div></div></div> 100%	<div><div></div></div> 97%	<div><div></div></div> 92%	<div><div></div></div> 91%	<div><div></div></div> 95%	<div><div></div></div> 92%	<div><div></div></div> 95%	<div><div></div></div> 98%	<div><div></div></div> 98%	<div><div></div></div> 96%	<div><div></div></div> 98%
3	Role of the President and Secretary of the Board of Directors.	<div><div></div></div> 99%	<div><div></div></div> 96%	<div><div></div></div> 99%	<div><div></div></div> 99%	<div><div></div></div> 100%	<div><div></div></div> 100%	<div><div></div></div> 100%	<div><div></div></div> 98%	<div><div></div></div> 86%	<div><div></div></div> 89%	<div><div></div></div> 98%	<div><div></div></div> 96%	<div><div></div></div> 100%	<div><div></div></div> 100%	<div><div></div></div> 95%	<div><div></div></div> 98%	<div><div></div></div> 100%
4	Individual performance as a member of the Board of Directors.	<div><div></div></div> 98%	<div><div></div></div> 98%	<div><div></div></div> 98%	<div><div></div></div> 99%	<div><div></div></div> 98%	<div><div></div></div> 98%	<div><div></div></div> 97%	<div><div></div></div> 96%	<div><div></div></div> 99%	<div><div></div></div> 96%	<div><div></div></div> 97%	<div><div></div></div> 98%	<div><div></div></div> 100%	<div><div></div></div> 98%	<div><div></div></div> 99%	<div><div></div></div> 98%	<div><div></div></div> 98%
5	Level of discussion and depth of topics by the Board of Directors.	<div><div></div></div> 95%	<div><div></div></div> 94%	<div><div></div></div> 96%	<div><div></div></div> 97%	<div><div></div></div> 92%	<div><div></div></div> 96%	<div><div></div></div> 93%	<div><div></div></div> 95%	<div><div></div></div> 89%	<div><div></div></div> 84%	<div><div></div></div> 94%	<div><div></div></div> 82%	<div><div></div></div> 94%	<div><div></div></div> 94%	<div><div></div></div> 98%	<div><div></div></div> 96%	<div><div></div></div> 91%
6	Interaction and relationship Parent - Subsidiaries.	<div><div></div></div> 95%	<div><div></div></div> 89%	<div><div></div></div> 100%	<div><div></div></div> 98%	<div><div></div></div> 100%	<div><div></div></div> 97%	<div><div></div></div> 97%	<div><div></div></div> 90%	<div><div></div></div> 89%	<div><div></div></div> 91%	<div><div></div></div> 93%	<div><div></div></div> 90%	<div><div></div></div> 95%	<div><div></div></div> 92%	<div><div></div></div> 96%	<div><div></div></div> 98%	<div><div></div></div> 100%
Promedio total		<div><div></div></div> 97%	<div><div></div></div> 95%	<div><div></div></div> 98%	<div><div></div></div> 98%	<div><div></div></div> 97%	<div><div></div></div> 98%	<div><div></div></div> 97%	<div><div></div></div> 95%	<div><div></div></div> 91%	<div><div></div></div> 89%	<div><div></div></div> 95%	<div><div></div></div> 90%	<div><div></div></div> 97%	<div><div></div></div> 95%	<div><div></div></div> 97%	<div><div></div></div> 96%	<div><div></div></div> 98%

Approval levels

● Averages greater than 91%

● Averages between 84% and 91%

● Averages equal to or less than 83%

General conclusions

For the year 2020, the self-evaluations of the boards of directors of the Group's companies CONTINUE TO SHOW positive results, taking into account that most of them had the participation of new members and that some companies had a change of administration.

Additionally, although the current conditions imposed by COVID-19 did not allow a direct relationship between the members of the Board, the discussions and conversations took place in an environment of respect for the other and always acting in favor of the company. There was objectivity among the members, which facilitated discussion and decision-making as a collegiate body.

There is a cohesion between the governing bodies (Board of Directors and Administration), a commitment as a collegiate body and superior results with respect to the role and performance of the presidents and secretaries of the boards of directors. The fulfillment of their legal duties, the reservation of confidential information, independence and objectivity, participation in decision-making, as well as in compliance with the Internal Regulations of the Board of Directors is highlighted.

In conclusion, the behaviors evaluated were those desirable for the development of the functions of these governing bodies and that, in general, their management during 2020 was outstanding.

In the component "Parent - Subsidiary Interaction and Relationship", which accounts for the knowledge on the part of the boards of directors about the interaction guidelines between the governing bodies, the Group's expectations and guidelines, and corporate governance practices, although it obtained positive results, recommendations were made by some members related to the clarity that must be had regarding the relationship and communication channels that are created in EPM, in order to guarantee that the achievement of the objectives of the EPM Group companies is adequately supported.

Finally, having external members on the Board of Directors implies paying greater attention to permanently disseminating the interaction guidelines and expectations of Grupo EPM.

Strengthening plan

The results of the evaluation of each Board of Directors are the basis for establishing a plan to strengthen its management.

With a view to defining the strengthening plan, in the session of each Board of Directors scheduled by a typical agenda, a space for dialogue is fostered between the members of this body and the Administration. This plan is built and validated in this session and the Secretary of the Board is responsible for monitoring its implementation.

The strengthening plan seeks:

- Promote systematic reflection by the Board about its own management and that of the Administration, to establish comprehensive improvement plans.
- Align the management of the Administration with the expectations of the Board of Directors.
- Contribute to the cohesion of the collegiate body and the generation of trust among its members.

The typical agenda of the EPM Group subsidiaries establishes the dates on which the implementation of this plan must be monitored.

Remuneration of the Boards of Directors of the EPM Group companies

GRI 102-36

In the EPM Group, it is recognized, for the external members and representatives of the partners, the attendance to the meetings of the Board of Directors and the committees in the companies that have them.

Amount paid by each affiliate: GRI 102-35

Company	Value per session attended	Currency
Water companies		
Aguas de Oriente Antioqueño	1 SMMLV*	COP
Aguas de Malambo	1 SMMLV	COP
Aguas Nacionales EPM	1.5 SMMLV	COP
Aguas Regionales	1.5 SMMLV	COP

Company	Value per session attended	Currency
Emvarias	1.5 SMMLV	COP
Adasa	55	UF**
Ticsa	1,800	USD
Energy companies		
CHEC	2 SMMLV	COP
EDEQ	2 SMMLV	COP
ESSA	2 SMMLV	COP
CENS	2 SMMLV	COP
Afinia	3 SMMLV	COP
DECA, Eegsa, Comegsa y Trelec	2,000	USD
Delsur	1,600	USD
ENSA	2,000	USD

* SMMLV - Current Legal Monthly Minimum Wage (Colombia)

** UF - Development Unit (Chile)

In compliance with the Corporate Governance Code, the amount that each company paid during 2020 for fees and / or benefits (per diem) to the members of their respective boards of directors is detailed below:

Remuneration of boards of directors Grupo EPM		
Subsidiary	Currency	Total paid in 2020
Aguas de Oriente	COP	14,922,651
Aguas de Malambo	COP	5,266,818
Aguas Nacionales	COP	-
Aguas Regionales	COP	9,216,928
Emvarias	COP	17,717,139
Adasa	UF	1,760
Ticsa	USD	59,400
CHEC	COP	32,736,420
EDEQ	COP	17,556,060
ESSA	COP	14,044,848
CENS	COP	16,927,582
Afinia	COP	19,205,126
DECA, Eegsa, Comegsa y Trelec	USD	64,000
Delsur	USD	24,065.42
ENSA	USD	46,210

Managers of the companies of Grupo EPM

In 2020, the following changes occurred in the management of the Group companies:

- Gustavo Alejandro Gallego Hernández, Manager of Emvarias since January 21, 2020.
- Carolina Alexandra Quintero Gil, General Manager of Delsur since February 1, 2020, had been serving as EDEQ Manager, where a two-year commission was granted to serve the new position, she has been in the EPM Group for 7.15 years.
- Nelson Armando Ramírez Gallo, Manager of Promobiliaria since July 1, 2020.
- Blanca Liliana Ruiz Arroyave, General Manager of Afinia, as designee, since October 1, 2020. At EPM he had been carrying out the position of Director of Energy Regulation, he has been in the EPM Group for 24.73 years.

The leaders that make up Grupo EPM's team of managers are listed below:

Subsidiary	Name	Position	Seniority in the EPM Group (years)
Aguas de Oriente	John Fredy Restrepo Sánchez	Manager	1.60
Aguas de Malambo	Walther Darío Moreno Carmona	Manager	5.17
Aguas Regionales	Hernán Andrés Ramírez Ríos	Manager	3.49
Aguas Nacionales	Henry Parra Molina	President	11.12
Emvarias	Gustavo Alejandro Gallego Hernández	Manager	0.94
Adasa	Carlos Mario Méndez Gallo	General Manager	29.16
Ticsa	Juan Carlos Restrepo Perea	Director General	9.51
Hidrosur	Víctor Rodrigo Vélez Marulanda	Representative Legal (EPM server)	26.80
EDEQ	Jorge Iván Grisales Salazar	Manager	31.50
CHEC	Jhon Jairo Granada Giraldo	Manager	15.01
ESSA	Mauricio Montoya Bozzi	Manager	5.59
CENS	José Miguel González Campo	Manager	5.14
Afinia	Blanca Liliana Ruiz Arroyave	General Manager	24.73

Subsidiary	Name	Position	Seniority in the EPM Group (years)
EPM Guatemala	Mario Alberto Naranjo Echeverri	Country Manager	24.76
Delsur	Carolina Alexandra Quintero Gil	General Manager	7.15
ENSA	Esteban Barrientos Moreno	CEO	12.74
Maxseguros	Oscar Armando Restrepo Posada	Head of Captive	7.08
Fundación EPM	Claudia Elena Gómez Rodríguez	Managing Director	6.68
Promobiliaria	Nelson Armando Ramírez Gallo	Manager	0.50
EPM Inversiones	Carlos Mario Tobón Osorio	Legal Representative (EPM server)	26.57

Each year, aligned with the strategic objectives, performance commitments are defined for the managers of the EPM Group companies. Its objective is to promote and emphasize the main value levers of the business, generate cohesion and coherence in the actions of the entire company and draw up a basic roadmap of what is expected of each subsidiary and its administration, taking into account its particularities and priorities.

The approval of these performance commitments is done in a very important space for EPM Group, called "Joint Boards of companies in the EPM Group", in which the three governing bodies MEET the subsidiaries:

- The property, represented by the EPM Group Manager and by the representatives of some of the partners.
- The management, represented by the Boards of Directors.
- Performance, represented by Managers.

Meeting of Directors of Grupo EPM

Since 2014, the management team of the EPM Group, made up of the vice presidents of EPM and the managers of the national and international operating and corporate subsidiaries, led by the General Manager of EPM, MEETS periodically with two fundamental objectives:

- Creation of shared vision of Grupo EPM.
- Empowerment of company managers as business group leaders.

Each meeting addresses a specific topic aligned with the EPM Group's strategic moment, which strengthens the unity of purpose and direction.

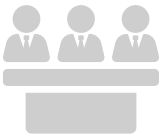
In 2020, due to the COVID-19 pandemic situation, NO Executive Meeting was held.

Evaluation of the EPM Group Managers

In the same way as the evaluation of the General Manager and leader of the EPM Group is carried out, the managers of the Group companies are evaluated according to the quantitative results of their management (the what) and the way in which said results were obtained (the how). The results obtained in the indicators of the Balanced Scorecard are taken into account, as well as the coherence of the leadership style of each manager with the behaviors and actions that the EPM Group has determined for its leaders.

Groups of evaluators

Board of
Directors



Direct
collaborators



Self-assessment



The unified methodology for this exercise consists of a multi-source tool that makes it possible to assess the descriptors associated with ten organizational actions defined for the EPM Group. The actions are the behaviors that show the presence of the Group's cultural traits, declared to enable its strategic direction.

For their part, the Corporate Governance Codes implemented in the subsidiaries in Colombia, establish that there is a manager evaluation methodology, which is approved for the managers of the EPM Group companies.

Organizational actions defined by the EPM Group to evaluate the leadership exercise of the managers of the subsidiaries:



Strengthening plan

The results of the evaluation are delivered in the February session of the Board of Directors of each subsidiary. Based on the feedback, each collegiate body concludes if the manager:

- Fails.
- Complies with the performances.
- He has superior performances that allow him to be an exemplary leader in Grupo EPM.

This qualification is part of the goals of each manager and is called the Managerial Style indicator, and in companies that have variable compensation, it registers a weight within their annual bonus.

Based on the results obtained in this evaluation exercise, a strengthening plan is defined for the Manager and a Public statement about his management that is part of the annual Management Report of the respective company.

Remuneration of the management team of Grupo EPM in Colombia

In compliance with the Government Code for national subsidiaries, the amount for salaries and benefits that during 2020 was paid to the General Manager and the people who are part of their first level of reporting in the structure of each business is detailed below:

Remuneration of the management team of Grupo EPM's subsidiaries in Colombia		
Subsidiary	Currency	Total paid in 2020
Aguas de Oriente	COP	159,846,054
Aguas de Malambo	COP	415,476,811
Aguas Nacionales	COP	623,078,429
Aguas Regionales	COP	961,478,442
Emvarias	COP	1,176,467,406
CHEC	COP	2,760,471,271
EDEQ	COP	1,774,959,705
ESSA	COP	3,171,861,216
CENS	COP	2,383,860,956
Afinia*	COP	696,348,802
Fundación EPM	COP	1,061,287,979

** At Afinia, the value corresponds to the income received by executives during the October-December quarter of 2020*

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Corporate governance measurements

Corporate governance measurements

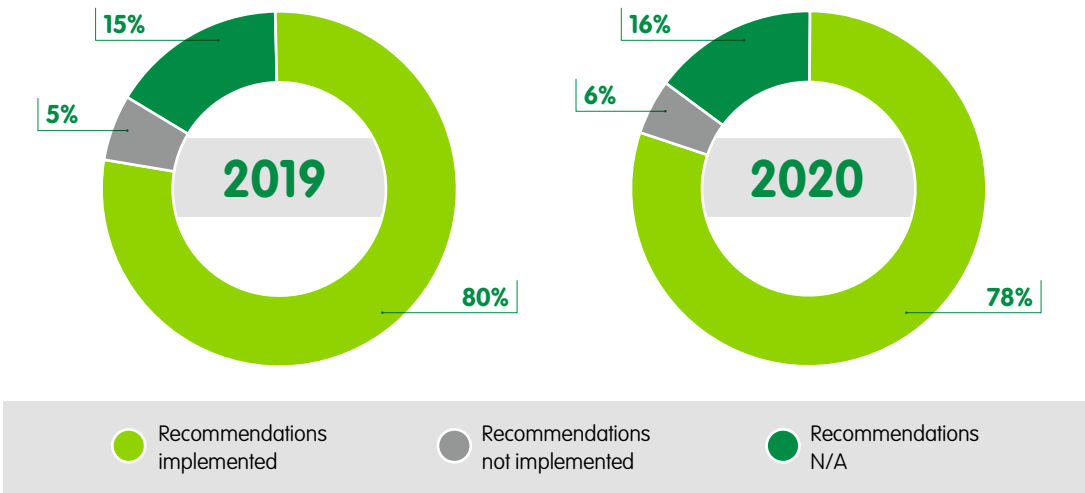
Country Code

On January 31, 2020, within the period established by the Financial Superintendency of Colombia, EPM transmitted the Implementation Report of the Country Code Survey, corresponding to the period between January 1 and December 31, 2019. For this period, the implementation of 80% of the 148 recommendations of the survey was reported.

Similarly, on January 29, 2021, EPM transmitted the Implementation Report of the Country Code Survey, corresponding to the period between January 1 and December 31, 2020. For this period, the implementation of 78% was reported.

The responses to the survey explain the corporate governance practices adopted and applied by EPM during each term. The non-implementation of the recommendations is due to reasons of size, structure, culture or particular moment of the company. The recommendations whose implementation does not apply are mainly associated with the legal nature of the company.

Implementation report Country Code



The report of this survey is published at www.epm.com.co

Corporate transparency

EPM participates in the Business Transparency Measurement, Public Services chapter, promoted by the Transparency for Colombia Corporation. The general objective of the measurement is, through the identification of corruption risks, to improve transparency and anti-corruption standards to strengthen business management. This is a tool that identifies institutional designs and practices that generate corruption risks and promotes the formulation and execution of improvement actions.

The Business Transparency Measurement consists of four components: clear rules, openness, dialogue and control.

The results obtained with the measurements carried out at EPM and the Colombian water and energy subsidiaries reflect the commitment as a business group to this important practice and become a stimulus for continuous improvement and strengthening of the corporate integrity system.

Relevant information

EPM has the status of issuing entity because it participates in the Colombian Public securities market through the issuance of bonds and commercial papers. Therefore, it is subject to timely notice to the market of relevant information that arises in the development of its activities.

In the same sense, and because it is a business group, the Financial Superintendency requires reporting relevant information from subsidiaries. That is why Notice 2018-CIR-1553 of October 10, 2018 was issued, with detailed instructions and procedures, it was disclosed and accepted by all the companies of the EPM Group.

During 2020 EPM made 96 reports of relevant information.

Since 2013 EPM has received the Recognition to Issuers -IRI- granted by the Colombian Stock Exchange (BVC), given the importance of the markets having sufficient and timely information for investment decisions. This recognition encourages issuers to adopt best practices in terms of information disclosure and investor relations (Investor Relations, IR).

¹ https://www.bvc.com.co/pps/tibco/portalbvc/Home/Empresas/IR/Empresas_IR?action=dummy

Credit risk rating

Regarding credit risk ratings, in 2020 EPM continued with its practice of informing investors widely and in a timely manner about relevant facts, in order to provide them with the necessary elements for their decision-making in a transparent manner and thus preserve trust in the Company.



In 2020, the double grade of international investment was sustained by the rating agencies Fitch Ratings and Moody's. Fitch Ratings placed EPM's risk rating at "BBB-" on the international scale and "AAA" on the national scale, both in negative observation, while Moody's maintained the international rating at "Baa3" level with a negative outlook.



With respect to the national subsidiaries and the subsidiary Adasa, in Chile, there were positive behaviors as their ratings were sustained: "AAA" for the national Energy subsidiaries, "AA +" for Emvarias, "A" for Aguas Regionales and "AA-" (local rating in Chile) for Adasa. ENSA, for its part, maintained its "BBB" investment grade rating on an international scale, with a stable outlook.

Investor Relations

EPM maintained its transparency practices in the national and international financial markets, complying with the timely delivery of updated information on the Company. Some of the most representative practices in this regard are: quarterly teleconference for the delivery of financial results in two versions (Spanish and English) and permanent resolution of the concerns of local and international investors.

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Corporate governance planning

Corporate governance planning

Every year the EPM Board of Directors approves the “Corporate Governance Plan”, which consolidates the initiatives that will be developed to maintain a constant evolution of corporate governance. This practice has been implemented, voluntarily, since 2006.

The plan includes activities to be carried out by different EPM dependencies to improve the relationship between the governing bodies of the Company and the Group, in addition to strengthening the General Framework of Corporate Governance of the EPM Group ([see Appendix 1: General Framework of Corporate Governance of Grupo EPM](#)).

Follow-up to the 2020 Corporate Governance Plan

During the year 2020, periodic monitoring was carried out on the fulfillment of the proposed activities and adjustments were made in the deliverables or in the deadlines of the initiatives, which facilitated their fulfillment. Likewise, in July, the Management Committee of the Board of Directors of EPM followed up on it.

No.	Emphasis / Plan subjects	% Planned progress	% Progress executed and compliance
1	Strengthening property management	100%	63%
2	Strengthening of the EPM Group's governing bodies	100%	98%
3	Strengthening of intragroup relationships	75%	59%
4	Strengthening Framework for Action, Government Model and their relationships	83%	90%

Conventions

- % Planned
- Compliance equal to or greater than 95%
- Compliance between 75% and less than 95%
- 95% Compliance below 75%

Regarding the execution of the activities, needs for changes were identified by some managers, which led to the withdrawal of the following initiatives from the plan:

- Define and implement the shareholders' meeting regulations for the Group's subsidiaries in Colombia.
- Updating of the regulations of the audit committees implemented in subsidiaries.
- Regarding the compliance mechanisms within the framework of initiatives to strengthen the control environment, the annual report to the Board of Directors of the actual and potential conflicts of interest declared by the General Manager and senior executives in Colombian subsidiaries.

Achievements and progress in EPM

- Definition and implementation of the training program, socialization and monitoring of the General Government Framework, with the following virtual courses:
 - Corporate Governance Code: 7,165 people were trained in the main corporate governance topics of EPM and the business group. In other words, 91.34% of the total EPM personnel, at the end of 2020, acquired knowledge in the main corporate governance practices, consolidating a shared vision and a COMMON language in this matter.
 - Government Agreement: 100 people were trained in the key concepts of the relationship between the companies of the EPM Group. This course was to TARGET people who advance the subscription Minutes of the Agreement, i.e., the 49.26% of the total of the target AUDIENCE defined closing 2020 acquired knowledge to strengthen the development of relationships that facilitate the achievement of the objectives business and the optimization of synergies of the business group.
- ARCA application evolution for the EPM Board of Directors, referring to improvements in the functionality of the Board Committees.
- Definition of the regulations of the CORE and Management Committees.
- Proposal of a documentary structure for corporate governance.

In the initiatives proposed to strengthen the control environment, the following advances were obtained:

Ethical management

- Virtual training in ethical management, which allowed the training of 6,498 people in EPM and the goal was achieved by 164%.
- Measuring the climate in EPM, with a response rate of 69%, 5,028 employees attended the measurement.

Risk management

- Risk management training for governing bodies, in which new members of the Board and new vice presidents of EPM were inducted.

Strengthening of the Internal Control System

- Audit of the implementation of the MIPG model (Integrated Planning and Management Model), the evaluation of the Internal Control System was carried out applying the new DAFP methodology and in accordance with the MIPG guidelines.
- Implementation of private meetings by the Audit with the Manager, following recommendations from the International Institute of Auditors (IIA).

Achievements and progress in Grupo EPM

- Updating of the Government Codes of the Colombian subsidiaries, Aguas de Oriente and the EPM Foundation remained pending. Additionally, the adoption of this practice, as part of CaribeMar's Post Acquisition Integration Plan, was included in the corporate governance work front.
- Documentation of the evaluation methodology of the Boards of Directors of subsidiaries.
- A proposal for the evaluation of corporate governance was designed.
- The implementation of mechanisms for the resolution of conflicts between government bodies was evaluated.

Regarding the initiatives proposed to strengthen the control environment, the following advances were obtained:

Ethical management _____

- Measurement of the ethical climate in national subsidiaries.
- A proposal was prepared to update the Business Conduct Manual in accordance with the requirements of Resolution 080 of 2019 of the CREG.

Risk management _____

- Training in risk management aimed at the governing bodies of Afinia, the new subsidiary of the Group, in which the external member of the Board of Directors of that company was inducted.

Strengthening of the Internal Control System _____

- An audit was carried out on the relationship model with the companies of the EPM Group.

Corporate Governance Plan 2021 - 2024

The Corporate Governance Plan 2021–2024 was designed, based on an analysis from MULTIPLE sources that consolidates a long-term vision and includes the initiatives of the EPM Group to maintain constant evolution in this matter.

1	Strengthening property management	2	Strengthening of the EPM Group's governing bodies	3	Strengthening of intragroup relationships.	4	Strengthening Framework for Action, Government Model and their relationships.
1	Define corporate governance matters to be included in the management reports for shareholders' meetings.	1	Lead the corporate governance front of the Guatemala and CaribeMar projects.	1	Subscribe minutes of interaction guide Agreement Government with water and international energy subsidiaries.	1	Define information disclosure policy.
2	Evaluate the feasibility of defining and implementing the majority shareholder declaration.	2	Update corporate governance codes in subsidiaries.	2	Define policy regarding operations with related parties.	2	Document corporate governance planning methodology.
3	Propose methodology to 3 Municipality of Medellín for evaluation of the Agreement Relationship Framework.	3	Document the induction methodology for members of the EPM Board of Directors.			3	Initiatives to strengthen the control environment.
4	Relationship management in electoral cycle (informative opening) and splicing.	4	Lead the implementation of mechanisms for the resolution of conflicts between government bodies.			4	Evaluate political applicability on contributions and zero donations.
5	Work plan of the Management Committee for the governing bodies, due to a change in the representation of the property of EPM.	5	Updating of the Bylaws of international subsidiaries			5	Lead the implementation of the ARCA information system in the national subsidiaries.
6	Analyze the participation of office secretaries in the committees of the EPM Board of Directors.	6	Evaluate the feasibility of defining and implementing evaluation methodology among peers of the Board of Directors in EPM and subsidiaries.			6	Implement a proposal for the evaluation of corporate governance.
7	Comprehensive review of the EPM Board of Directors committees.	7	Evaluate feasibility of defining methodology for succession plan for management in subsidiaries.			7	Analyze the impact of Decree 151 of February 10, 2021, which modifies Decree 2555 of 2010 regarding the disclosure of information by issuers of securities.
		8	Analyze the corporate governance instruments for the EPM Group's meeting nomination guide.				

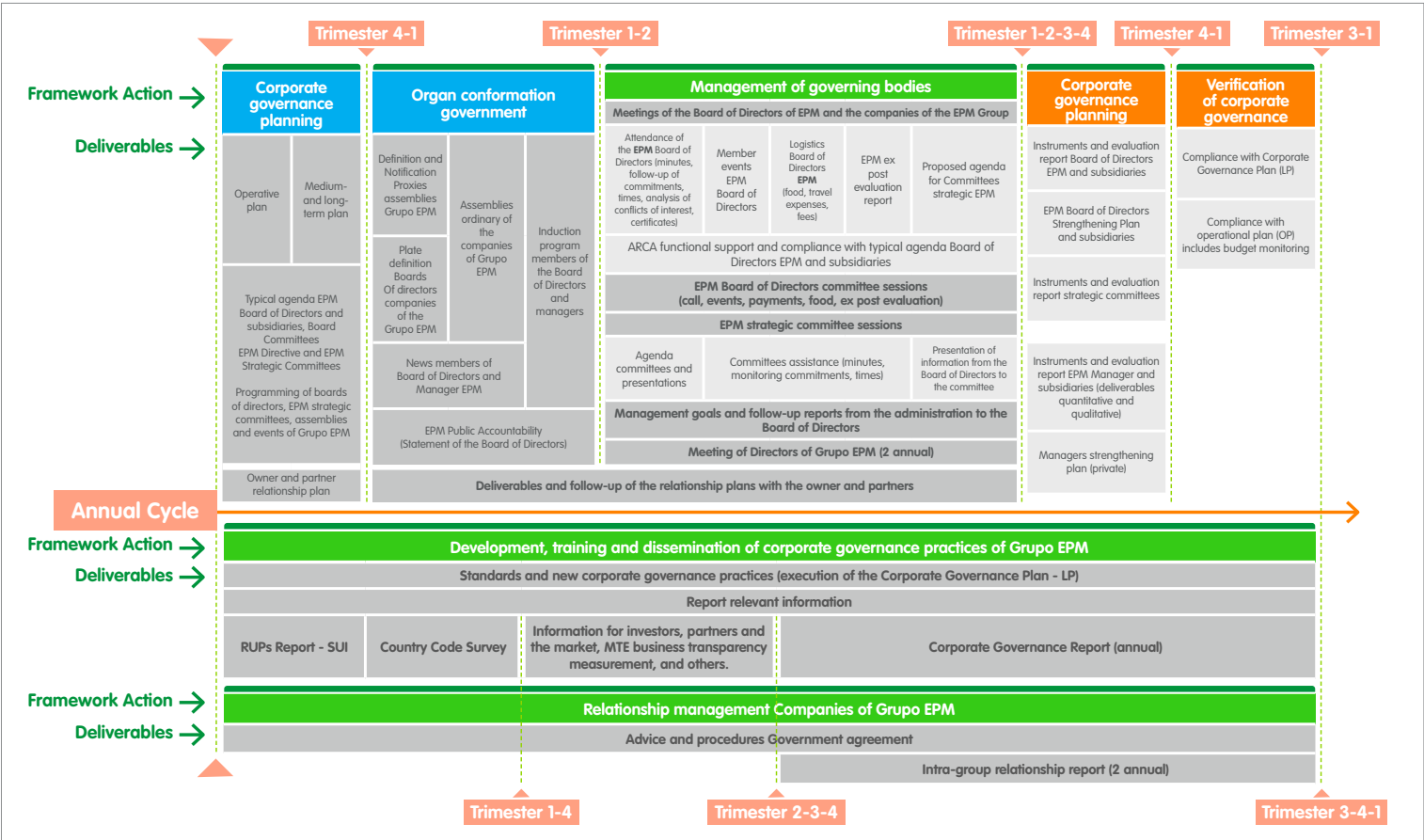
Conventions

2021	2022	2023	2024
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**Subsidiaries: national and international companies or subordinate companies of Grupo EPM*

2020 Corporate Governance Unit operational plan

Consolidates the recurring deliverables of the annual cycle, in accordance with the Action Framework and the Corporate Governance practices of Grupo EPM (see Annex 1: General Framework of Corporate Governance of Grupo EPM). The result of monitoring the operational plan is detailed in this report.



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Accountability

[Back to content](#)

Accountability

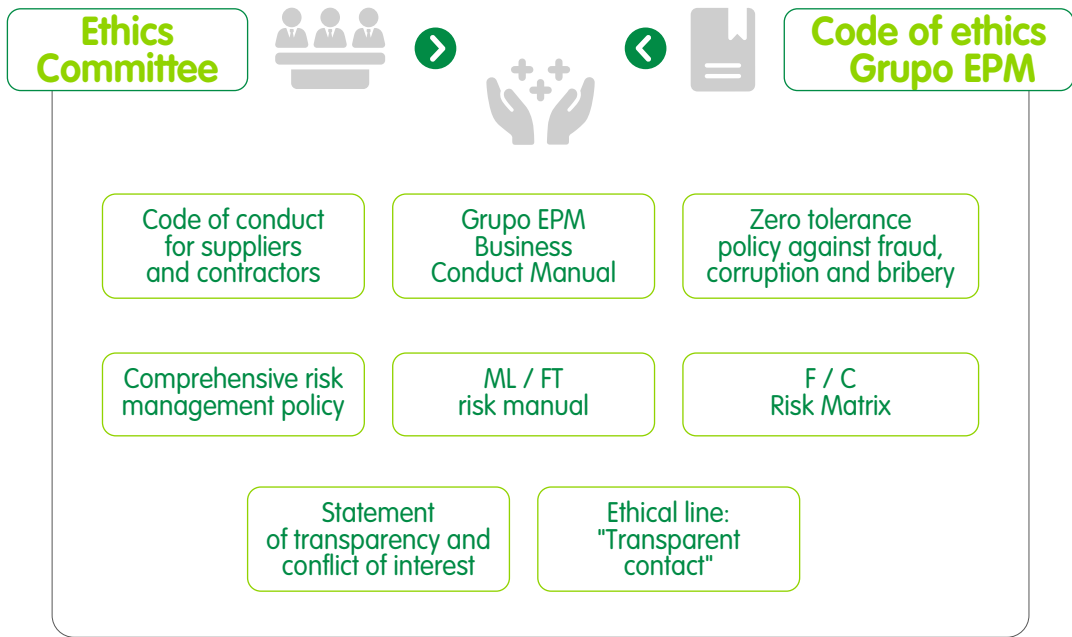
Ethical management of Grupo EPM

GRI 102-17

The EPM Group is aware of the role it plays in the society where it OPERATES and to which it provides its services. That is why it instituted Social Responsibility as the transversal axis that guides its actions and its strategy for optimizing operations and growth.

This responsibility comes to life in the performance of the team of collaborators that make up each Company, since each behavior of the EPM Group People reflects the principles of ethical action and values on which it is based.

Ethical management

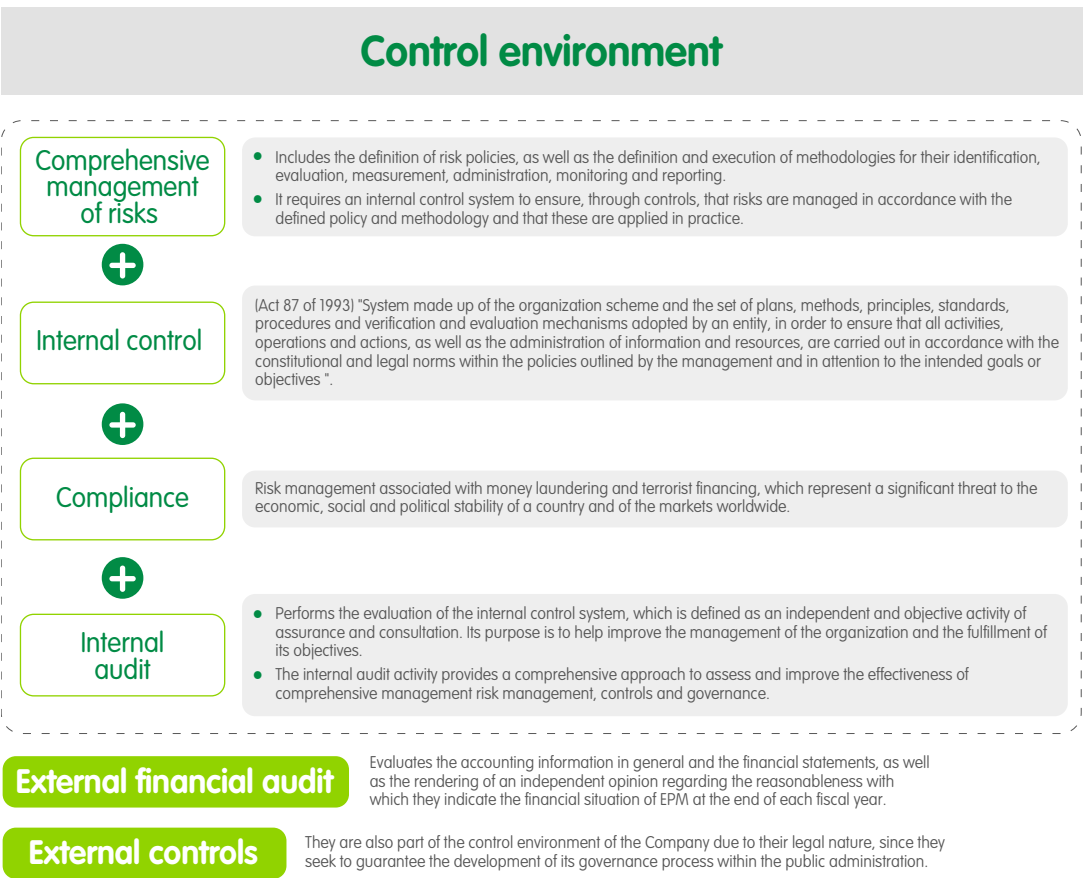


In the material topic "Transparency" of the Sustainability Report, the details of the actions carried out during 2020 aimed at strengthening ethical and transparent behaviors in employees, fundamental to strengthen trust, are reported. Between the different interest groups with which the Company is related.

Control environment of Grupo EPM

The legal nature of EPM, its 100% state character, the economic sector in which it OPERATES and its status as issuer of securities, make it an entity that is widely supervised by the internal control mechanisms regulated by the Law and external control entities, in addition to those that have been adopted on a voluntary basis and have been implemented in the subsidiaries of the business group.

In addition to allowing cohesion between companies, the control environment allows for policies, processes, procedures, activities and information that guarantee unity of purpose and direction, and also comply with the internal and external legal framework that regulates it; all this with the purpose of achieving the objectives and the MEGA of Grupo EPM.



Corporate Audit Management

In 2020, 100% of the risk-based Audit Plan was executed, approved by the Board of Directors and scheduled at that cutoff for the EPM Group, covering the processes with the highest level of risk and in accordance with the prioritization criteria defined based on the methodology.

229 assurance and consultation, and management and development work were carried out in Grupo EPM to evaluate missionary, strategic and support processes.

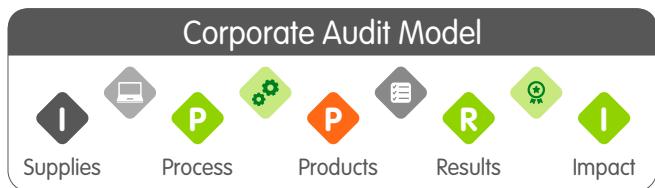
As a result of the audit work, opportunities for improvement were identified that must be managed by those responsible through the formulation of improvement plans and the verification of compliance and effectiveness, in accordance with the follow-up carried out by the audit.

During 2020, in the EPM Group, the control effectiveness indicator (monitoring of improvement plans) was 91%.

The objective of the Corporate Audit Model is to carry out assurance and consultation activities in the EPM Group, additionally, during 2020 the following activities were carried out:

- Updating of the audit procedure, towards a more agile audit, those responsible for the processes were accompanied in the identification of the root cause, and a more effective improvement plan was achieved for the organization.
- Definition and promotion of the implementation of awareness and communication plans in control culture, with emphasis on the model of the three lines of defense and improvement plans.
- Quality Assurance and Improvement Program - PAMC, evaluation to determine compliance with international auditing standards.
- Development of tools for the extraction, automation and presentation of data, towards a continuous audit.
- Evaluation of the structuring of the Integrated Planning and Management Model - MIPG.

As a result of the strategic approach of the Corporate Audit for the year 2019-2025, the strategic initiatives are aimed at leveraging four management emphases:



Improve and protect the value of the Organization

External Audit Plan

Country Code 29.12

Due to the legal nature of an industrial and commercial company in the State, EPM is not obliged to have an external financial audit. As a good corporate governance practice and in response to the entity's commitments to multilateral banking, EPM contracted an external financial audit, which included an opinion on the financial statements, the annual evaluation of the Company's internal accounting control system (relevant for the preparation and fair presentation of the financial statements), an audit of the information reported to CREG by the network operators and related to the administration, operation and maintenance (AOM) expenses incurred, and a specific audit to certify compliance by EPM with the commitments acquired in the Legal Stability Contract, as well as the verification of the Business Environmental Management Index (IGAE), the verification of the Sustainability Report and the financial audit of the Thermal District project.

As external financial auditor for Grupo EPM, it was continued with the private firm KPMG SAS, cataloged among the four largest auditing firms in the world.

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Contract	Object	Period (Start - End)	Payments made 2020
CRW 55509 KPMG	The contractor is entrusted with the provision of external audit services required by EPM.	01/01/2020 31/12/2020	COP 1,736,985,504 (without VAT)

The value of the external audit contract during the period from January to December 2020 was COP 1,736,985,504.

The fees paid by EPM represent 1.55% of KPMG's total income for the external audit activity for the same period.

This Corporate Governance Report has been prepared in accordance with the Standards for the Preparation of Sustainability Reports of the Global Reporting Initiative (GRI) and has been externally verified by the firm KPMG, which performs the external audit of EPM and the fiscal review in the EPM Group companies. Check the external verification certificate in the Social and Environmental Management Report that is part of the Sustainability Report.

External entities for control, supervision and surveillance

External control entities

They are those organizations to which the Political Constitution of Colombia entrusts the functions related to disciplinary control, defense of the people and fiscal control. The control entities of the Colombian state are: The Comptroller General of the Nation, the territorial comptrollers' offices, the Public Ministry in which the Office of the Attorney General of the Nation, the Ombudsman's Office and the district and municipal authorities are framed.

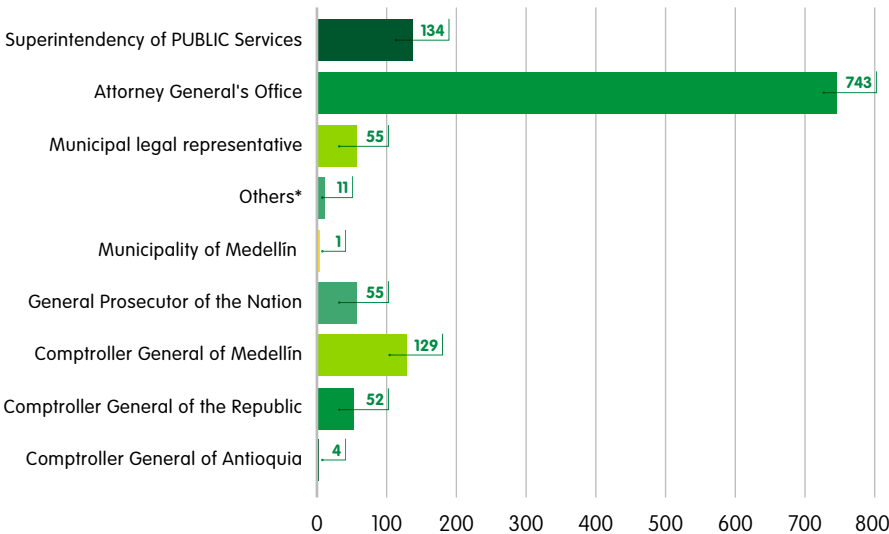
Supervision and surveillance entities

Entities defined in the structure of the Colombian State with supervision and surveillance functions in accordance with the services provided by EPM. THE SUPERINTENDENCE OF Public Services and the Financial Superintendency are part of this group.

In its duty of transparency, EPM has the responsibility to respond in a timely, complete and pertinent manner to the requirements made by the different control bodies and the supervisory and surveillance entities.

EPM attended, in a responsible and timely manner, during 2020 a total of 1,184 requests from the different control, supervision and surveillance entities.

Requirements external control entities



* Financial Superintendence of Colombia, Superintendency of Industry and Commerce, National Unit for Disaster Risk Management and Municipal Comptroller of Bello, among others.

Comprehensive risk management

Country Code 33.3 – iv. b) c) d); GRI 102-30

The comprehensive risk management report is a section of the “Our Group” chapter of the Sustainability Report, it contains the definitions, progress and challenges of the EPM Group related to this matter.

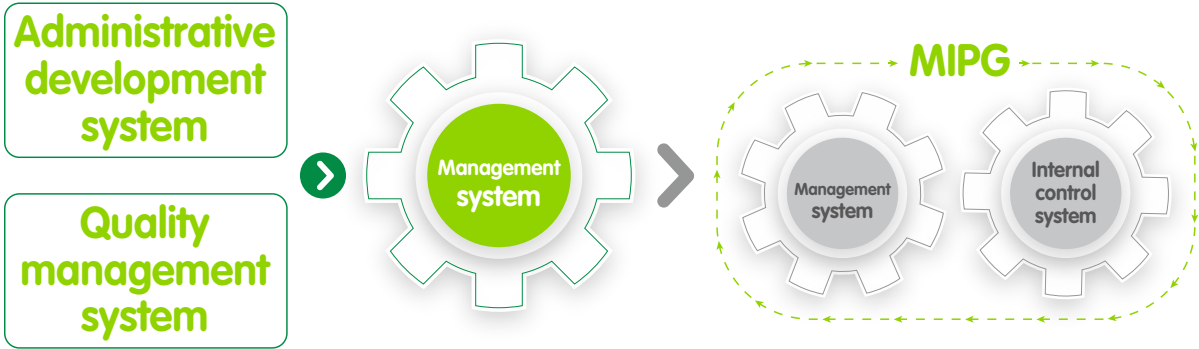
Integrated Planning and Management Model - MIPG

Country Code 33.3 – iv. a)

The Integrated Planning and Management Model - MIPG is a new frame of reference to direct, plan, execute, monitor, evaluate and control the management of public entities and agencies, in order to generate results that meet development plans and solve the needs and problems of citizens, with integrity and quality of service, ACCORDING TO decrees 1499 and 648 of 2017, of the Administrative Department of Public Function - DAFP.

The Integrated Planning and Management Model, MIPG, articulates the Management System, made up of the Administrative Development System and the Quality Management System, with the Internal Control System, resulting in a SINGLE Management System. **Country**

Code 33.3 – iv. a)



At EPM, the responsibility of the Integrated Planning and Management Model - MIPG rests with its legal representative (Decree 2198 of May 2, 2018), while its institutional framework is represented by both the Institutional Management and Performance Committee and the Institutional Coordination Committee of Internal Control (Decree 2192 of January 5, 2018).

In 2020, the MIPG model completed three years in the process of implementation in EPM and subsidiaries in Colombia. This year coincided with the change of national, regional and municipal governments, also leading to administrative changes within the Organization. At this juncture, EPM recomposes its work plan related to the implementation of this planning and management model and reinforces collaborative work with subsidiaries, creating a space to share good business practices and collective creation of agile and productive implementation solutions for EPM Group companies.

Governance structure for the implementation of MIPG in EPM

To advance in the implementation, the following governance structure was established, which responds to the roles and responsibilities of the issues that make up the dimensions and their policies.

The responsibility for the implementation of MIPG rests with the General Manager; However, he can delegate roles and responsibilities to senior management in two ways Institutional

Management and Performance Committee - CIGD and the Institutional Internal Control Coordination Committee - CICC. For EPM, the roles of the Management Committee were adjusted to the conditions required for it to meet and add to its thematic plan, what is related to MIPG.



- **Institutional Management and Performance Committee - CIGD:** In this committee all the members have voice and vote, with the exception of the Vice President of Corporate Audit who participates with voice, but without vote; the secretary, currently the Vice Presidency of Strategy and Planning, is the one who exercises the role of strategic planning.
- **Institutional Internal Control Coordination Committee - CICC:** whose secretary is the one who exercises the role of internal control and participates with voice and without vote. Currently the Vice Presidency of Corporate Audit exercises this role.

The coordination of the implementation of MIPG in EPM is in charge of the Corporate and Business Planning Management, and those responsible for the implementation of each dimension of MIPG and its policies are distributed as shown below:

	1	2	3	4	5	6	7
Dimension	Human talent	Strategic direction and planning	Management with values for the result	Evaluation of results	Information and communication	Change management	Internal control
Responsible	VP Human Talent DO	VP Strategy and Planning	VP Human Talent DO VP New Business, Innovation and Technology VP Strategy and Planning	VP Strategy and Planning	VP Corporate Communications VP Human Talent DO VP Supplies and Shared Services VP New Business, Innovation and Technology	VP Human Talent DO VP Strategy and Planning	VP Human Talent DO VP Risks VP Corporate Audit VP Strategy and Planning

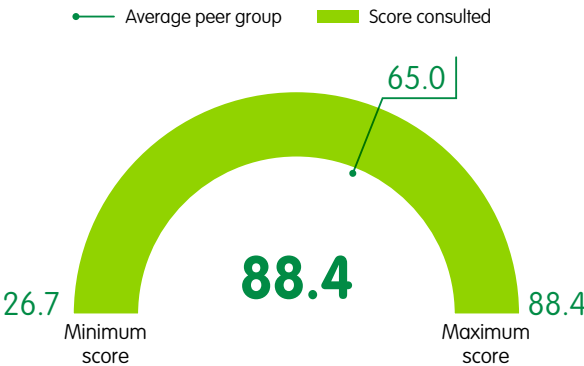
As for the national subsidiaries, this model is applied adapted to the structure of each one.

Results FURAG 2019²

With the FURAG tool, the second annual measurement of progress in the implementation of MIPG based on the previous year was carried out, in which EPM, as in 2018, is distinguished as a benchmark entity among the peers of its comparison group with an Index of Institutional Performance -IDI- that goes from 77 points in 2018 to 88 points in 2019, on a scale of 1 to 100.

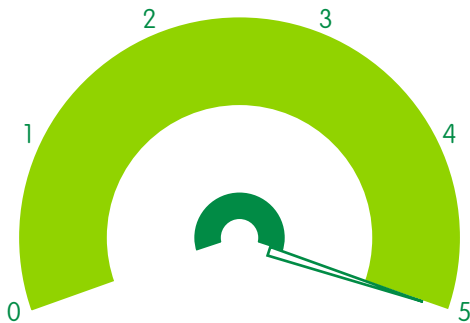
Institutional performance index

Institutional performance index



Note 1: The group average corresponds to the average scores of the entities that are part of said group. This value is displayed when a single entity is queried.

Ranking (quintile)



Note 1: The information in this chart is only valid when filter or query a single entity.

Note 2: the entities with the highest score are located in quintile 5; those with the lowest scores are located in quintile 1.

Advances in MIPG in 2020

- Restructuring of the 2021 improvement plans: the purpose is to design improvement plans by dimension, which will be registered in Avanza.
- As a result of the audit on the implementation of MIPG carried out by the Vice Presidency of Audit, aspects were identified to adjust, related to the coordination of the implementation, the performance of the RICs of MIPG, among others. Additionally, a consultancy to the MIPG implementation plan was made available to restructure this plan and prepare it by dimension, which is STILL in process.

² **FURAG:** Unique Management Progress Report Form. Mechanism used by the Public Function (DAFP) to measure the degree of implementation of MIPG in the entities that apply to them.

- Carrying out the MIPG RIC and activation of discussions with the national subsidiaries of MIPG Grupo as a mechanism to share progress and concerns related to this model.
- Approval of the code of ethics and the code of integrity-values of the Public SERVICE.
- Training on MIPG for all EPM Public OFFICIALS.
- Approval of the lines of defense scheme in the Management Committee and execution of outreach and awareness activities aimed at EPM People, in particular, on the second line of defense. The lines of defense are:

Strategic line		
EPM Strategic Committee (Management Committee)		
1 st line of defense	2 nd line of defense	3 rd line of defense
Self-control	Self-appraisal	Independent evaluation
All collaborators	75 dependencies	VP Corporate Audit
<ul style="list-style-type: none">• Process managers.• Heads of administrative structure and their teams.	<ul style="list-style-type: none">• Responsible for monitoring and evaluating controls and risk management.• Responsible for consolidating and generating information for decision-making, guaranteeing confidentiality, integrity and availability of the information.• Responsible for monitoring business plans and support.• Responsible for evaluating compliance with the achievement of objectives.• Responsible for generating information for the assurance of the operation.• Responsible for the security of information, the physical security of assets and people who guarantee their protection.• Responsible for the implementation and maintenance of management systems in matters of quality, environment, safety and health at work, asset management, information security, among others.• Responsible for relations with stakeholders.	<ul style="list-style-type: none">• Responsible for the independent verification process.

- Adjustment of responsibilities of the Management Committee in relation to MIPG: CIGD, CCICI.
- Completion of the Single Management Report Form - FURAG.
- Completion of the Transparency and Access to Information Index - ITA.

- Progress in the implementation and institutional framework of the Document Management program.
- Adjustment to the accountability process.
- Design of the communication plan on MIPG. Everything related to the defense lines was executed.
- Progress was made in defining the Digital Government policy.

Completion of the MIPG source improvement plans: These plans have to do with the audit of integrity strategies, attention to gaps in the publication of information, human development activities, information technologies and accountability.

Evaluation of the internal control system

Corporate Audit Vice Presidency within MIPG has been conducting semiannual evaluations dimension 7 "Internal Control System" supported on the methodology of the Administrative Department of the Public Function -DAFP-, results are published in www.epm.com.co. EPM has made important progress in the different components, supported by the management of improvement plans.

Compliance

GRI 102-17

The compliance report is detailed in the material topic "Transparency" of the Sustainability Report, it reports on the transparency practices applied in Grupo EPM and its main achievements and challenges during the period.

Annexes ▶

The background is a light gray with a fine, diagonal hatched texture. It features several green leaves of various shapes and sizes, some in sharp focus and others blurred. There are also several geometric shapes: a large white triangle in the top right, a green triangle below it, a white triangle in the bottom left, and a green triangle in the bottom right. A thin white circle is centered on the page, and a yellow horizontal line is positioned below the word "Annexes".

Annexes:

Annex 1³: General Framework of Group Corporate Governance

Definition of Corporate Governance

In accordance with the provisions of subparagraph 1.3 of the EPM and EPM Group Governance Code, Corporate Governance is “the system⁴ by which the companies of the EPM Group are directed, managed and controlled through a balance between ownership and administration, in order to guarantee its sustainability and growth, the rights of its investors, transparency and ethics in its actions and access to information for its stakeholders (...)”

Strategic statement of Corporate Governance

The EPM Group guides its management through the development and adoption of good governance practices, for the conscious decision-making of the governing bodies, fostering a business management culture that contributes to the balanced satisfaction of the needs of its stakeholders, the creation of value and the sustainability of companies within the framework of unity of purpose and direction.

Objective of the “General Framework of Corporate Governance”

Define the scope of action of the property, the direction and the management or management of the companies of the EPM Group, implementing the necessary practices to strengthen these governing bodies, verifying their degree of compliance and disclosing the results to the stakeholders.

Scope of the “General Framework of Corporate Governance”

The “General Framework of Corporate Governance” is the set of elements that INTERACT to strengthen Corporate Governance, promoting unity of purpose and direction through the implementation of a model, aligned with the strategic direction defined for the Group. The “General Framework of Corporate Governance” is an integral part of the Government Code,

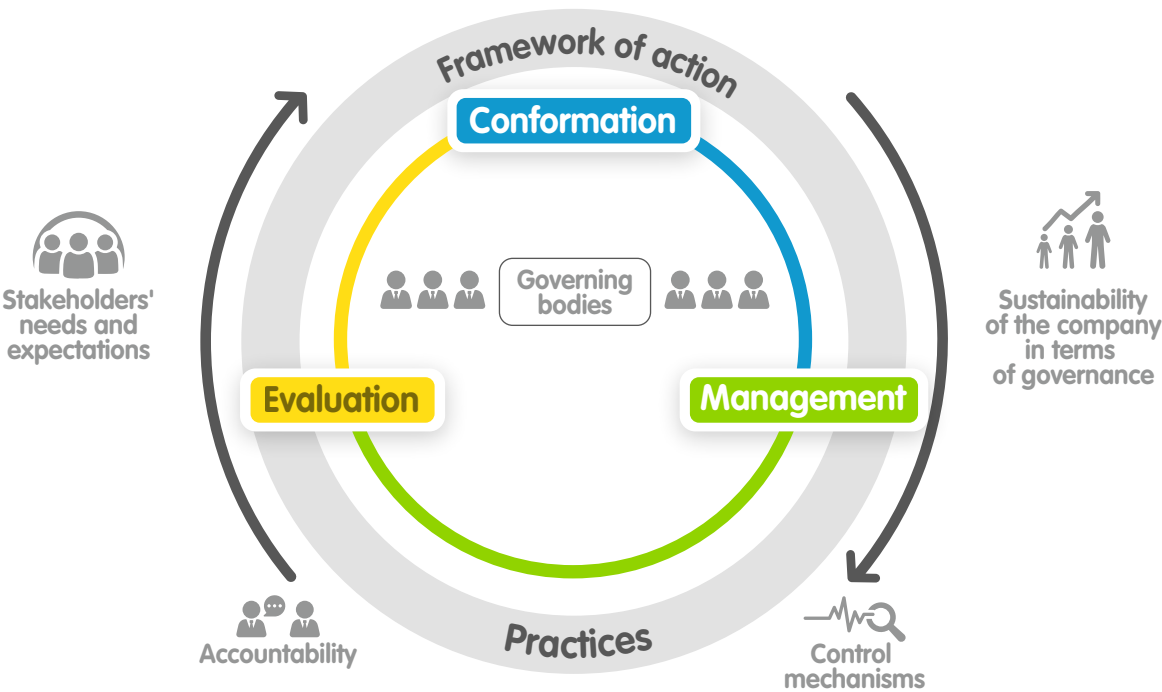
³ This text is a true copy of the General Framework of Corporate Governance of Grupo EPM, which is an annex to the Corporate Governance Code.

⁴ “Corporate governance is the system by which the direction and control of companies is exercised”, Sir Adrian Cadbury 1992, Report on the Financial Aspects of Corporate Governance in the UK.

in this sense it is defined and implemented in EPM, and it is adopted by the subsidiaries, ACCORDING TO their internal procedures, adapting them to the rules and particularities that apply to each company of the Group.

Graphic representation of the “General Framework of Corporate Governance of Grupo EPM”

This model is based on the governing bodies, the definition of its framework of action through governance practices, control mechanisms, and accountability.



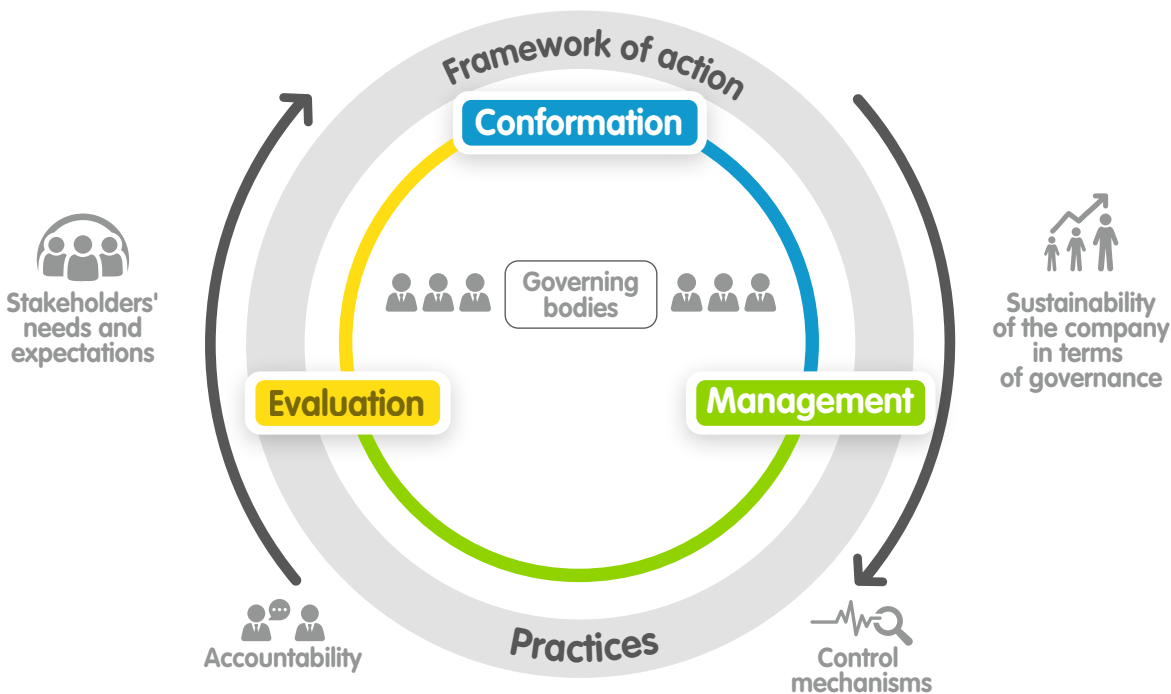
Verification of corporate governance

** Graphic Representation of the “General Framework of Corporate Governance”*

Corporate Governance Planning



Corporate governance planning



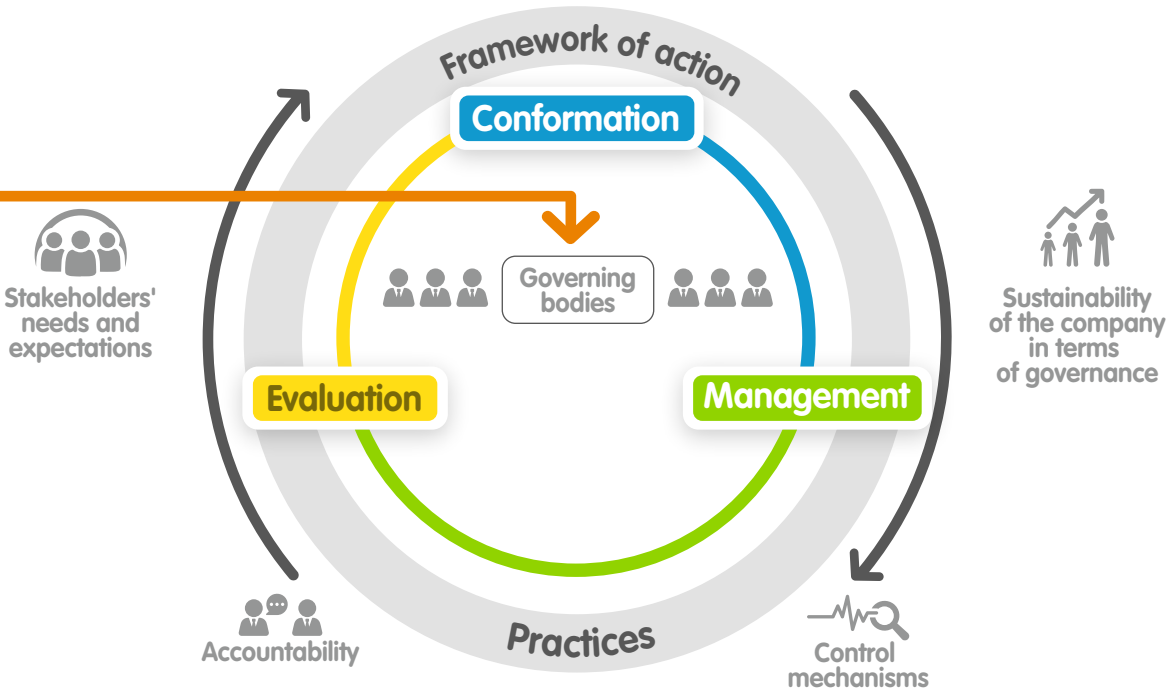
Verification of corporate governance

The "General Framework of Corporate Governance" considers the needs and expectations of Stakeholders⁵ In matters of Corporate Governance, the articulation with the components of the strategic direction is also sought to align the interests of the governing bodies towards the achievement of the expectation of generating value, thus identifying the emphases, initiatives, objectives, goals and schedules that must be met to strengthen the maturity level in matters of Corporate Governance of Grupo EPM.

⁵ Person or organization that can affect, be affected or perceived as affected by a decision or activity (ISO 9001-2015)

Corporate Governance Bodies

Corporate governance planning

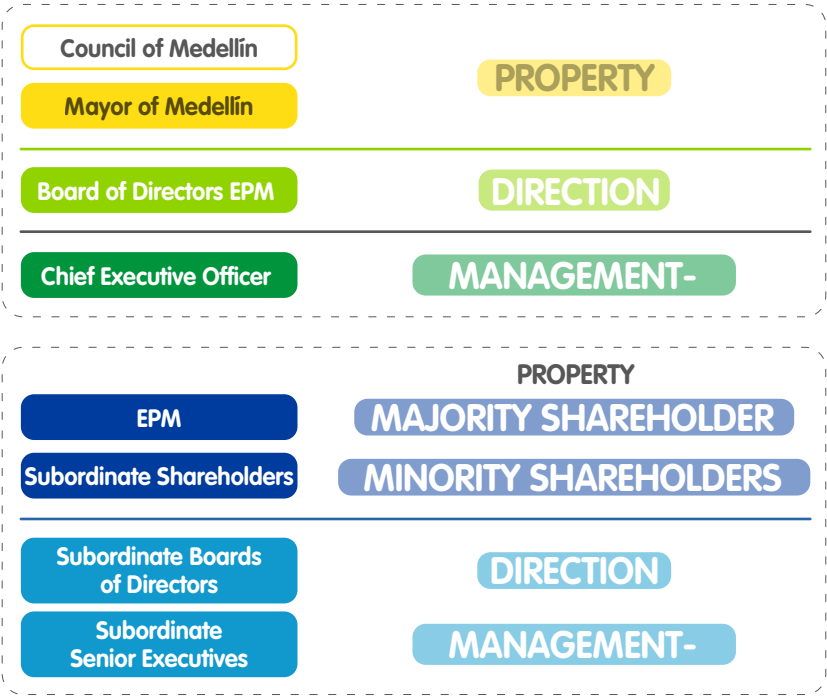


Verification of corporate governance

Graphic representation of the levels of government of EPM as the Parent of the Group and of the subordinate companies, indicating who exercises ownership, direction and management. Likewise, the distribution of rights, decisions and responsibilities is shown so that it is developed in a system of checks and balances, aligned with the unity of purpose and direction, in an environment of control and accountability. The Corporate Governance Code describes each level.

epm

Grupo·epm

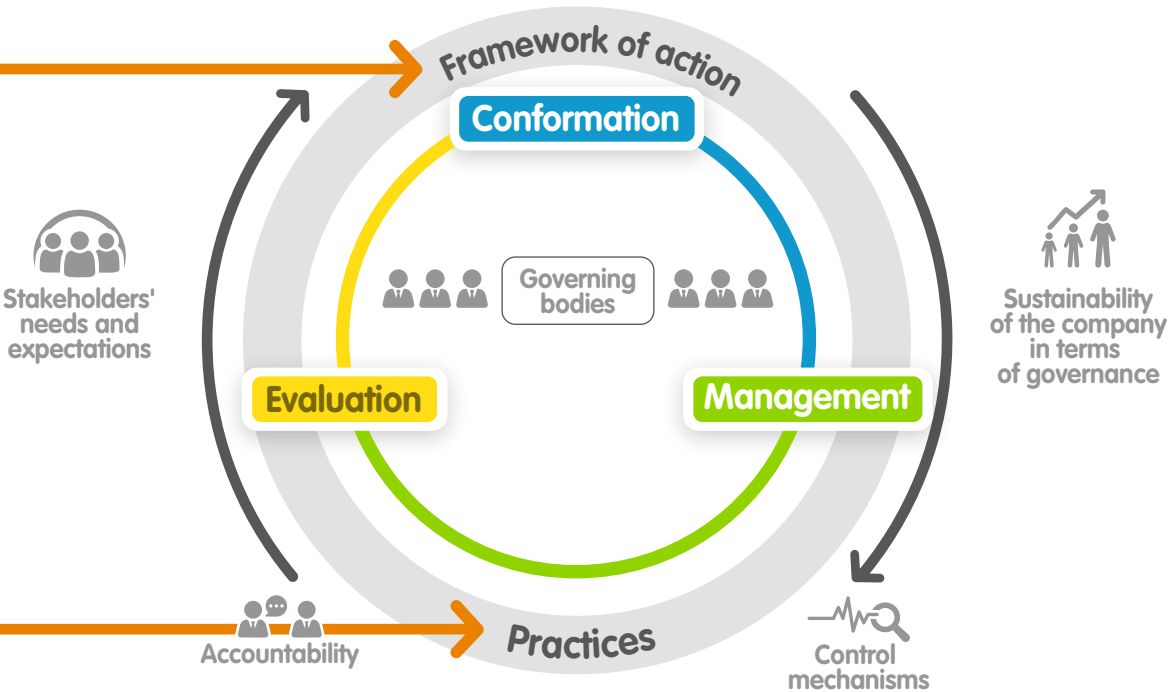


UNITY OF PURPOSE AND DIRECTION AS A GROUP

* Governing Bodies Chart

Framework for Action and practices

Corporate governance planning

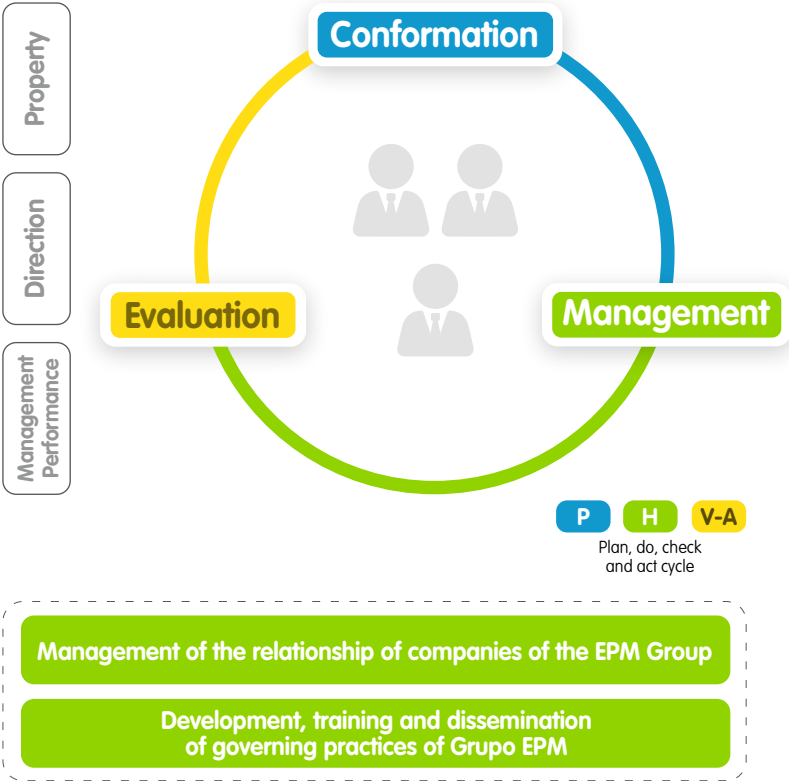


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Verification of corporate governance

Graphic representation in order of precedence and time, of the Corporate Governance practices applied to the Governing Bodies of Grupo EPM, also includes those aimed at strengthening the relationship between the Group's companies, and finally those aimed at strengthening the evolution of the Government Corporate through development, training and dissemination.

Corporate governance planning



Verification of corporate governance

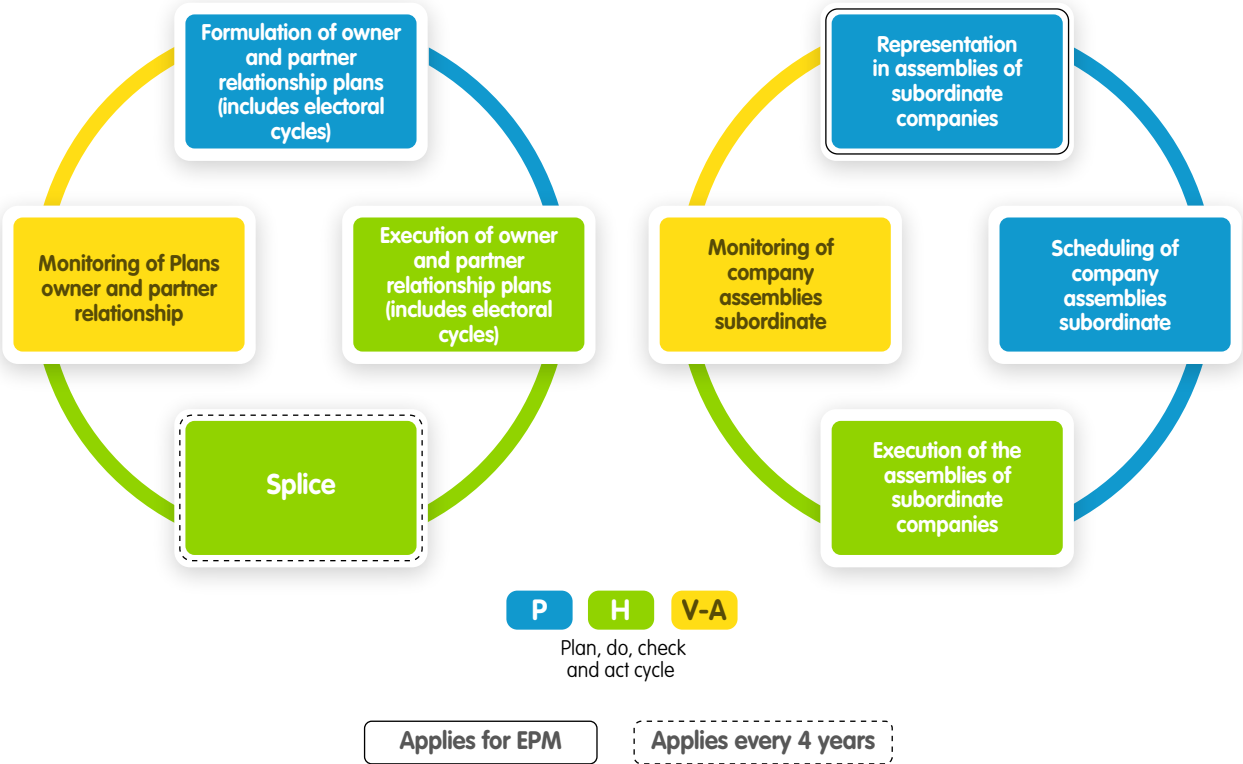
* General Action Framework Chart

Property

Formation, management and evaluation of Governing Bodies

EPM practices with its owner,
and EPM as majority shareholder

Practices of the subordinate
companies of the EPM Group

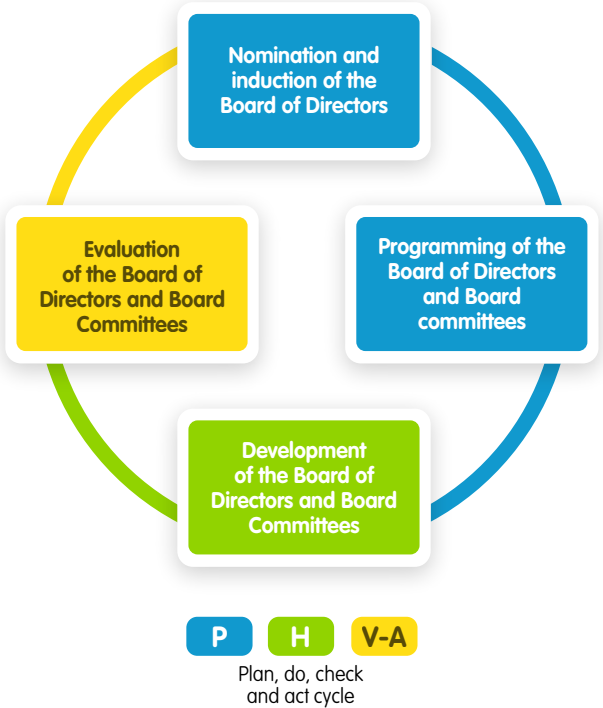


* Action Framework Chart - Property detail.

Direction

Formation, management and evaluation of Governing Bodies

Practices of EPM and the subordinate
companies of the Group

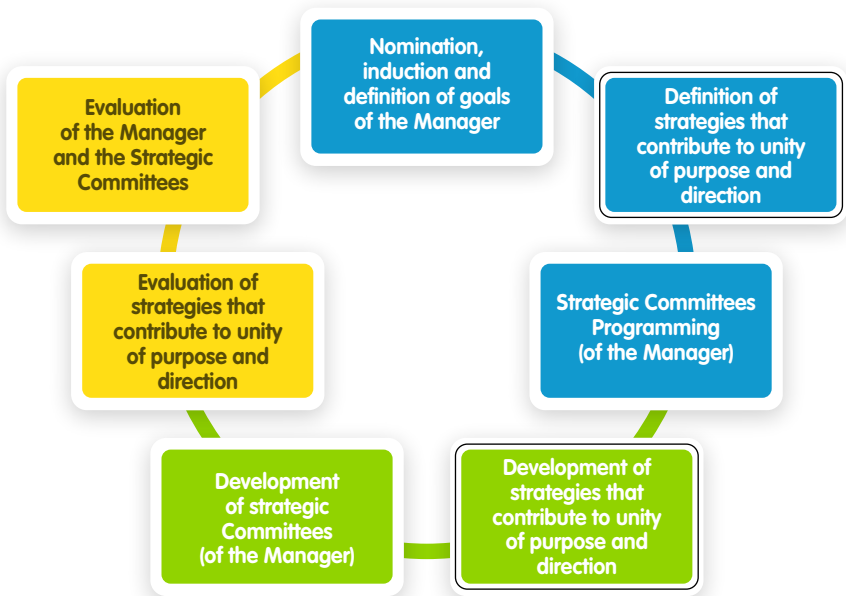


* Action Framework Chart - detail of the Directorate.

Management or Performance

Formation, management and evaluation of Governing Bodies

Practices of EPM and the subordinate
companies of the Group



P H V-A

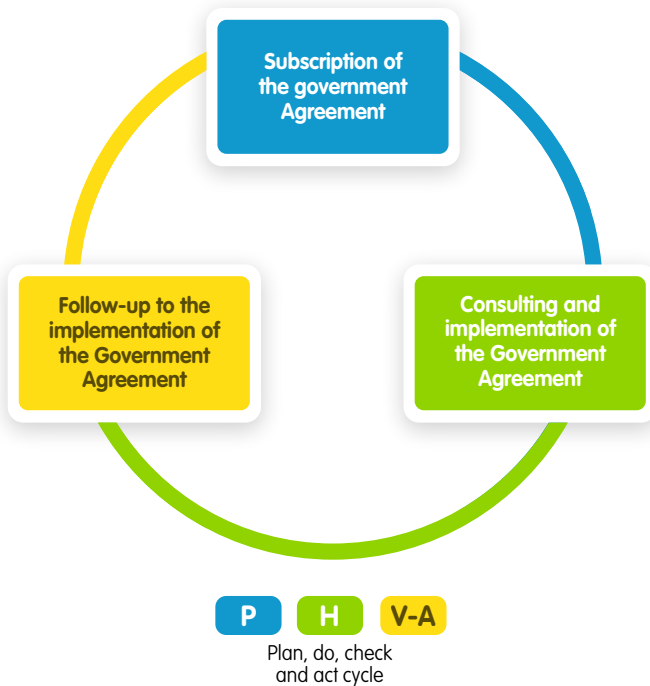
Plan, do, check
and act cycle

Applies for EPM

* Action Framework Chart - detail of Management or Performance.

Management of the relationship of EPM Group companies

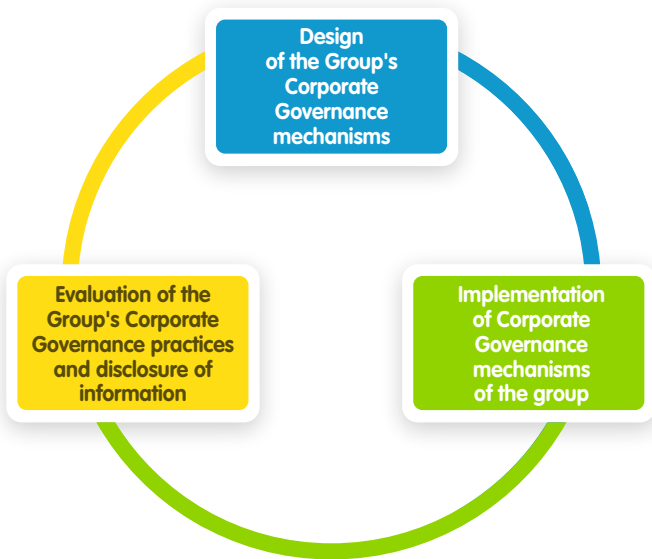
Practices of EPM and the subordinate
companies of the Group



** Action Framework Graph - detail of the Management of the relationship of the Group's companies.*

Development, training and dissemination
of governance practices of Grupo EPM

Practices of EPM and the subordinate
companies of the Group



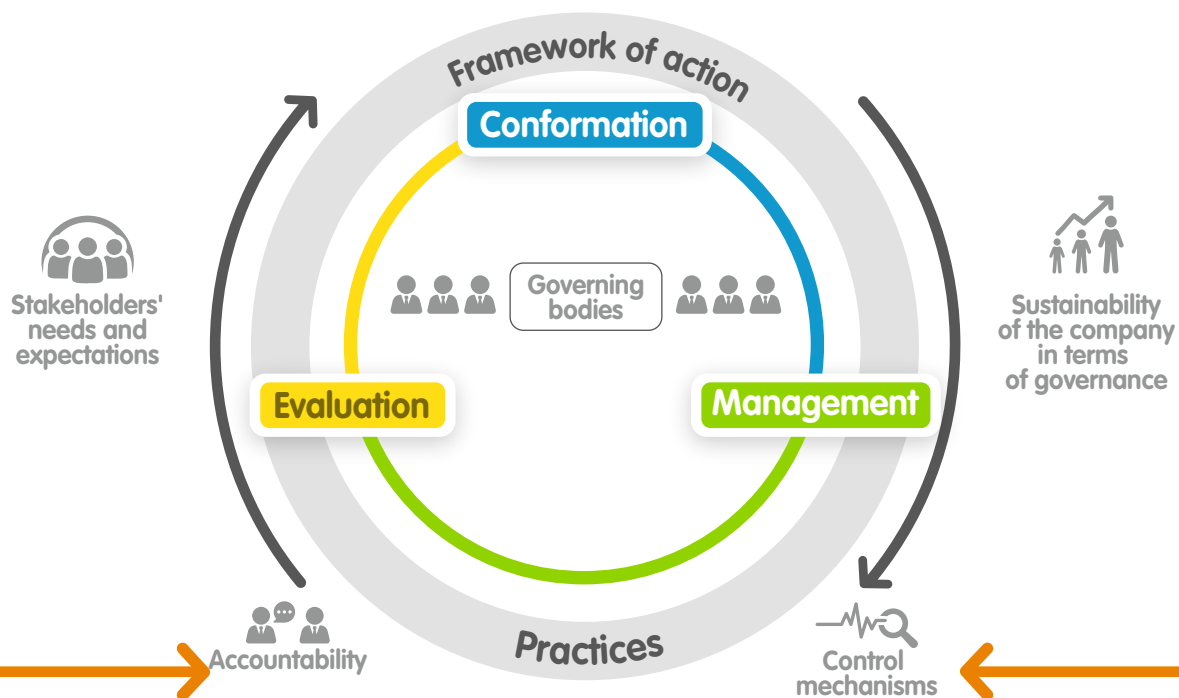
P H V-A

Plan, do, check
and act cycle

* Action Framework Chart - detail of the Development, training and dissemination of the Group's governance practices.

Control and Accountability Mechanisms

Corporate governance planning



Verification of corporate governance

The regulation, self-regulation and control mechanisms allow to ensure compliance with the rules that limit the exercise of the functions of each of the company's Governing Bodies, so it is essential to implement these mechanisms in the Framework of Corporate Governance Action of the company, since they contribute to the existence of checks and balances in the "General Framework of Corporate Governance".

For the EPM Group, it is of utmost importance to ensure that the mechanisms described above exist, for which it has internal and external controls. Within the latter there are all those

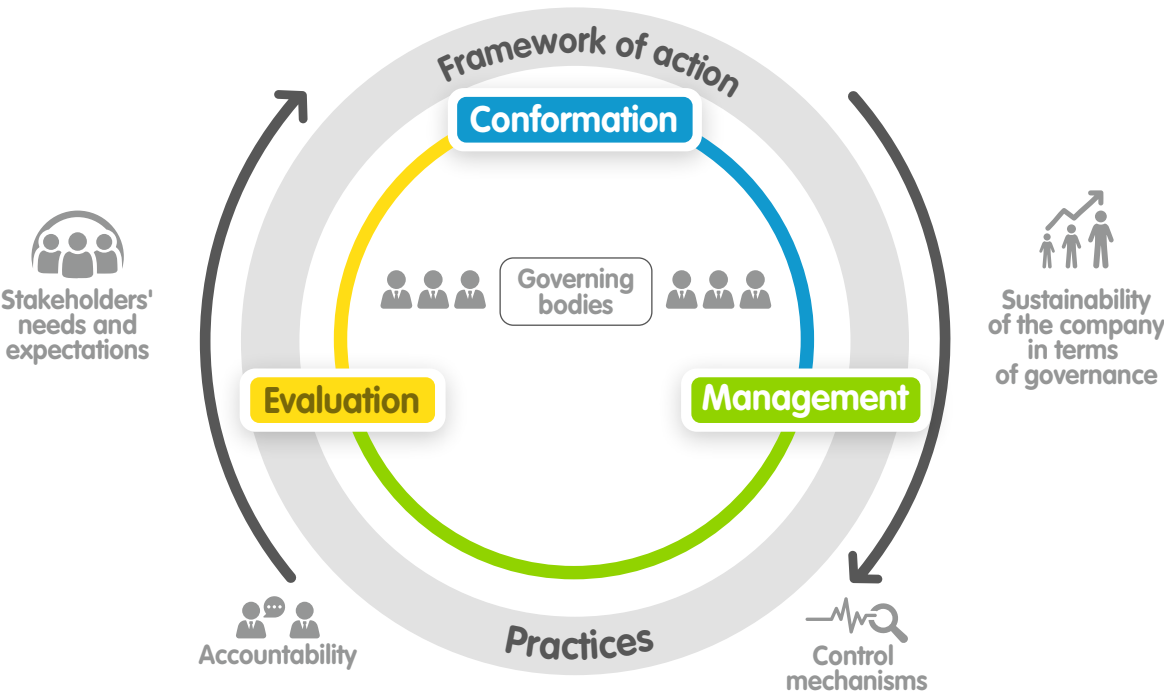
implemented by the bodies that exercise control by law, as well as the voluntary measures that monitor the state of control practices in an impartial, independent and objective manner; these are, for example: the measurement carried out by the entity Transparencia por Colombia, the audit of the execution of the Annual Corporate Governance Activity Plan, the control exercised by the Financial Superintendence of Colombia and the investors, among others. Likewise, the General Framework of Corporate Governance INTERACTS with other implemented management systems, to promote a culture of risk management and controls, ethical management, compliance, among others; that strengthen the control environment in the Group.

In addition to the practices adopted within the control environment, it is a priority for Grupo EPM to bring the Company's management closer to the public and, in general, to stakeholders, so that they can verify compliance with the best corporate governance practices, since they are guarantors of the preservation of the generation of value for the Company.

Therefore, accountability completes the control environment described above, where by means of timely, clear and transparent communication mechanisms, the EPM Group seeks to promote the construction of social capital that allows good business practices to be sustained. In this way, accountability is manifested in practices such as ethical management, culture and values; the disclosure of timely, complete and available information to stakeholders and the market in general; the mechanisms for citizen participation, the disclosure of conflicts of interest, the rating of corporate governance standards by external international entities such as risk rating agencies, among others.

Verification of corporate governance

Corporate governance planning



Verification of corporate governance

In accordance with the planning and the results of the different evaluations defined in the action framework, progress is monitored, deviations are identified and improvement actions are implemented that allow the achievement of the objectives and the strengthening of the maturity level in terms of Corporate Governance of Grupo EPM.

Documentation structure of the “General Framework of Corporate Governance of Grupo EPM”

The documentation of the practices that originate in the General Framework of Corporate Governance are organized as follows:

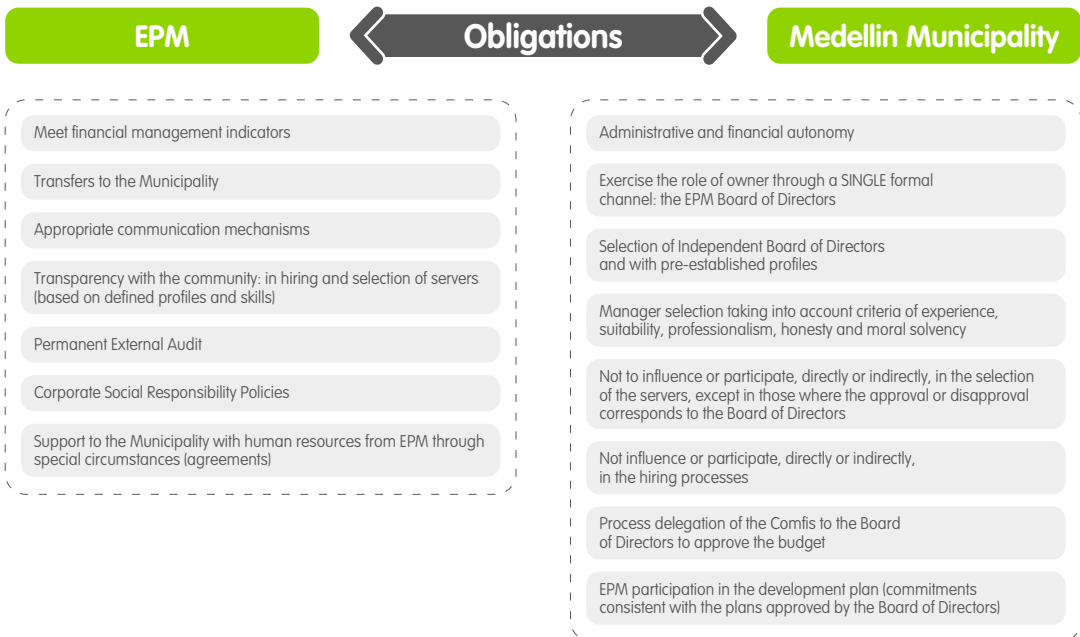
Level of the General Framework of Corporate Governance	Document that formalizes the Corporate Governance practice	Criteria for issuing and formalizing the document
General framework	Corporate Governance Code	It is projected in EPM, it is submitted for consideration and it is formalized in the respective Governing Body of each company of the Group.
Framework of Action	Guides, regulations, manuals, instructions, protocols, among other documents issued by the Governing Body in accordance with the competence or by the Corporate Governance Unit.	<p>The documents containing the practices are projected in EPM, submitted for consideration and formalized in the respective Governing Body of each company.</p> <p>The documents that contain the management and structuring of the General Framework of Corporate Governance, for example: how to do the governance evaluation, how to celebrate and administer the minutes of the Agreement, the application of the Board's evaluation methodology, the application of the evaluation methodology of the Manager, among others; they are projected and formalized in the EPM Corporate Governance Unit, are submitted for consideration and are adopted in the Group companies through the mechanisms defined by the Governance Agreement.</p>

The documents issued and the records that are generated from the execution of the Corporate Governance practices are controlled in accordance with the document management defined in each company of the EPM Group.

Annex 2: Context on the Framework Relations Agreement)

The Relations Framework Agreement⁶, signed between EPM and the Municipality of Medellín in 2007, includes the COMMON objective of these entities to generate business management conditions that enable sustainability and the generation of value for stakeholders, but very especially that they make EPM a viable source of income for the city of Medellín.

Owner-Company Relationship



⁶ Link to the Relations Framework Agreement:
<https://www.epm.com.co/site/Portals/5/documentos/InformacionRelevante/1.%20Convenio%20marco%20de%20relationships.pdf>

Annex 3: CV members of the Board of Directors



Daniel Quintero Calle
Mayor of Medellín

Electronic Engineer, Finance Specialist, Master in Business Administration (MBA). Experience in the public - private sector.

*Chairman of the EPM Board of Directors
(Since 01 / January / 2020)
Not Independent*

Education

- Electronic Engineer **University of Antioquia (Medellín-Colombia)**
- Specialization in Finance **University of Los Andes (Bogotá-Colombia)**
- Master of Business Administration (MBA) **Boston University (USA)**

Other studies

- Course for global leaders in Public Finance Administration **(Harvard Kennedy School of Government)**

Experience

- Deputy Minister of the Ministry of Information Technologies and Telecommunications **(2016-2017)**
- Director INNpalsa Colombia **(2015-2016)**
- Director of the Piensa Verde Foundation **(2012-2014)**
- Management Advisor Intrasoftware SA **(2005-2015)**

Acknowledgments

- Carlos Lemos Simmonds Order for Transparency, Democracy and Social Development
- Saint Gabriel Archangel National Army Medal



Alberto Arroyave Lema
Participation and Social Control

Committed to the construction processes of the city based on community and social participation, with the purpose of promoting proposals and ideas that contribute especially to the improvement of the provision of home public services and the well-being of the communities.

*Member of the EPM Board of Directors
(From 22 / February / 2008 - Until 9 / March / 2020)
Independent*

Education

- Sociology *University of Antioquia (Colombia) - 8 Semesters*

Experience

- Control member of the Committee for the Development and Social Control of Home Public Services - *Conectémonos*
- Labor and social advisor
- Member of the Public Policies Committee of Social Organizations of Medellín
- Member of different education and academic committees in Medellín
- Founder and editor of local newspapers
- Councilor of the Municipality of Apartadó
- President of the Social Control Board of Mutual AMUSSE



Andrés Bernal Correa
Business and Financial Management

Master in Business Administration with experience in business creation, growth strategies, M&A, financing and operational and tax optimization.
Experience in senior management positions in the financial and insurance sector.
Member of the Board of Directors of important national and international companies.

*Member of the EPM Board of Directors
(From 06 / February / 2012 To 11 / August / 2020)
Independent*

Education

- Business Administration **EAFIT University (Medellín-Colombia)**
- Master in Business Administration-MBA **Babson College (Massachusetts-USA)**
- Strategic Planning Course **MIT (Massachusetts-USA)**

Experience

- President of Grupo ORBIS SA
- Vice President of Finance and Strategic Development SURA Asset Management **(2012-2017)**
- Financial and Investment Vice President Grupo SURA SA **(2004-2012)**
- Manager of Inversiones Corporativas Corfinsura SA **(2001-2004)**
- Corporate Finance Manager Corfinsura SA **(2000-2001)**
- Project Manager Corfinsura SA **(1996-1999)**

Board of directors experience

He has been a member of the Board of Directors of Cementos Argos SA, Protección SA, Suramericana SA, Nutresa SA, Enka de Colombia SA, Constructora Capital SA, Tablemac SA, Edatel ESP, VIVA, ARUS SA, among others, in Colombia, and of several Boards of Directors in Mexico, Nicaragua, Panama, PERU and Chile. He is a member of the Boards of Bios SA, Everfit SA, Inversiones Umami SA.



Elena Rico Villegas
Management of Public Services

Electrical Engineer Specialist in Finance and Expert in Management Systems. Extensive experience in structuring and Project Management. Experience in strengthening and increasing business competitiveness, innovation in the industry and the creation of collaborative work networks.

*Member of the EPM Board of Directors
(From 21 / January / 2016 To 11 / August / 2020)
Independent*

Education

- Electrical Engineering **Universidad Pontificia Bolivariana (Medellín-Colombia)**
- Specialization in Finance **EAFIT University (Medellín-Colombia)**

Experience

- Advisor for electric power generation, transmission and distribution projects
- Project advisor related to mass transportation and telecommunications
- At HMV he was Manager of the Generation, Transmission and Auditing Business Unit and Manager of the Proposals and Project Control Unit, he was also Quality Manager and Project Manager
- Manager of the International Electricity Sector Fair - FISE, initiative of the Cluster to promote the internationalization of the Industry **(2007-2016)**
- *Director of The Energy* **(2006-2014)**
- Design and Audit Engineer - Antioquia de Energía Company **(1979-1981)**
- In Colombia Móvil SAESP (OLA) she was Director of the Licensing Area



Gabriel Ricardo Maya Maya
Legal Management

Specialist Lawyer in Economic Law.
Experience in legal and administrative consulting in the public and private sectors.
Member of Boards and Administrative Councils of companies from different sectors of the economy.

*Member of the EPM Board of Directors
(From 22 / Jan / 2004 To 11 / August / 2020)
Independent*

Education

- Law **University of Medellín (Medellín-Colombia)**
- Specialization in Business Law **Externado University of Colombia (Bogotá)**

Experience

- Legal advisor in business law
- Member of the administrative and advisory councils of: Promotora Piccolo SA, Qpros SAS., Transportes LAFE SAS. and Laminaire SAS
- Guild Director Fendipetroleo Antioquia
- Constituent of Antioquia in representation of the business and productive sector of Antioquia
- Technical Secretary of the Transparency Pact for the Mayor of Medellín and the Government of Antioquia **(2004)**
- Departmental Police Judge - Departmental Government Secretariat, Government of Antioquia

Publications

- PRIMARY FOR UNDERSTANDING THE UGPP (Social Protection Pension Management and Parafiscal Contributions Unit) **DIKE Legal Editorial. Year 2016**
- REASONS AND BENEFITS TO CONSTITUTE OR BECOME A SAS (Simplified Stock Company, Law 1258 of 2008). **DIKE Legal Editorial. Year 2010**



Javier Genaro Gutiérrez P.
Public Services Management

Civil Engineer and Finance Specialist. Experience in senior management positions.
Member of the Board and Board of Directors of important national and international companies.

*Member of the EPM Board of Directors
(From March 9, 2016 to August 11, 2020)
Independent*

Education

- Civil Engineering **University of Los Andes (Bogotá-Colombia)**
- Specialization in Finance **EAFIT University (Medellín-Colombia)**

Experience

- President of Ecopetrol SA **(2007-2015)**
- General Manager - Interconectado Eléctrica SAESP – ISA **(1992-2007)**
- President of the Regional Electricity Integration Commission - CIER **(1995 -1997)**
- Teacher

Board of directors experience

He has been a member of the Board of Directors of Cementos Argos SA, Protección SA, Suramericana SA, Nutresa SA, Enka de Colombia SA, Constructora Capital SA, Tablemac SA, Edatel ESP, VIVA, ARUS SA, among others, in Colombia, and of several Boards of Directors in Mexico, Nicaragua, Panama, Peru and Chile. He is a member of the Boards of Bios SA, Everfit SA, Inversiones Umami SA

Acknowledgments

- Excellence Award- Category: Internationalization-América Economía Magazine **(2005)**
- One of the Ten Best Executives of the year-Diario La Republica **(2005)**
- Best Business Leader - Portfolio **(2002)**



Jesús Arturo Aristizábal Guevara
Project Management and Public Services

Civil Engineer with experience in senior management positions in the Public and private sectors. Member of the Boards of Directors of companies in the residential Public services sector, infrastructure, construction, transportation and entities of the health sector.

*Member of the EPM Board of Directors
(From 24 / January / 2020 To 11 / August / 2020)
Independent*

Education

- Civil Engineering **National University (Medellín-Colombia)**

Experience

- Advisor and Consultant
- Vice Mayor of Habitat, Mobility, Infrastructure and Sustainability of Medellín **(2013-2015)**
- EPM Energy Director **(2006-2013)**
- Power Generation Manager **(2001-2006)**
- Assistant Manager EPM **(1998-2000)**
- Administrative Manager EPM **(1998)**

Other positions held

Rector of the University of Antioquia and of the Colombian Polytechnic Jaime Isaza Cadavid (Medellín), General Manager of the Antioqueña de Energía Company, EADE, Councilor of the Municipality of Medellín, General Manager (e) Medellín Metro, Administrative Manager and of the Medellín Metro Service, Antioquia Benefit Fund Manager, Antioquia Department. Secretary of Departmental Government, Department of Antioquia, Secretary of DEPARTMENTAL Public Works of Antioquia, Director Departmental Valuation of Antioquia. General Manager of Empresas Varias de Medellín, General Director CORPAUL - Healthcare Development Corporation of Hospital San Vicente de Paul, Medellín. General Manager Forestry Corporation of Antioquia - Corforestal SA, Medellín. Between 2013 and 2015, he was in charge of the Mayor's Office of Medellín and the Administrative Department of Planning of Medellín on several occasions.



Luis Fernando Álvarez Jaramillo
Law and Political Science

Doctor in Law and Political Science Legal, judicial and teaching experience

*Member of the EPM Board of Directors
(From 27 / January / 2020 To 11 / August / 2020)
Independent*

Education

- Law and Political Science **Universidad Pontifica Bolivariana**
- Specialization in Labor Relations **Universidad Pontifica Bolivariana**
- Specialization in Labor Law and Social Security **Universidad Pontifica Bolivariana**
- Specialization in Civil and Commercial Law **Universidad Pontifica Bolivariana**
- Specialization in Administrative Law **Universidad Pontifica Bolivariana**
- Master in Political Science and Administrative Law **Catholic University of Louvain-Belgium**
- Diploma in Constitutional Law **International Academy of Constitutional Law- Tunisia**
- PhD in Political Science **University of Louvain -Belgium**

Experience

- Legal Deputy Director of Fenalco- Antioquia **(1978-1983)**
- Legal Advisor in State Contracting at Integral SA **(1989-1991)**
- Legal Advisor of the Cooperativa de Periodistas de Colombia **(1989- 2004)**
- Legal Advisor of the Sociedad de Mejoras Publicas de Medellín **(1989- 2005)**
- Legal Advisor of ACIC (Colombian Association of Construction Engineers) **(1989 - 2000)**
- Legal Advisor to the Ministry of Government for Constitutional Affairs **(1989-1990)**



Manuel Santiago Mejía Correa
Business Management

Master in Business Administration with experience in senior management positions in the public and private sectors. Member of the Board of Directors of important national companies and Public Entities.

*Member of the EPM Board of Directors
(From 30 / April / 2012 To 11 / August / 2020)
Independent*

Education

- Economics **University of Antioquia (Medellín-Colombia)**
- MBA **Southern Illinois University (USA)**

Experience

- Gerente Colombiana de Comercio SA, also known as Corbeta.
- Secretary of the Treasury of Medellín (1980-1982)

Board of directors experience

He has been a member of the boards of directors of Public and private companies: National Association of Colombian Entrepreneurs ANDI, Proantioquia, Superior Council of the University of Antioquia, Jaime Isaza Cadavid Colombian Polytechnic, Acción Social, Colciencias and Colombia Humanitaria.



Oswaldo León Gómez Castaño
Social and Solidarity Management

Business Administrator, Specialist in Social Development Management and Banking Management.

*Member of the EPM Board of Directors
(From 10 / March / 2020 Until 11 / August / 2020)
Independent*

Education

- Business Administrator **Luis Amigó University (Medellín-Colombia)**
- Specialization in Social Development Management **EAFIT University (Medellín-Colombia)**
- Specialization in Banking Management **Universidad Cooperativa de Colombia (Medellín-Colombia)**

Other studies

- Diploma in Home Public Services.
- Diploma in Financial Management.
- Advanced Leadership Training - **FAD**
- Management and Leadership.
- Cuna Mutual Insurance Administration **(Madison Winsanson - USA)**
- Cooperative Management **(Mondragón-Spain)**
- Dejadins Popular Boxes Model **(University of Sherbrooke Québec - Canada)**

Experience

- Confiar Corporate Manager **(Since 1980)**

Board of directors experience

He has been a member of the Board of Directors of Previsora Social Cooperativa VIVIR, FOMENTAMOS Corporation for Microfinance, Fundación Cooperativas del Oriente Antioqueño –FUSOAN-, Casa Teatro del Poblado, Fundación CONFIAR, Sólida SAS Vivienda y Hábitat Solidarios; Various Companies of Medellín, SUMARED: Remittances, Antioqueña Association of Cooperatives –CONFECOOP ANTIOQUIA-, Quality Corporation, and member of the Luis Amigó University Foundation Superior Council

Acknowledgments

- Outstanding Graduate Luis Amigó University Foundation **(2007)**
- Civic Order Colima **(1999)**
- Confecoop Award, Francisco Luis Jiménez Business Management **(1997)**
- Golden Hands to the Manager of the Year-Ucondal Insurance **(1991)**



Bernardita Pérez Restrepo

*Member of the Board of Directors EPM
(Since 25/08/2020)*

Education

- Law **University of Antioquia (Medellín-Colombia)**
- Specialization in Philosophy of Law **Castilla La Mancha University (Spain)**
- Master's student in Political Philosophy **Institute of Philosophy of the University of Antioquia**

Experience

She has served as a teacher at the Universidad de Antioquia, Universidad Pontificia Bolivariana, Universidad de Medellín, Universidad Nacional and Universidad Libre.

She has been a lecturer in constitutional law, political law and administrative law. She has extensive experience in the Public sector as a consultant in the Superior Council of the Judiciary, Advisor in the Presidency of the Senate of the REPublic, Defender of the Viewer in Teleantioquia, Joint Judge of the Superior Court of Medellín, Joint Judge of the Administrative Contentious Court and Judge of the Constitutional court.

In the private sector, she has been an advisor, consultant and board member of different companies in the infrastructure sector, as well as an academic collaborator with Non-Governmental Organizations.



Gildardo Antonio Correa Salazar

Member of the Board of Directors EPM
(Since 25/08/2020)

Experience

- Vocal of Control of the DOMICILIARY Public Services of the city of Medellín Comuna 1, since 2013
- Neighborhood animator of the Local Development Plan Commune 1 (2006-2013)
- Neighborhood delegate to the Participatory Budget (PP) of Commune 1 (2005-2013)
- Trainer of Community Action Trainers (2008- 2012)
- Coordinator of the Coexistence and Participation Commission of commune, (2007-2008)
- Twice President of the Popular Community Action Board 1 (1996-2000)
- Edil JAL Commune 1 (1995-1997)
- COPACO Board Member (1994-1997)
- General Secretary of the Informal Economy Union (1966 - 1968)



Guillermo León Diosa Pérez

Member of the Board of Directors EPM
(Since 25/08/2020)

Educación

- Mechanical Engineer **University of Antioquia (Medellín-Colombia)**
- Maintenance Management Specialist **University of Antioquia (Medellín-Colombia)**
- Specialist in Environmental Education **Universidad Pontificia Bolivariana**

Experience

Member of the control of DOMICILIARY Public services of the city of Medellín since 2003 (CODECOS).

He has served as Undersecretary of the Environment of the Municipality of Medellín and Secretary of the Environment (in charge); General Manager of Pontus Group SAS; Territorial Director of CORANTIOQUIA-PANZENÚ, Manager of Modial Ltda; Reviewer of the Comptroller General of the REPUBLIC, and professor at the Pascual Bravo Technological Institute. He has extensive experience in environmental authority, environmental licensing of projects, structuring of hydroelectric projects, hydraulic infrastructure and administration of water networks, in forestry, property, contractual and legal management. He was a speaker at the forum on urban transformation, local development and sustainable cities as agents of change; advisor to International Certification and Training SA and Transtech; and advisor in the implementation of the quality system of the Institute of Physical Education of the University of Antioquia for sports initiation schools.

He has been a member of the boards of directors of Parque Arví, Joaquín Antonio Uribe Botanical Garden, Academic Extension Center of the Faculty of Engineering of the University of Antioquia (Ceset), Transtech. Member of committees of Corantioquia, International Certification and Training SA, Extension Committee of the Faculty of Engineering of the University of Antioquia, Committee for the formulation of the PGIRS of the Metropolitan Area of the Municipality of Medellín.

Current representative of the Graduates in the Council of the Faculty of Engineering of the University of Antioquia.



Jorge Andrés Carrillo Cardoso

Member of the Board of Directors EPM
(Since 25/08/2020)

Education

- Civil Engineering **University of Los Andes**
- Environmental engineering **University of Los Andes**
- Master in Environmental Management **University of Los Andes**

Experience

Extensive experience as a senior government official and as a business consultant, leading the formulation of public policies, regulation, projects and programs for public and private sector entities in sustainable management, water security and circular economy, structuring of projects and strategic direction of public coalitions. - private companies with excellent high-level relationships and obtaining results.

He has been Advisor to the Presidency of ANDESCO, Project Manager Water Coalition for Colombia of TNC (The Nature Conservancy); Construction Services Division Manager of Grupo Constructor Normandia SA; Vice Minister of Water and Basic Sanitation of the Ministry of Housing, City and Territory. President of the Commission for the Regulation of Water and Basic Sanitation (CRA); Counselor of the Board of Directors of the Colombian Geological Survey; Counselor of the National Water Council; Counselor of the National Environmental Council; and Member of the Intersectoral Commission on Climate Change. Advisor to the High Presidential Counselor for the Regions (Presidency of the Republic); Environment and Water Resources Coordinator for USAID's Orinoquia Master Plan; Delegate Superintendent for Aqueduct, Sewerage and Cleaning (Superintendency of Residential Public Services); Consultant for the Business Management Directorate of the United Nations Development Program (UNDP).



Jorge Iván Palacio Palacio

Member of the EPM Board of Directors
(Since 08/17/2020)

Education

- Law **Universidad Autónoma Latinoamericana**
- Master in Law **Universidad Sergio Arboleda**

Experience

Colombian lawyer and jurist, former president of the Constitutional Court of Colombia between 2013 and 2015. In his career he has served as Magistrate of the Constitutional Court, Joint Judge of the Supreme Court of Justice and Magistrate of the Supreme Court of Justice. He has been a professor at the Universidad de los Andes and an independent legal advisor.



Olmer Orlando Palacio Garzón

Member of the EPM Board of Directors
(Since 8/25/2020)

Education

- Bachelor of Preschool Education **Universidad San Buenaventura**

Experience

Vocal of control of DOMICILIARY Public services of the city of Medellín - Commune 3 (Conectémonos).

He has served as a teacher and social manager, always firm in the execution of his mission, demonstrating the commitment and leadership he has with the communities.



Omar Flórez Vélez

Member of the EPM Board of Directors
(Since 8/17/2020)

Education

- Administrative Engineering **National University**
- Specialization in Business Management and Competitiveness **American University Corporation**

Experience

Former Mayor of Medellín and Former President of the Board of Directors of EPM. He has served as Manager of the Antioquia Liquor Factory, Secretary of the Treasury of Antioquia, Secretary of the Government of Antioquia, Vice Minister and Minister of Communications, Representative to the Chamber and Senator of the REPublic, president of the National Association of Municipalities, among other positions in the private sector.



Pablo Felipe Robledo Del Castillo

Member of the EPM Board of Directors
(Since 21/08/2020)

Education

- Law **Externado University of Colombia**
- Specialist in Civil Procedural Law **Externado University of Colombia**
- Candidate for Master's Degree in Civil and State Contractual and Tort Liability, **Externado University of Colombia**

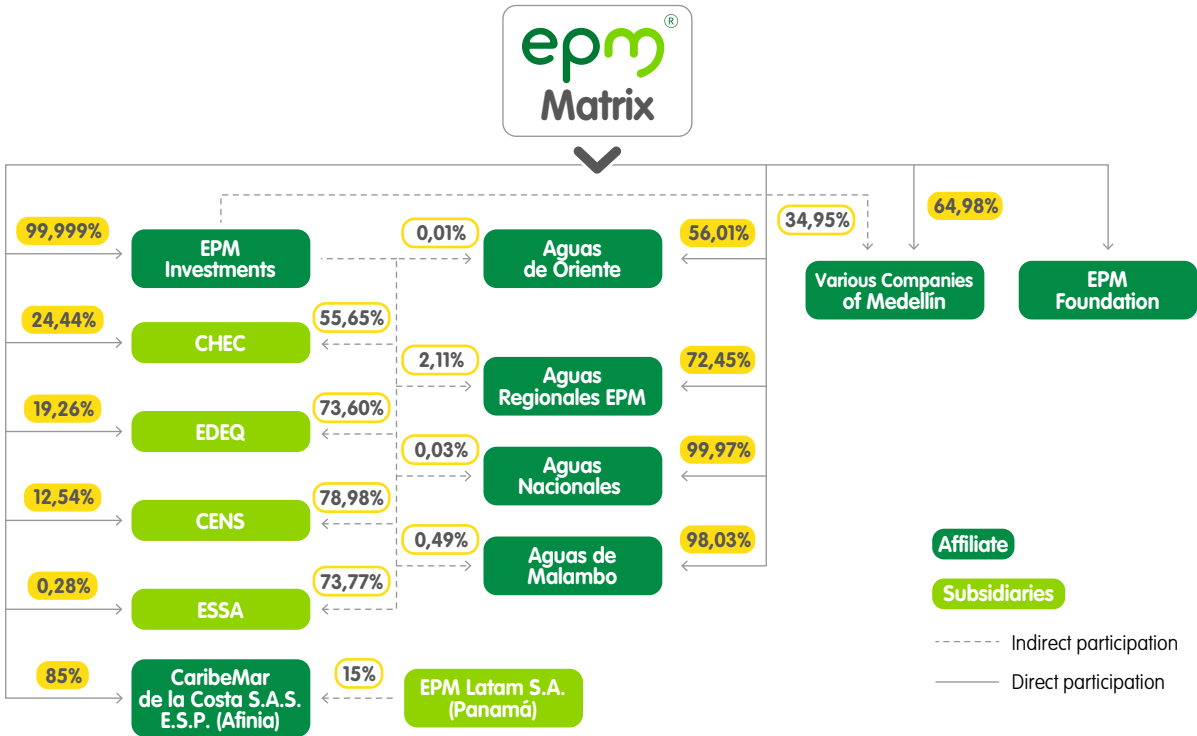
Experience

In the Public sector, he has served as Superintendent of Industry and Commerce, Vice Minister for the Promotion of Justice, Minister of Justice and Law (in charge), Vice Minister of Criminal Policy and Restorative Justice (in charge), Director of the National Agency for Legal Defense of the State (in charge), Deputy Minister of Justice and Law, Governor of the Department of Guaviare (in charge), among others. In the private sector, he has served as a trial attorney, advisor, consultant and partner of law firms. Teaching experience in Public and private educational institutions.

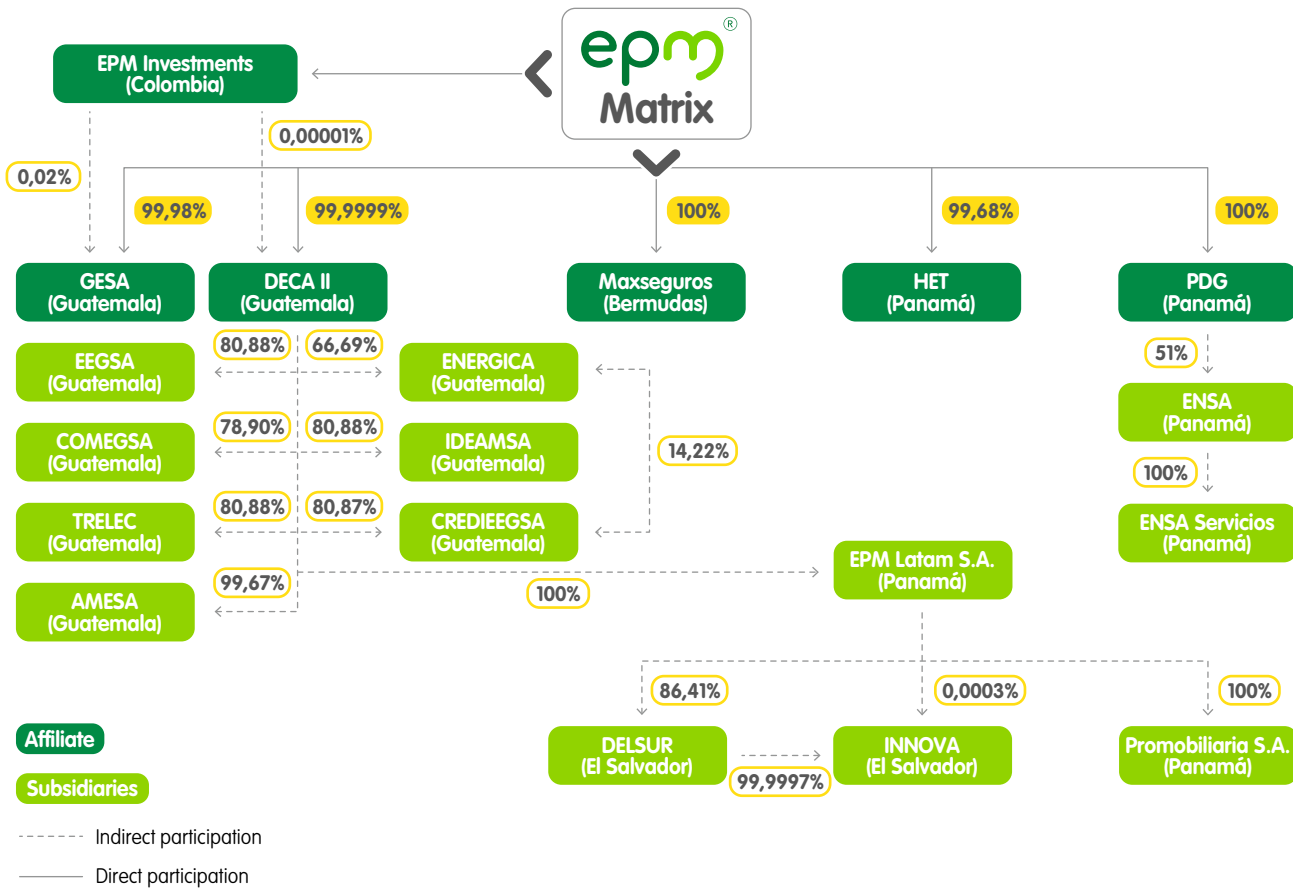
He participated as Alternate President of the Commission for the Review of the Draft Law of the General Process Code, Alternate President of the Inter-Institutional Commission for Constitutional Reform of Justice appointed by the President of the REpublic, member of the Drafting Commission of the Arbitration Law Project National and International, among others.

Annex 4:
Shareholding Composition of Grupo EPM

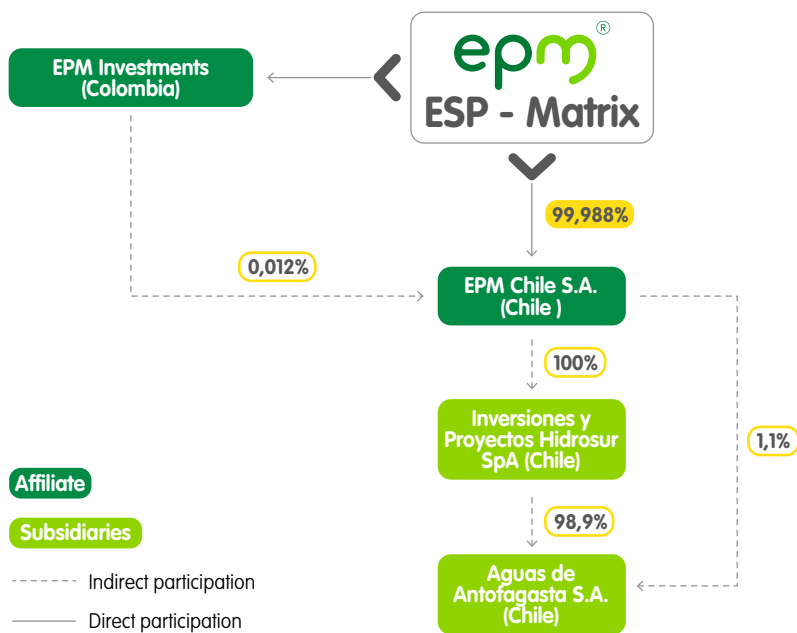
Affiliates and Subsidiaries in Colombia



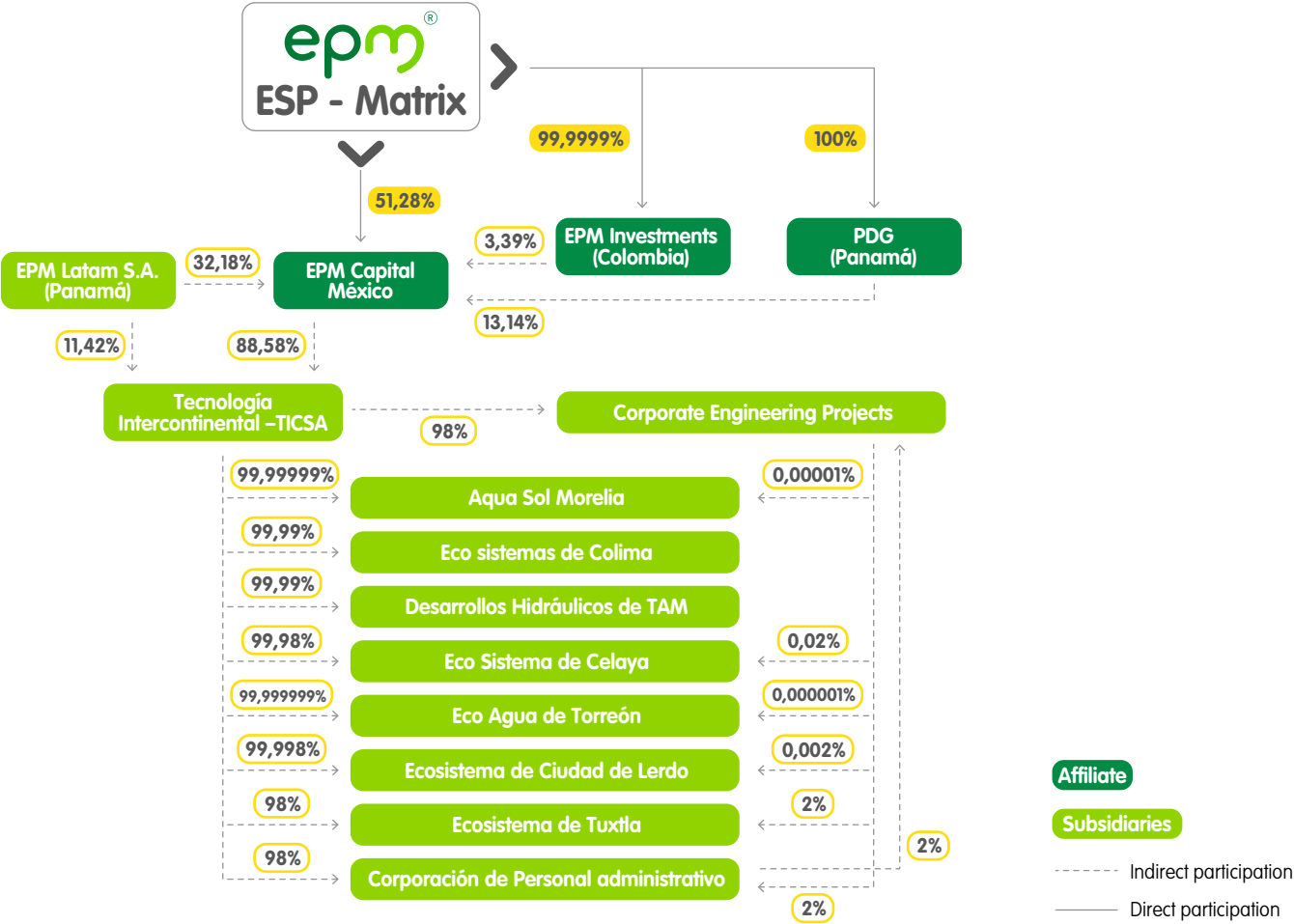
Affiliates and Subsidiaries
in Central America and the Caribbean



Affiliates and Subsidiaries in Chile



Affiliates and Subsidiaries in Mexico



The background is a vibrant green with a subtle pattern of leaves and faint icons like gears, a lightbulb, and a person. A circular arrangement of four white icons is centered around the title. The icons represent: a leaf (top-left), a dam (top-right), a water drop (bottom-right), and a bar chart with an upward arrow (bottom-left).

Sustainability Report 2020

www.sostenibilidadgrupoepm.com.co/en

Grupo·epm