

Sustainability Report

2021

Committed to the Sustainable Development Goals (SDGs), we contribute to the **harmony of life for a better world.**



SUSTAINABLE DEVELOPMENT GOALS

Grupo•epm

6 CLEAN WATER AND SANITATION



7 AFFORDABLE AND CLEAN ENERGY



8 DECENT WORK AND ECONOMIC GROWTH



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



10 REDUCED INEQUALITIES



Grupo•epm

Our Group



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



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SUSTAINABLE DEVELOPMENT GOALS





Corporate Governance Report

Grupo•epm

SUSTAINABLE DEVELOPMENT GOALS



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Presentation



1. Presentation



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

Código País 33.1, GRI 102-32

This report gives an account of the reality and operation of the main corporate governance practices of Grupo EPM, as well as the progress and relevant changes that occurred during 2021, and is an example of EPM's permanent commitment to transparency and disclosure of information to its stakeholders.

Código País 33.2, 33.3

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

EPM faces corporate governance challenges mainly associated with the need to maintain a long-term vision in its strategic direction, and thus, in the development of its plans, programs, and projects; as well as to generate trust in its stakeholders, through the observance of transparency, efficiency and accountability criteria in its management.

To meet these challenges, EPM has defined a Corporate Governance Model that seeks to generate a system of weights and counterweights, through the balance in its governing bodies (owner, represented by the Mayor of Medellin, Board of Directors, and General Manager), so that each body has a clear framework for action, adequately exercises its rights and responsibilities, and with appropriate information flows, which allow the achievement of unity of purpose and direction of the Group, and the generation of business value.

Aware of these challenges and the evolution of corporate governance for state-owned companies, EPM constantly reviews its Governance Model to incorporate the best national and international practices in this area, and to adapt to the new dynamics and challenges of the environment. In line with this, leaders are increasingly required to act with greater awareness of the impacts that their actions and decisions may generate, as well as the need to put the general interest before the particular interest.



Corporate governance, defined for the Grupo EPM, contributes to the sustainability and competitiveness of the companies that comprise it, as well as to guarantee the quality, continuity, reliability and coverage in the provision of residential public utilities in the territories where the Grupo EPM is present, taking as an articulating pillar the ecosystemic purpose of “Contributing to the harmony of life for a better world”.



Grupo EPM Corporate Governance Code



In 2021 no updates were approved to EPM's Corporate Governance Code; however, as of December 31, 2021, the incorporation of the Information Disclosure Policy of Empresas Públicas de Medellín E.S.P. as an annex to the Code was in process.

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

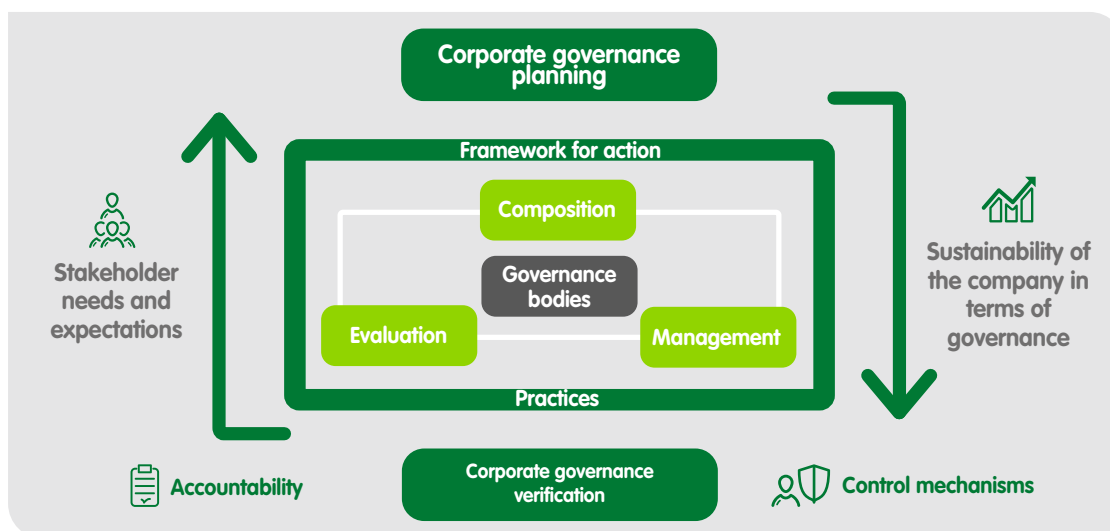
EPM has focused its efforts on the implementation of the General Framework of Corporate Governance of Grupo EPM, which is the set of elements that interact to strengthen corporate governance, promoting unity of purpose and direction through the implementation of a model aligned with the strategic direction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

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



See [Attachment 1: General Framework of Corporate Governance of Grupo EPM.](#)





The Corporate Governance practices that EPM has and that make up the documentation structure of the General Framework of Corporate Governance of the Grupo EPM are as follows:

Company Bylaws and their amendments

Municipal Agreement No. 12 of 1998 and Municipal Agreement No. 32 of 2006.

Corporate Governance Code

Adopted by Decree 472 of 2019 and amended by Decree 481 of 2020. The Code compiles and discloses the Corporate Governance practices defined and implemented in EPM.

General Corporate Governance Framework of the Group

Adopted on September 24, 2019. The General Corporate Governance Framework, defines the scope of action of the ownership, management and management or management of the companies of the Grupo EPM, in order to implement the necessary practices to strengthen these governance bodies, verify their degree of compliance and disclose the results to their stakeholders.

Relationship Framework Agreement

Signed on April 23, 2007, the Framework Relationship Agreement expresses the general conditions that frame the "owner-company" relations between the Municipality of Medellín - a public entity owning 100% of the capital - and EPM, thus defining the principles that must govern them and the specific obligations in which their effective balance is manifested.

Rules of Procedures of the Board of Directors

Modified by Decree 579 of June 29, 2021, which establishes the rules of operation of this collegiate body, to achieve greater efficiency and effectiveness of the same and that decision making is carried out objectively and responsibly.

Conflicts of interest and treatment of decisions in the Group's interest manual

Adopted by Decree 390 of 2015, which provides the necessary information and procedures that allow managers and employees of Grupo EPM to know, prevent and adequately and timely manage conflicts of interest that may arise in the exercise of their positions.

Bylaws of the Board's Committees

Each of the Board of Directors' committees: the Audit Committee, Management Committee, Strategy and Business Committee, Project Follow-up Committee, and Relationships Committee, have their regulations that define the rules and procedures that regulate their operation, as well as the rules of conduct of their members.

Governance Agreement

Signed on November 8, 2013, among the Colombian companies of the Grupo EPM and subsequently adhered to by the international subsidiaries. This agreement formalized and operationalized the relationship model and the structure of Grupo EPM to facilitate the achievement of business objectives and achieve synergies.

Rules of procedure of the strategic committees

Decree 2208 of 2018, whereby the mandatory strategic, tactical and operational committees in EPM are defined and updated.

Corporate Governance Plan 2022-2025

Consolidates initiatives to maintain the evolution of corporate governance for Grupo EPM.

Compliance with the Code

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



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EPM ownership structure

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2. EPM ownership structure

EPM is a public utilities company, constituted as an Industrial and Commercial Company of the State, of the municipal order—owned by the municipality of Medellín—, subject to the legal regime that regulates the provision of utilities, established in Law 142 of 1994.

The Municipality of Medellín is the sole owner of EPM.



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

The Mayor of Medellín, in his role as representative of the owner, exercises ownership exclusively through the Board of Directors of EPM, in his role as Chairman thereof, pursuant to the provisions of the Relationship Framework Agreement. By legal provision and the Company's Bylaws, the Mayor of Medellín appoints the General Manager and designates the other members of the Board of Directors.

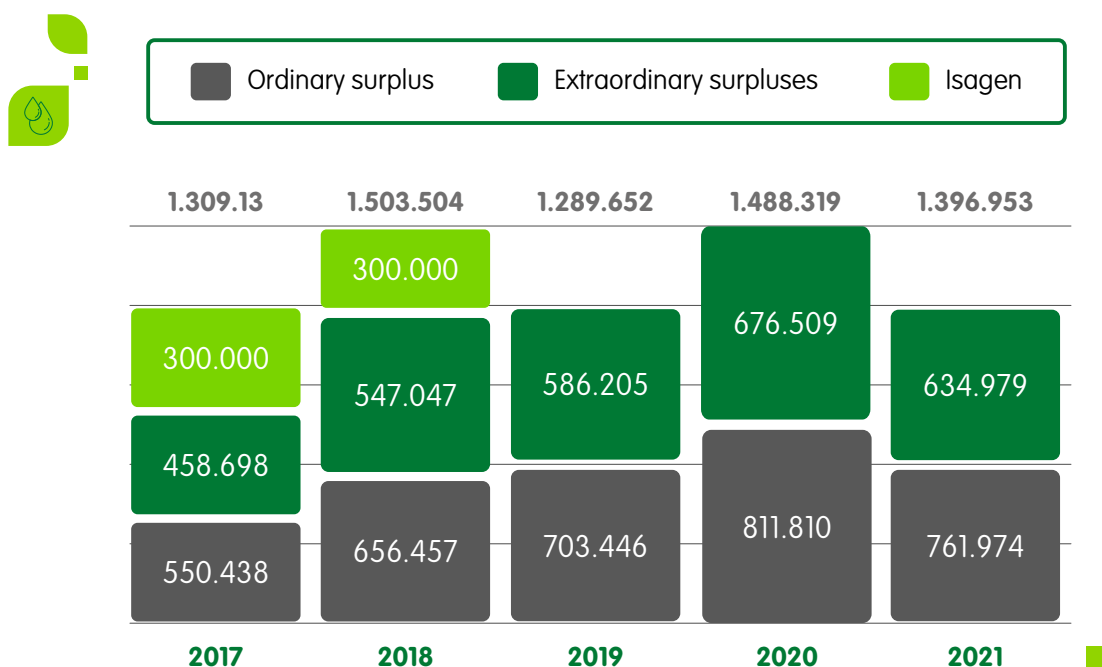
Transfers to the Municipality of Medellín

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



In 2021, EPM delivered to the Municipality of Medellín transfers equivalent to COP 1,396,953 million, of which COP 761,974 million were ordinary transfers, corresponding to 30% of the 2020 profits, and COP 634,979 million were extraordinary transfers corresponding to 25% of the profits.

The following graph shows the **transfers for the last five years**:



Ordinary and extraordinary transfers between 2017 - 2021 to the Municipality of Medellín (value in millions of COP).



Note: the transfers for the concept of ISAGEN are given as provided by the Council of Medellín in Agreement No. 032 of June 5, 2017, concerning the transfer of an item of EPM's assets, product of the disposal of EPM's shareholding in ISAGEN S.A. E.S.P., to the general budget of Medellín distributed in fiscal years 2017 and 2018, for a value amounting to COP 600,000 million of the total obtained in the transaction, which amounted to COP 1.4 billion.

Ordinary and extraordinary transfers between 2017 - 2021 delivered to the Municipality of Medellín, amounted to COP 6,987,564 million (COP 3,484,126 as ordinary and COP 3,503,438 as extraordinary).

Framework Relationship Agreement EPM - Municipality of Medellín

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

This agreement determines the principles of the owner-company relationship. These principles go beyond the legal conditions that both entities must comply with, becoming self-regulations that limit the exercise of ownership 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 demonstration that corporate governance is a key factor in business competitiveness and sustainability, contributing to a proper balance in the exercise of ownership, management, and administration.



See [Attachment 2: Background on the Framework Relationship Agreement.](#)

Self-evaluation of EPM's fulfillment of its obligations established in the Framework Agreement.

The following is a detail of the self-assessment performed by EPM to comply with its obligations during the year 2021:

Self-evaluation conducted by EPM

| | Obligation | Performance |
|--|--|---|
| Compliance with financial management metrics | <p>To carry out efficient and productive financial management, based on technical criteria and reflected in minimum EBITDA criteria, return on equity, and other financial indicators.</p> <p>The Board of Directors will define the indicators annually, based on the strategic plans and the budget, for the time horizons agreed at the Board of Directors.</p> | <p>The financial indicators are the product of the business plan (financial projections) and short and medium-term goals are established.</p> <p>The monitoring of the indicators is part of the Balanced Scorecard (BSC), a mechanism through which the performance of the business group's strategy is periodically reviewed.</p> <p>The BSC, in turn, is part of the Grupo EPM's Business Plan and Strategic Plan, which are approved by the Board of Directors.</p> <p>The monitoring of the BSC is periodically presented to the Board of Directors, and every year investment decisions are monitored as part of the typical agenda of the Board.</p> |



| | Obligation | Performance |
|-------------------------------|--|--|
| Transfers to the Municipality | <p>Transfers may only exceed 30%, considering the Municipality's financial requirements for specific investment programs and EPM's financial needs, so as not to jeopardize business viability and expansion.</p> <p>The additional transfers must be authorized by the Council after the Mayor has substantiated the effects on EPM's finances.</p> | <p>See transfers delivered to the Municipality in the EPM Property Structure chapter of this report.</p> |

| | Obligation | Performance |
|-------------------------|--|---|
| Settlement of transfers | <p>The plan to make the transfers should consult the cash requirements of the Municipality and the availability of EPM's liquid resources. In this way, adequate cash management will be carried out in both entities.</p> | <p>The surpluses that EPM delivers to the Municipality of Medellín are defined in EPM's bylaws: ordinary surpluses correspond to 30% of the net income of the previous year and extraordinary surpluses have corresponded to a maximum of 25% of the net income of the previous year.</p> <p>Based on the foregoing, the current projection of surpluses to the Municipality, corresponding to 55% of the net income of the previous year, contemplates compliance with legal and statutory requirements, and the monitoring of the Company's liquidity, thus guaranteeing the resources for the normal operation of the business and the execution of the infrastructure investment plan, to continue providing high-quality utilities.</p> <p>This is in compliance with the obligation to adequately manage the cash in EPM.</p> |

| | Obligation | Performance |
|--------------------------------------|--|---|
| Appropriate communication mechanisms | <p>The relationship between the owner and the decentralized entity (EPM) is channeled through: the Mayor of Medellín - the Board of Directors of EPM – EPM's CEO.</p> <p>The other relations are between the Private Secretary of the Municipality and the Public Relations Department of EPM.</p> | <p>The communication channel in the owner-company relationship has been:</p> <p>Mayor - Board of Directors and its support committees.</p> <p>Mayor – EPM's CEO.</p> <p>Mayor's Office - directly with some VPs. Formal procedures and requests from the municipal administration as a territorial entity are channeled through EPM's Public Relations, under the Communication and Corporate Relations Department.</p> |

| | Obligation | Performance |
|--|---|--|
| Commitment to transparency towards the community | <p>Contractual processes under principles of transparency, impartiality, and objectivity, in an environment of free competition, applying the regime of disqualifications and incompatibilities.</p> <p>The invitation to submit bids is made through the corporate information system.</p> | <p>Contractual processes in EPM are governed by: Decree 362 of 2014 of the Board of Directors whereby the general contracting rules are issued.</p> <ul style="list-style-type: none"> • Policy for the supply of goods and services approved by the Board of Directors in December 2014. • Application of the transparency declaration of public employees. <p>See Compliance chapter in this report.</p> |
| | <p>Define profiles and competencies for employees, which will be strictly verified in the selection processes.</p> | <p>EPM has defined position manuals with the profile and competencies required for employees. It is available on the corporate intranet and is the input for the selection processes.</p> |

| | Obligation | Performance |
|--|---|---|
| Commitment to transparency towards the community | Have mechanisms for communication and dissemination of information to the public related to contracting and selection processes. | <p>EPM publishes the selection and hiring processes on its website, in the following links:</p> <ul style="list-style-type: none"> • Job offers: https://cu.epm.com.co/institucional/ofertas-de-empleo • Contractual processes for suppliers and contractors: https://cu.epm.com.co/proveedoresycontratistas/contratacion/te-cuento |
| | Obligation | Performance |
| Permanent External Audit | <p>Permanent external audit: Permanent external auditor hired according to the guidelines of the Audit Committee.</p> <p>He/she may not render services other than account auditing within the entity, and his/her contract shall not exceed 3 years.</p> <p>The external auditor shall be the same for all the companies that make up the Grupo EPM.</p> | <p><u>See chapter on Accountability in this report.</u></p> |



| | Obligation | Performance |
|---------------------------------|--|---|
| Corporate Social Responsibility | <p>Formulate and develop CSR policies:</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 is incorporated into the strategic framework, keeping the Company's sustainability as a central objective and taking into account the commitments of the Global Compact, in relation to each of the following aspects: human rights, labor standards, environment, and anti-corruption. | <p>The sustainability model and the CSR are a integral part of Grupo EPM's strategy dimension, approved by the Board of Directors. Likewise, said model in the Grupo EPM is based in an ethical conviction and materializes in facts that add value to the stakeholders and the business.</p> <p>The CSR policy was approved by EPM's Board of Directors on September 1, 2009. In addition, EPM has the following complementary policies:</p> <p>Human Rights Policy, approved by the Board of Directors on October 25, 2012.</p> <p>Human Talent Management Policy, approved by the Board of Directors on December 7, 2010, and modified on November 10, 2020.</p> <p>Environmental Policy with corporate group scope, approved by the Board of Directors on July 7, 2008.</p> <p>Zero Tolerance to Fraud, Corruption, and Bribery Policy, approved by the Board of Directors on December 15, 2015.</p> <p>Taking into account the exercise of Materiality of Grupo EPM in which the requirements of investors and other stakeholders were highlighted, on the adoption and promotion of solid governance for sustainability, based on an ethical and transparent performance in the relationship and decision making, it is recommended: 1) Include in the risk map of EPM, the risk of undue political interference. 2) Address challenges associated with the results of the update of the Grupo EPM Materiality exercise; in particular, for the new material issue of Corporate Governance.</p> |

| | Obligation | Performance |
|--|--|--|
| Supporting the Municipality with human resources | Provide, with its servers, support to the Municipality under special circumstances, formalized through agreements in which the resource, the time required, and the consideration are expressed. | A projects & engineering management professional from the Water, Sanitation, and Gas division was provided on secondment to the Municipality of Medellin from March 16, 2020, to March 16, 2022. |

Public Accountability



Aware that the citizens of Medellin are, ultimately, the owners of EPM, as a practice of transparency and in compliance with constitutional and legal provisions, **EPM annually performs its public accountability to disclose the main achievements** and challenges of business management and its articulation with stakeholders.



The **public accountability report** was held on Thursday, May 13, 2021, at 9:30 a.m., a 100% virtual event due to the confinement situation by COVID-19. It was televised by the regional channel Telemedellín and the public broadcasting channel (Institutional Channel) for the whole country and broadcasted on EPM's social media.



The issues addressed in this space were related to the management of 2020 in the following topics:

- Measures were implemented during the pandemic to make life easier for customers and users.
- Pandemic management at EPM and Hidroituango.
- Afinia.
- Future Ituango hydroelectric power plant.

The issues addressed in this space were related to 2020 results on the following topics:

- Bajo Cauca Territory.
- Grupo EPM investments and main actions carried out by business with such investments.
- Solidarity with San Andres and Providencia - hurricane Iota.
- Construction of sustainable and intelligent territories.
- Financial results.



EPM management structure



3. EPM's management structure

Critical concerns

GRI 102-33 102-34

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

In 2021, the main critical concerns were:

- **Nullity action in the appointment of the CEO of EPM, Jorge Andrés Carrillo Cardoso:** on October 13, 2021, EPM received notification from the Fourth Oral Chamber of the Administrative Court of Antioquia, declaring in first instance the nullity in the appointment of the CEO of EPM Jorge Andrés Carrillo Cardoso, by indicating that at the time of his appointment to that position, 12 months had not elapsed since his resignation as a member of the Board of Directors of EPM, which would configure inability to exercise his position as CEO under the terms of Article 10 of Decree 128 of 1976.

According to the Second Instance Ruling of December 15, 2021 (with file number 2021-00936-01), the Fifth Section of the Council of State revoked the decision of nullity of the appointment of the CEO of EPM highlighting that the disqualification for which it was accused was not configured, because although the requirements of: (i) active subject because the defendant was a member of the Board of Directors of EPM and (ii) of disqualifying period because he was appointed manager of the same entity within the year following his retirement; his link is legal and regulatory, and is not related to the provision of professional services in the entity or in other entities that are part of the administrative sector to which that entity belongs. Therefore, it revoked the appealed judgment and denied the claims of the lawsuit.

Throughout the process, the CEO continuously performed his duties, so that EPM maintained the dynamics and normality in all its operations and services.

- **Comprehensive evaluation report of EPM by the Utilities Authority (Superintendencia de Servicios Públicos Domiciliarios):** in November 2021, the Utilities Authority issued the

comprehensive evaluation document of EPM as a public utilities company, in which some related findings are mentioned with corporate governance, administrative and financial matters; the provision of residential public utilities of water and sewerage, electricity, and fuel gas; Hidroituango; user protection and management in territory.

Regarding the findings on corporate governance, EPM generated an improvement plan for 2022 with the purpose of closing the gaps identified in corporate practices and governance.

- **Office of the Comptroller General of the Republic confirms fiscal responsibility ruling in Hidroituango:** in November 2021, the Office of the Comptroller General of the Republic confirmed the fiscal responsibility ruling for COP 4.3 billion that held 26 people jointly and severally liable, including officials and contractors, related to Hidroituango for alleged damage to the State's assets, and declared the insurance company Mapfre Seguros Generales de Colombia as a civilly liable third party, with a view to enforcing the All Risks policy it had subscribed and which covers the construction and loss of profits of the project since 2011.

In January 2022, Mapfre made the last total and final payment for USD 633.8 million within the coverage of the "All Risks Construction and Erection" policy, which is in addition to other payments previously made by Hidroituango's insurers to EPM as follows: Mapfre with a payment of USD 983.8 million for coverage of the "All Risks Construction and Erection" policy; Compañía de Seguros Sura with a payment of COP 402,454 million within the "Directors and Administrators Civil Liability" policy, AXA for COP 21,500 million, SBS for COP 2,000 million, and other income associated to the loss.

These payments are made in compliance with the provisions of the transaction agreement signed on December 10, 2021, between Mapfre and EPM, and constitute the termination of the fiscal responsibility process defined by the Comptroller General of the Republic. With the confirmation of the payment, EPM proceeded to withdraw the arbitration claim that was suspended before the Conciliation, Arbitration, and Amicable Composition Center of the Medellín Chamber of Commerce.

For its part, the Office of the Comptroller General of the Republic, by means of RULING N°0104 of January 2022, resolved to declare the fiscal damage fully compensated, by total payment; not to send to coercive collection the executive title resulting from the fiscal responsibility process; to order the lifting of precautionary measures on the assets owned by those declared responsible, and to warn that, against the decisions contained therein, no appeal may be filed.

Pöyry's Report on Hidroituango: the National Environmental Licensing Authority (ANLA) exercising its legal powers, hired Pöyry to generate an independent opinion on the definition and authorization of the environmental license of the future Ituango hydroelectric power plant, and comprehensive analysis of the project's risk levels.

This report was filed by EPM before the ANLA in December 2021; in February 2022, said entity ratified the conclusion of the Pöyry Report indicating that there is no restriction for the generation of electric power in 2022, as a risk mitigation measure in the future Ituango hydroelectric power plant.

- **Hidroituango forensic audit report:** in October 2021, the results of the forensic audit report were presented to the Board of Directors, whose purpose was to strengthen the defense strategy of EPM's interests as partner and constructor of the future Ituango hydroelectric power plant, which was based on an expert examination of financial, technical and accounting nature.

Previously, in August 2021, by instruction of the CEO of EPM Jorge Andrés Carrillo Cardoso, the report had been forwarded to the EPM Disciplinary Control Office for its knowledge and evaluation regarding its competence. The report identifies 49 findings, of which 32 correspond to actions or omissions and 17 to sanctioning decisions adopted by the National Environmental Licensing Agency (ANLA).

These findings correspond to events that occurred between the years 2011 and 2019 and with respect to them, in consideration of the contractor, there may be civil, fiscal, criminal, and/or disciplinary liability both for breach of obligations and for acts or omissions. Therefore, the report was sent by EPM to the competent control, supervision, and oversight entities.

- **Bilateral Modification Agreements No. 39, 40, and 41 to Contract CT-2012-000036 whose object is “construction of the dam, power plant and associated works of the Ituango Hydroelectric Project.”**

In 2021, the AMB N°39 signed in December 2020 between EPM and the Contractor (Consortio CCC Ituango: formed by the firms Camargo Correa Infra SA, Constructora Conconcreto S.A., and Coninsa Ramón H S.A.) came into force, through which the parties agree, among other aspects, the following:

- Extend the execution term and the remuneration methodology until December 31, 2021, given that at that date the fiscal responsibility ruling of the Comptroller General of the Republic was in force, disqualifying Hidroituango contractors to continue with the execution of the contracts. However, once the payment of the insurers was made (see numeral 3), the Comptroller’s Office resolved to declare the fiscal damage fully compensated.
- Provisions regarding the alignment of interests, personnel, and equipment required for the development of Hidroituango and the interaction between the consultant (designer) and the contractor, during the stage of completion of the works of the project and continuity of the contract. Regarding this last aspect, it was established that in the event that some of the parties do not intend to continue the execution of the contract beyond December 31, 2021, they must notify the other party of their intention not to continue with the execution of the contract before July 1, 2021.

In December 2021, the parties entered into Bilateral Modification Agreements No. 40 and 41 (AMB40 and AMB41). AMB40 was intended to settle differences of interpretation in relation to the authorization of the assignment of the position of Construções e Comércio Camargo Corrêa SA in the Consortium and therefore in Contract CT-2012-000036. While AMB41 was subscribed for the purpose of extending the term of execution of the contract by 8 months as from January 1, 2022, plus 3 months of splicing period.

AMB39, AMB40, and AMB41 constituted relevant issues for EPM’s Board of Directors in 2021.

- **Lawsuits against EPM's corporate governance:** during 2021, two popular actions were filed with claims related to several elements of EPM's Corporate Governance Model. In one of them, SINPRO—an industry labor union—sued the Municipality of Medellín, invoking the protection of the collective rights to administrative morality, the defense of public assets, access to utilities, and their efficient and timely provision through compliance with EPM's corporate governance. In this process, EPM was involved as an interested third party.

In a second popular action, the Forjando Futuros Foundation sued EPM and the Municipality of Medellín, requesting the non-application, suspension, and adjustment of some components of EPM's Corporate Governance Model, as a guarantee for the protection of the collective rights to administrative morality and public patrimony.

As of December 2021, the first legal action was in the evidentiary stage; while the second, closed the year in the framework of the transfer for the response to the claim.






EPM's Board of Directors

EPM is managed by the Board of Directors, pursuant to the provisions of the Company's Bylaws.

Formation of the Board of Directors

Código País 33.3 – ii. a); GRI 102-18 102-22

As of December 31, 2021, EPM's Board of Directors was comprised as follows:

| | | | |
|---|--|--|---|
| <p>Daniel Quintero Calle</p>  <p>Chairman (Non-Independent) Profile: Mayor of Medellín Start: 01/01/2020 Participation in other boards: 3</p> | <p>Jorge Iván Palacio Palacio</p>  <p>Independent Profile: public and legal management Start: 08/17/2020 Participation in other boards: 0</p> | <p>Pablo Felipe Robledo Del Castillo</p>  <p>Independent Profile: public and legal management. Start: 08/21/2020 Participation in other boards: 1</p> | <p>Bernardita Pérez Restrepo</p>  <p>Independent Profile: public and legal management. Start: 08/25/2020 Participation in other boards: 2</p> |
| <p>Omar Flórez Vélez</p>  <p>Independent Profile: public and corporate management Start: 08/17/2020 Participation in other boards: 0</p> | <p>Gildardo Antonio Correa Salazar</p>  <p>Control Board Member (Non-independent) Profile: social and community management and utilities Start: 08/25/2020 Participation in other boards: 0</p> | <p>Olmer Orlando Palacio Garzón</p>  <p>Control Board Member (Independent) Profile: social and community management and utilities Start: 08/25/2020 Participation in other boards: 0</p> | <p>Sergio Andrés Restrepo Muñoz</p>  <p>Control Board Member (Non-independent) Profile: social and community management and utilities Start: 05/19/2021 Participation in other boards: 1</p> |

During 2021, the composition of EPM's BOD had had the following changes:

During 2021, the following changes were made to the composition of EPM's Board of Directors:

- By means of Municipal Decree 0278 of April 13, 2021, the resignation of Mr. Jorge Andrés Carrillo Cardoso as member of the Board of Directors was accepted.
- By means of Municipal Decree 0406 of May 19, 2021, the resignation of Mr. Guillermo León Diosa Pérez, as control member of the Board of Directors, was accepted.
- By means of Municipal Decree 0406 of May 19, 2021, the Mayor of Medellín appointed Mr. Sergio Andrés Restrepo Muñoz as member of the Board of Directors of EPM.
- Since April 13 until the end of 2021 there is a vacancy in the Board of Directors of EPM, and although efforts have been made to fill such vacancy, it has not been possible.

Composition of the Board of Directors

- The mayor of the city of Medellín, who presides over it.
- Five persons freely appointed by the Mayor of Medellín, all of them independent.
- Three persons chosen by the Mayor of Medellín from among the control members registered by the development and social control committees for utilities (Article 27.6 of Law 142 of 1994).

Código País 33.3 – ii. f); GRI 102-24



EPM's Board of Directors has maintained a number of independent members higher than the 25% established in Article 44 of Law 964 of 2005 for securities issuers and 55.6%, defined in the internal regulations. Currently, there is a vacancy in the Board of Directors, so five of the eight appointed members of the Board of Directors are independent (62.5% of the total).

EPM's Corporate Governance Code sets forth the criteria that the Mayor of Medellín must consider for the appointment of the members of the Board of Directors:

GRI 102-24

Academic and professional training in subjects related to the corporate purpose of EPM and the functions of a member of the Board of Directors.

Business or labor experience related to the public services sector.

For control members, evidence of the time they have been members of the Development and Social Control Committee that elected them, the relationship they maintain with it and the actions they have carried out in the performance of their duties is required.

The relationship of the Board of Directors with the users of residential public utilities 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 providing residential public utilities is materialized. Likewise, in the Board of Directors, the control members represent the interest groups of customers and users, community and, in some cases, 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 its composition, under the Framework Relationship Agreement, the Mayor of Medellín will seek to maintain at least five of the independent members. In addition, the Mayor of Medellín will seek a gradual renewal of the members of the Board of Directors, consulting the profile of the Board of Directors, as well as the objective average of seniority of its members.

The members of the Board of Directors who are independent have this status from the date of their appointment. Pursuant to the provisions of the Corporate Governance Code of EPM, those persons who are:

- Employees or officers of the Company or of any of its affiliates, subsidiaries or controlling companies, including those persons who have held such position during the last 5 years immediately prior to the appointment, except in the case of the re-election of an independent person.

Código País 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 corporate group, when the income for such concept represents 20% or more of its operating income.
- Employees or directors of a foundation, association or society that receives contributions or sponsorships from the Company.
- Persons 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, assigned or linked to the same, or who have been so during the last 5 years, prior to their appointment.
- Administrators of an entity in whose board of directors EPM participates.
- Persons who depend exclusively on the income received by fees as members of the Board of Directors of EPM.
- Relatives 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 senior management members.
- Supplier or significant customer of the Company.
- Individuals who have entered into contracts for personal services with the Company, or with a member of senior management of the Company.
- Partner or employee of the Company's external audit firm during the last three years.

The independence criteria for the Board of Directors of EPM are in accordance with the provisions of Law 964 of 2005 (Article 44), the Framework Relationship Agreement and good corporate governance practices. Likewise, the members of the Board of Directors are subject to the regime of disqualifications and incompatibilities established by law, in accordance with Article 9 of the Bylaws.

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

Matrix of Board Member Profiles.

The term "profile" is understood to mean the area of knowledge in which one has training or experience.

| Education and/ or experience / Board Member | Daniel Quintero Calle | Jorge Iván Palacio Palacio | Bernardita Pérez Restrepo | Pablo Felipe Robledo del Castillo | Omar Flórez Vélez | Sergio Andrés Restrepo Muñoz | Gildardo Antonio Correa Salazar | Olmer Orlando Palacio Garzón |
|--|-----------------------------|----------------------------------|---------------------------------|--|-------------------------|---------------------------------------|--|---------------------------------------|
| Business management. | ● | | | | ● | | | |
| Financial management. | ● | | | | | | | |
| Domiciliary public services management or other business sectors of EPM including urban development and social control of public utilities. | | | | | | ● | ● | ● |
| Ethics, sustainability and corporate social responsibility. | | | | | | | | |
| Public management or legal management. | ● | ● | ● | ● | ● | | | |
| Social and community management. | | | | | | ● | ● | ● |

Details of the resumes of the members of the Board of Directors can be found at the end of this report.



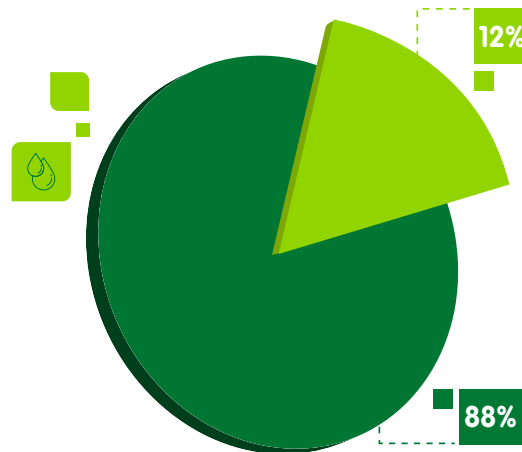
See Attachment 3: Resume of Board Members.

Código País 33.3 – ii. b); GRI 102-22



Note: Board members Sergio Andrés Restrepo Muñoz and Omar Flórez Vélez have knowledge and experience in environmental and social management.

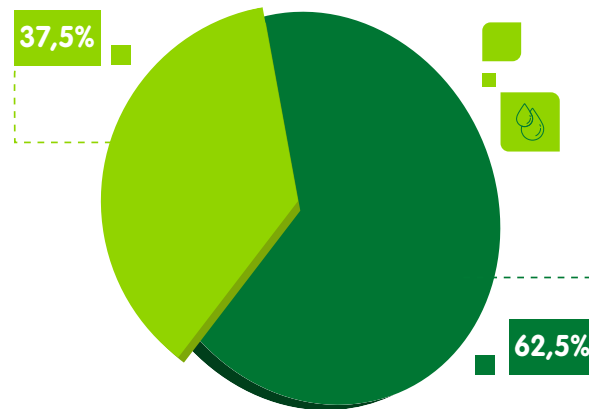
Distribution by gender



■ Men on the board ■ Women on the board

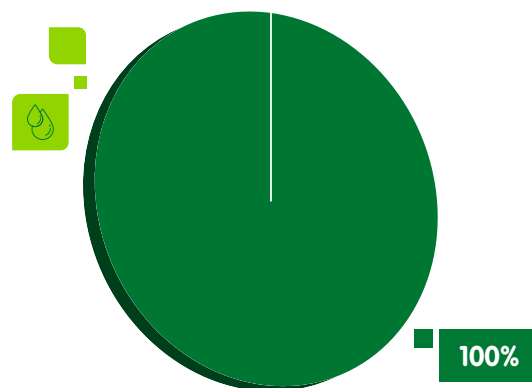


Distribution by age range



Over 50 years of age Between 30-50 years of age

Distribution by rank of length of service on the Board of Directors



Less than 4 years of permanence

Board of Directors Onboarding

GRI 102-27

During 2021, the onboarding cycle continued for the Board members: Mrs. Bernardita Pérez Restrepo and Mr. Jorge Iván Palacio Palacio, Mr. Pablo Felipe Robledo del Castillo, Mr. Omar Flórez Vélez, Mr. Jorge Andrés Carrillo Cardoso, Mr. Gildardo Antonio Correa Salazar, Mr. Olmer Orlando Palacio Garzón, Mr. Guillermo León Diosa Pérez.

The onboarding plan addressed the topics that had been pending in 2020, so that in January 2021 the onboarding of business processes, new business, innovation, technology and support processes was concluded.

Continuation of member onboarding in 2021

Distribution of total time according to the topics presented in the sessions

Executed

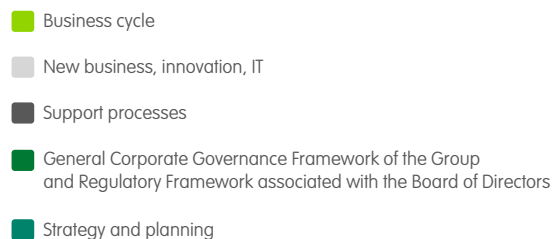
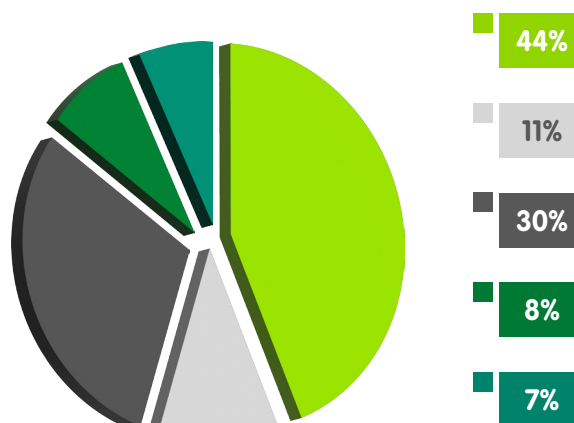
8 Sessions

54 Hours and 54 minutes

• Attendance was **100%**.

• The onboarding program for Board members appointed in 2020 was completed in January.

• In June, the onboarding for the new Board member, Mr. Sergio Andrés Restrepo Muñoz, appointed in May 2021, was completed.



The onboarding program for Board members appointed in 2020 was completed with 2 sessions in January, lasting 11 hours and 54 minutes.

Additionally, the onboarding for the new member of the Board of Directors, Mr. Sergio Andrés Restrepo Muñoz, took place in June with a duration of 43 hours and was developed in 6 sessions, included in the data and graphs mentioned above.

Board of Directors quorum

Código País 33.3 – ii. i)

In 2021, the deliberating and decision-making quorum required for the Board of Directors meetings was met, which corresponds to the majority of the members present at the respective session.

Board of Directors meeting quorum, 2021

| | January | | | February | | | March | |
|--------------|----------|--------|------|----------|------|------|-------|------|
| Session date | 11 | 26 | 28 | 1 | 10 | 23 | 17 | 23 |
| N° Act | 1702 | 1703 | 1704 | 1705 | 1706 | 1707 | 1708 | 1709 |
| % Quorum | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| | April | | | | | May | June | |
| Session date | 7 | 10 | 13 | 27 | 30 | 25 | 28 | 29 |
| N° Act | 1710 | 1711 | 1712 | 1713 | 1714 | 1715 | 1716 | 1717 |
| % Quorum | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| | July | August | | October | | | | |
| Session date | 27 | 26 | 31 | 5 | 12 | 13 | 20 | |
| N° Act | 1718 | 1719 | 1720 | 1721 | 1722 | 1723 | 1724 | |
| % Quorum | 100% | 100% | 100% | 100% | 100% | 100% | 88% | 100% |
| | November | | | December | | | | |
| Session date | 2 | 17 | 24 | 2 | 7 | 13 | 14 | |
| N° Act | 1725 | 1726 | 1727 | 1728 | 1729 | 1730 | 1731 | |
| % Quorum | 100% | 100% | 100% | 100% | 100% | 100% | 100% | |

For decision-making purposes, each member of the Board of Directors has one vote.

Board Directors Management

The functions of the Board of Directors are defined in Article 17 of the Bylaws, contained in Agreement 12 of 1998 of the Council of Medellín. In matters of contracting, the Board of Directors is responsible for issuing the general rules and indicating the amounts within which the CEO may delegate the authority to award and enter into contracts.

GRI 102-19

The Chairman of the Board of Directors fulfilled in 2021 the functions assigned in the EPM Board Regulations, among them the following stand out: **GRI 102-26**

- To name and remove freely any of its members.
- To make sure that the Board of Directors choose and implement efficiently the business strategic direction.
- To coordinate and plan its functioning through a yearly work plan.
- To be the spokesman of the Board of Directors and delegate said responsibility when considered necessary.
- To oversee the execution of agreements and compliance with the responsibilities and participation of all its members.
- To lead the evaluation process of the Board and its committees.
- To promote active coordination between the Company and issues of interest to the city of Medellín, in compliance with the Framework Relationship Agreement.
- To ensure compliance with the Board of Directors Regulations.

Código País 33.3 – ii. k); GRI 102-23

Likewise, **the Secretary of the Board of Directors**, who in accordance with the Bylaws is also the General Secretary of EPM, **fulfilled in 2021 the functions assigned in the Bylaws and Board of Directors Regulations**, among which the following stand out:

- To call meetings.
- To process in a timely manner the requests of the Board of Directors.
- To prepare the minutes of the meetings and sign them jointly with the Chairman.
- Ensure the preservation of the documents of the Board of Directors and the legality of its actions.
- Define the procedure for the effective development of the meetings of the Board of Directors.

Código País 33.3 – ii. I)

During 2021, the Company complied with the provisions of Article 8 of the **Board of Directors Regulations** that details the procedure to be followed by the Organizations areas in order to bring to the Board of Directors the issues within its competence. Among the main steps are the following: **GRI 102-33**

- At the Management Committee meeting, which is held one week after the Board of Directors meeting, the topics to be presented for consideration by the Board of Directors at the following meeting, the person responsible for the presentation of each topic and the time allowed for the presentation are defined.
- All matters of an approving nature that were submitted for consideration by the Board of Directors were 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 working day of the week prior to the Board of Directors' meeting, the documents, presentations, studies and annexes that served as support for the presentation of the topics were published in the Board of Directors' information system (ARCA).

Highlights of the Board's actions in 2021

GRI 102-29 102-31

- Approval of the Financial Statements of EPM and Grupo EPM as of December 31, 2020, and opinion of the external auditor.
- Approval of the Annual Management Report of the Chief Executive Officer as of December 31, 2020.
- Approval of the Corporate Governance Report as of December 31, 2020.
- Workshop on corporate strategic direction and analysis of the environment.
- Approval of the modifications to the investment plan, business plan, budget and future vigencias, in compliance with the provisions of Municipal Agreement 109 of March 6, 2019, which regulates the preparation, conformation and execution of the budgets of the industrial and commercial companies of the State of the municipal order of Medellín.
- Approval of the Information Disclosure Policy.

Código País 33.3 – ii. e)

- Follow-up of the Hidroituango continuity plan.
- Follow-up of EPM's business and the performance of its subordinates.
- Follow-up and analysis of the legal strategies of the main processes related to Hidroituango.
- Creation of the Hidroituango insurance fund.
- Approval of the modification of the EPM Board of Directors Regulation.
- Board of Directors strengthening plan.
- Adjustment to the strategy dimension.
- Approval of the EPM Company Plan 2022 - 2025.
- Approval of the Budget for the year 2022.
- Approval of the Infrastructure Investment Plan 2022 - 2025 and CMI Goals 2022 - 2025.
- Approval of the transaction contract between Mapfre Seguros Generales de Colombia S.A. and EPM.
- Approval of the typical agenda of the Board of Directors and annual calendar for the year 2022.
- Authorization to initiate the procedures for the total disposal of EPM's shareholding in UNE EPM Telecomunicaciones S.A. and Inversiones Telco S.A.S.

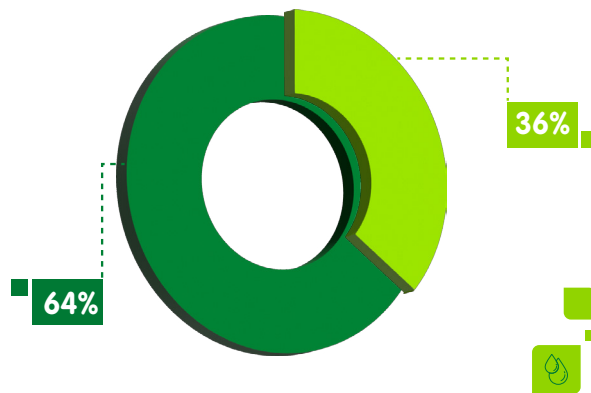


During 2021, the Board of Directors of EPM did not have the advice of external experts. **Código País 33.3 – ii. n); GRI 102-27**

The topics analyzed by EPM's Board of Directors during 2021 are shown in the graphs:

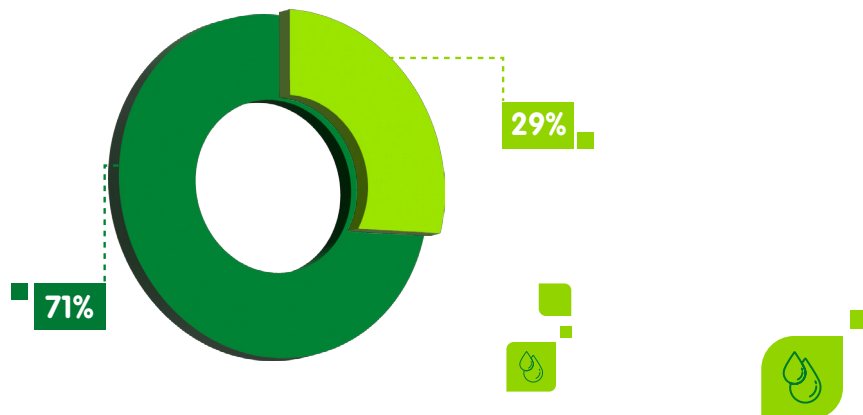
Topics EPM vs Group

■ EPM matrix ■ Grupo EPM



Character of the Topics

■ Aprobatorias ■ Informativa



Typical agenda and Board calendar

GRI 102-31 102-27 102-29

The definition of the typical agenda and the annual calendar of EPM's Board of Directors is a planning tool 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 Board of Directors Regulations and in line with the recommendations of Código País.

The typical agenda defines the frequency and periodicity with which the following topics are addressed during the year: strategy, business, investments, corporate governance, financial, audit, risk, compliance, legal, human development, environmental and social, among others.

The topics scheduled by typical agenda and reviewed by the Board of Directors in 2021 were as follows:

| Subject | Topic | Character |
|------------------------------|---|-------------|
| Formal business of the Board | • Verification of quorum and approval of the agenda. | Approval |
| | • Consideration and approval of the previous minutes. | Approval |
| | • Follow-up on requests from the Board of Directors. | Informative |
| | • Miscellaneous (includes Board member issues). | Informative |
| | • Relevant information. | Informative |



| Subject | Topic | Character |
|------------------------|--|-------------|
| Updating and follow-up | <ul style="list-style-type: none"> • Reports of the Board Committees. | Informative |
| | <ul style="list-style-type: none"> • General Manager's Report. | Informative |
| | <ul style="list-style-type: none"> • Follow-up of Hidroituango Project continuity plan. | Informative |
| | <ul style="list-style-type: none"> • Follow-up of financial statements. | Informative |
| | <ul style="list-style-type: none"> • Follow-up of the BSC and the risk map. | Informative |
| | <ul style="list-style-type: none"> • Follow-up of investment decisions. | Informative |
| | <ul style="list-style-type: none"> • Follow-up to the EPM Foundation. | Informative |
| | <ul style="list-style-type: none"> • Follow-up on environmental and social management. | Informative |
| | <ul style="list-style-type: none"> • Follow-up of legal contingencies with Group scope. | Informative |
| | <ul style="list-style-type: none"> • Follow-up Afinia and Shared Services Center. | Informative |
| | <ul style="list-style-type: none"> • Follow-up on growth issues. | Informative |



| Subject | Topic | Character |
|--|--|-------------|
| Strategy | <ul style="list-style-type: none"> Additional session: corporate strategic direction and analysis of the environment. | Approval |
| | <ul style="list-style-type: none"> Progress in corporate strategic direction. | Informative |
| | <ul style="list-style-type: none"> Progress in complying with the Group's innovation and technology strategy. | Informative |
| | <ul style="list-style-type: none"> Progress in compliance with the human talent strategy with Group scope. | Informative |
| | <ul style="list-style-type: none"> Progress in compliance with the Group's communication and outreach strategy. | Informative |
| | <ul style="list-style-type: none"> Financial Forecasts | Approval |
| | <ul style="list-style-type: none"> Progress in complying with the supply and shared services strategy with Group scope. | Informative |
| | <ul style="list-style-type: none"> Additional session: EPM Business Plan 2022 - 2025, budget for the year 2022, Infrastructure Investment Plan 2022 - 2025 and CMI 2022 - 2025 goals. | Approval |
| | <ul style="list-style-type: none"> Modification to the Investment Plan 2021-2024. | Approval |
| Follow-up of the Grupo EPM's business strategy | <ul style="list-style-type: none"> Business monitoring from the perspective of customers - users by the Senior Management and the control members of EPM's Board of Directors. | Informative |
| | <ul style="list-style-type: none"> Business Generation with Group scope. | Informative |
| | <ul style="list-style-type: none"> Gas Business. | Informative |
| | <ul style="list-style-type: none"> Water Supply and Wastewater Management Businesses matrix approach. | Informative |
| | <ul style="list-style-type: none"> Businesses Water Supply and Wastewater Management approach subsidiaries. | Informative |

| Subject | Topic | Character |
|---------------------------------------|---|-------------|
| Follow-up of the Grupo EPM's business | <ul style="list-style-type: none"> Business monitoring from the perspective of customers-users by Senior Management and the control members of EPM's Board of Directors. | Informative |
| | <ul style="list-style-type: none"> Business Generation with Group scope. | Informative |
| | <ul style="list-style-type: none"> Gas Business. | Informative |
| | <ul style="list-style-type: none"> Water Supply and Wastewater Management Businesses matrix approach. | Informative |
| | <ul style="list-style-type: none"> Businesses Water Supply and Wastewater Management approach subsidiaries. | Informative |
| | <ul style="list-style-type: none"> Solid Waste Business. | Informative |
| | <ul style="list-style-type: none"> Business Transmission and Distribution with Group scope. | Informative |



| Subject | Topic | Character |
|---|---|-------------|
| Financial issues and corporate governance | <ul style="list-style-type: none"> Approval of the account. Financial statements of EPM and the Grupo EPM as of December 31, external auditor's report, Annual Management Report of the General Manager, Corporate Governance Report and Código País report (informative). | Approval |
| | <ul style="list-style-type: none"> Evaluation of the Manager and the Board of Directors. | Informative |
| | <ul style="list-style-type: none"> Future Periods (the time allocated in the June session is derived from the modification of the Investment Plan) Finance and Investment Department. | Approval |
| Risk and audit issues | <ul style="list-style-type: none"> Audit planning 2022. | Approval |
| | <ul style="list-style-type: none"> Follow-up of the audit plan and results of evaluations by external control entities. | Informative |
| | <ul style="list-style-type: none"> Risk management follow-up. Compliance Unit Management Report, Annual Compliance and Anticorruption Plan. | Informative |
| Human Development | <ul style="list-style-type: none"> Salary increase for government employees. | Approval |
| | <ul style="list-style-type: none"> Plant management. | Approval |
| | <ul style="list-style-type: none"> Cultural evolution. | Informative |
| Corporate governance | <ul style="list-style-type: none"> Typical Board of Directors agenda and annual calendar | Approval |
| | <ul style="list-style-type: none"> Management Report Board of Directors Committees. | Informative |

Board of Directors Information System

Código País 33.3 – ii. o) GRI 102-27

In EPM, the information related to the Board of Directors and its support committees is managed in an automated manner through the ARCA information system, meeting criteria of integrity, security, timeliness, availability, traceability and confidentiality of the information.

During 2021, ARCA's functionalities were stabilized and its usability was strengthened.

In addition, the following actions were implemented:

- Creation of a microsite for the Hidroituango Follow-up Committee - Legal Chapter.
- Creation of a microsite for the Hidroituango Follow-up Committee - Technical Chapter.
- Beginning of the redesign process and technological migration of the application.

Board of Directors Committees

| | |
|--|--|
| Strategy and Investment Committee  Planners Sessions | Management Committee  Planners Sessions |
| Project Monitoring Committee  Planners Sessions | Audit Committee  Planners Sessions |
| Relationship Committee  Planners Sessions | Project Follow-Up Committee Legal Chapter Ituango  Planners Sessions |
| Project Follow-up Committee Ituango Technical Chapter  Planners Sessions | |

Attendance at the Board of Directors

Código País 33.3 – ii. j)

During 2021, 30 Board of Directors meetings were held:



The total average attendance of the Board members was 99%. The following is a breakdown of attendance by each member:

| Attendance at the Board | | |
|-----------------------------------|--------------|--------------------|
| Board Member | % Assistance | Period |
| Daniel Quintero Calle | 97% | January - December |
| Bernardita Pérez Restrepo | 100% | |
| Jorge Iván Palacio Palacio | 97% | |
| Pablo Felipe Robledo Del Castillo | 100% | |
| Omar Flórez Vélez | 100% | |
| Gildardo Antonio Correa Salazar | 100% | |
| Olmer Orlando Palacio Garzón | 100% | |
| Sergio Andrés Restrepo Muñoz | 100% | May - December |
| Jorge Andrés Carrillo Cardoso | 100% | January - April |
| Guillermo León Diosdado Pérez | 100% | January - May |

Management of Board Committees

The support committees to the Board of Directors are spaces designed with the purpose of guaranteeing the efficiency in the decision making of EPM's highest management body, through a detailed analysis of the issues prior to each Board of Directors' meeting.









The committees are formed by members of the Board of Directors and chaired mostly by independent members, considering the training and experience of its members, in accordance with the functions and responsibility of each one of them.

Código País 33.3 – ii. p) GRI 102-18 102-26 102-30

The following table lists the committees of the Board of Directors of EPM that operated in 2021, their composition and the issues they are in charge of, which are articulated with the recommendations of Código País and with the legal and statutory functions.

| Committee | Activities | Conformation during 2021 |
|-----------|--|--|
| Audit | <p>Supervision: internal audit, financial disclosure, external audit, internal control system, integrated risk management system, compliance, credit proposals, internal and external control entities, related party transactions, intellectual property and Corporate Governance Report.</p> <p>At the close of 2021, the Board of Directors requested that the Internal Audit report on the evaluation of the Organization's strategic line in terms of risk, control and governance, and its articulation with the other lines of defense, be presented to the Board of Directors upon recommendation of the Audit Committee at the close of 2021. This report will be presented to the Audit Committee and the Board of Directors in the first half of 2022.</p> |  Bernardita Pérez Restrepo  Pablo Felipe Robledo del Castillo  Olmer Orlando Palacio Garzón <p>EPM's external auditor is a permanent guest of the Audit Committee, as it has a constant and periodic relationship with the Board of Directors.</p> <p>Código País 33.3 – ii. m)</p> |

| Committee | Activities | Conformation during 2021 |
|--------------------------|--|--|
| Management | Monitoring of corporate management, corporate reputation, intellectual capital, ethics, corporate image, administrative structure, business and commercial development projects, appointments and compensation, conflicts of interest, evaluation of management and senior management, and corporate governance. |  Bernardita Pérez Restrepo  Pablo Felipe Robledo del Castillo  Omar Flórez Vélez |
| 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 stakeholder relations plans. |  Sergio Andrés Restrepo Muñoz (as of June 2021)  Jorge Iván Palacio Palacio  Jorge Andrés Carrillo Cardoso (until April 12, 2021)  Guillermo León Diosa Pérez (until May 18, 2021)  Vacante (as of May 18, 2021) |

| Committee | Activities | Conformation during 2021 |
|-------------------|---|--|
| Project follow-up | Follow-up on 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. |  Sergio Andrés Restrepo Muñoz (as of June 29, 2021)  Omar Flórez Vélez  Jorge Andrés Carrillo Cardoso (until April 12, 2021)  Guillermo León Diosa Pérez (until May 18, 2021)  Vacante (as of May 18, 2021) |
| | Specific chapter dedicated to the legal monitoring of the future Ituango hydroelectric power plant. |  Bernardita Pérez Restrepo  Pablo Felipe Robledo del Castillo  Jorge Iván Palacio Palacio |

| Committee | Activities | Conformation during 2021 |
|-------------------|--|---|
| Project follow-up | Specific chapter dedicated to the technical follow-up of the future Ituango hydroelectric power plant. |  Sergio Andrés Restrepo Muñoz (as of June 29, 2021)  Omar Flórez Vélez  Jorge Andrés Carrillo Cardoso (until April 12, 2021)  Guillermo León Diosa Pérez (until May 18, 2021)  Vacante (as of May 18, 2021) |
| Relationship | To guide and support the strategic relationship of the Organization at the local, national and international levels. |  Jorge Iván Palacio Palacio  Omar Flórez Vélez  Gildardo Antonio Correa Salazar |

The Technical and Legal chapters of the future Ituango hydroelectric power plant were created in 2020 by the Board of Directors with the purpose of following up and analyzing in detail the project's recovery and contingency continuity activities. These two chapters operated in accordance with assigned attributions during 2021.

GRI 102-34

Attendance at Board committees Código País 33.3 – ii. j)

Attendance at Board committees averages 99.7%, as follows:

Attendance at Board committees

| Member | Management | Relationship | Strategy and investments | Audit | Project follow-up | Project follow-up (Hidroituango Technical Cap.) | Project follow-up (Hidroituango Legal Cap.) |
|-----------------------------------|------------|--------------|--------------------------|-------------|-------------------|--|--|
| Bernardita Pérez Restrepo | 100% | | | 100% | | | 100% |
| Pablo Felipe Robledo Del Castillo | 100% | | | 100% | | | 100% |
| Omar Flórez Vélez | 94% | 100% | | | 100% | 100% | |
| Jorge Iván Palacio Palacio | | 100% | 100% | | | 100% | 100% |
| Sergio Andrés Restrepo Muñoz | | | 100% | | 100% | 100% | |
| Olmer Orlando Palacio Garzón | | | | 100% | | | |
| Gildardo Antonio Correa Salazar | | 100% | | | | | |
| Jorge Andrés Carrillo Cardoso | | | 100% | | 100% | 100% | |
| Guillermo León Diosa Pérez | | | 100% | | 100% | 100% | |
| % Total assistance (*) | 98% | 100% | 100% | 100% | 100% | 100% | 100% |

Average for all committees: 99.7%

(*) The percentage of attendance is given as a function of the number of sessions attended over the number of sessions scheduled. If there are changes in the composition of the committees during the period, a greater number of members will be reflected in the committee whose composition was changed.

At the request of the Mayor, the private secretary of the Mayor's Office or whoever she delegates convenes the meetings of the Board Committees, as recorded in the minutes of the Board of Directors No. 1690 of July 28, 2020.

Remuneration of the Board of Directors

Código País 33.3 – ii. h); GRI 102-36

By means of 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 at three minimum monthly legal salaries in force in Colombia, for the attendance to each session of the Board of Directors and of each committee.

Código País 33.3 – ii. g); GRI 102-35 102-37

In EPM, the members of the Board of Directors do not receive variable remuneration and the Mayor of Medellín, as a member of the Board of Directors, does not receive remuneration.

The amount paid as fees to the members of the Board of Directors in 2021 is shown below:

| Remuneration of the Board of Directors | |
|--|--------------------------|
| Concept | Amount paid in 2021 |
| Board of Directors | COP 600,153,925 |
| Board Committees | COP 539,664,444 |
| Total paid | COP 1,139,818,369 |

Evaluation of the Board of Directors

Código País 33.3 – ii. q); GRI 102-28

The evaluation is a mechanism for monitoring the management of the Board of Directors and its committees. In EPM it is carried out as a good practice of Corporate Governance on an annual basis or whenever the Chairman of the Board deems it appropriate. In accordance with the provisions of the Board of Directors Regulations, the evaluation must refer to the functioning of the Board as a body, the performance of each of its members and the relations of the Board of Directors with the Administration.

The evaluation corresponding to the 2021 fiscal year will be carried out during the first half of 2022, for which purpose a public request for bids will be made in order to hire services to evaluate the Board of Directors of EPM and its committees, obtain recommendations of good practices that can be implemented in the area of corporate governance and formulate a strengthening plan that includes actions and mechanisms, instruments and indicators for its effective follow-up.

Senior Management

GRI 102-29 102-20

The Administration of EPM, its representation and the management of its business are in charge of the CEO who is empowered to enter into or execute, without other limitations than those established in the Bylaws, all acts included in its purpose or directly related to its existence or operation.

During 2021, the following changes occurred in the General Management of EPM:

- By Decree 0085 of February 1, 2021, the Mayor of Medellín, Mr. Daniel Quintero Calle, declared the general manager Álvaro Guillermo Rendón López, who held the position from January 2, 2020 to February 1, 2021, to be suspended.

During 2021, the following C-Level changes occurred in EPM:

- By means of Decree 0086 of February 1, 2021, the Mayor of Medellín, Mr. Daniel Quintero Calle, appointed Mrs. Mónica María Ruíz Arbeláez as CEO, who served until Mr. Miguel Alejandro Calderón Chatet was appointed.
- By means of Decree 0248 of April 5, 2021, the Mayor of Medellín, Mr. Daniel Quintero Calle, appointed Mr. Miguel Alejandro Calderón Chatet as CEO, who held the position until April 12, 2021.
- By means of Decree 0281 of April 13, 2021, the Mayor of Medellín, Mr. Daniel Quintero Calle, appointed Mr. Jorge Andrés Carrillo Cardoso as CEO, who continues to hold this position to date.

The Senior Management in EPM is composed of twelve executives, reporting directly to the Chief Executive Officer of EPM. It has functions within the scope of Grupo EPM and is responsible for directing, planning, and verifying the achievement of objectives, plans and goals of EPM and the subsidiaries of the business group.

The team of vice presidents that accompanied the management of Mr. Jorge Andrés Carrillo Cardoso, as CEO during 2021 had the following novelties:

No. 1



Position: Business Management Executive VP.

Recent developments: No change.

Office Holder: Daniel Arango Ángel.

No. 2



Position: Projects and Engineering Executive VP.

New products: No change.

Office Holder: Gabriel Jaime Betancourt Mesa.

No. 3



Position: Executive VP of Strategy and Planning.

New products: No change.

Office Holder: Mónica María Ruiz Arbeláez.

No. 4

Cargo: Executive Finance and Investments VP.

New products:

- Between November 30, 2020 and April 4, 2021, Mr. Miguel Alejandro Calderón Chatet was the incumbent.
- Between April 6, 2021 and May 3, 2021 this position was vacant and Diana Oliva Rúa Jaramillo was in charge.
- As of May 4, 2021, Martha Lucía Durán Ortiz took office.

Office Holder: Martha Lucía Durán Ortiz.

No. 5



Position: Executive VP of New Ventures, Innovation and Technology.

New products: No change.

Office Holder: Darío Amar Flórez.

No. 6



Position: General Counsel.

New products:

- Between June 16, 2020 and March 23, 2021, Mr. Jhon Alexander Sánchez Pérez was the incumbent.
- Between March 25 and June 25, 2021 this position was vacant and Ángela María Guerrero Bolívar was in charge.
- Between June 26 and September 5, 2021, the position was vacant and the incumbent was Ángela María Guerrero Bolívar.
- As of September 6, 2021, Jhonatan Estiven Villada Palacio took office.

Office Holder: Jhonatan Estiven Villada Palacio.

No. 7



Position: Human Resources and Organizational Development VP.

New products:

- Between September 7, 2020 and July 15, 2021, Ms. Alejandra Vanegas Valencia served as the incumbent.
- Between July 16 and September 5, 2021, this position was vacant and María Cristina Toro Restrepo was in charge.
- As of September 6, 2021, Juliana Carolina Zapata Molina took over the position.

Office Holder: Juliana Carolina Zapata Molina.

No. 8



Position: Communication and Corporate Relations VP.

New products:

- Between February 21, 2020 and April 29, 2021, Mr. Manuel Eduardo Osorio Lozano served as incumbent.
- As of May 4, 2021, Mabel Rocío López Segura took office.

Office Holder: Mabel Rocío López Segura.

No. 9



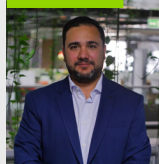
Position: General Counsel.

New products:

- Between December 26, 2020 and February 28, 2021, this position was vacant and without assignment.
- Between March 1st and April 29th, Mrs. Ángela María Guerrero Bolívar was the incumbent.
- As of May 10, 2021, María Cristina Toro Restrepo took office.

Office Holder: María Cristina Toro Restrepo.

No. 10



Position: Risk Management VP.

New products: No change.

Office Holder: Andrés Felipe Uribe Mesa.





No. 11

Position: VP of Corporate Audit.
New products: No Changes.
Office Holder: Oscar Alberto Cano
Castrillón.



No. 12

Position: VP of Supplies and
Shared Services.
New products: No Changes.
Office Holder: Carlos Enrique
Londoño Amariles.

During 2021, Senior Management's administration focused mainly on the following issues, aimed at contributing to the fulfillment of the Sustainable Development Goals (SDGs):

- Adjustment to the Grupo EPM's strategy, defining management focuses that guide the Grupo EPM in the short and medium-term: energy transformation, circular economy, digital transformation, corporate and financial optimization, project management, and cultural evolution.
- Attention to the pandemic with emphasis on the vaccination strategy for employees and the gradual and alternating return to work headquarters.
- Ensure quality and continuity in the provision of public utilities through compliance with the investment plan.
- Integration of Afinia for the proper incorporation of the subsidiary to the Grupo EPM.
- Integral management of the future Ituango hydroelectric power plant to advance in the goal of starting to generate energy with its first two units in the second half of 2022.

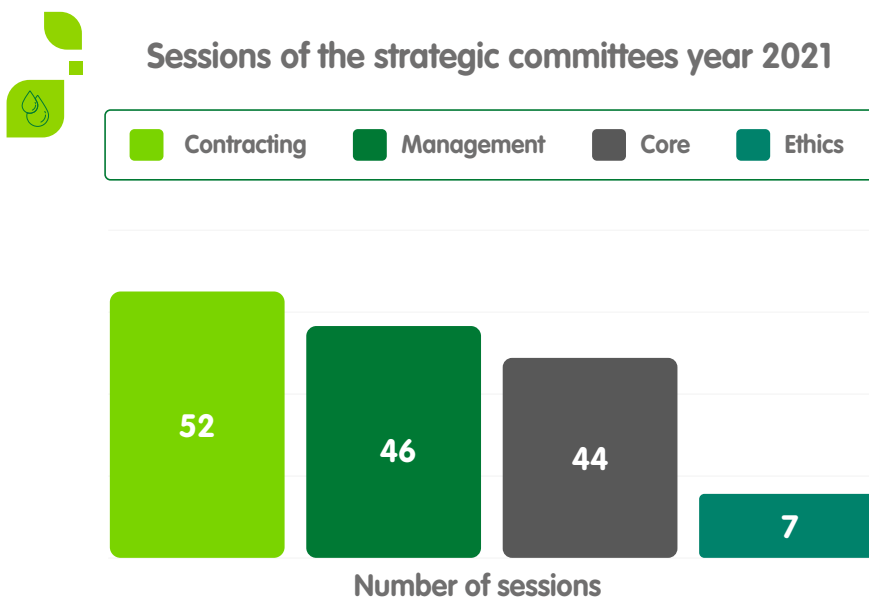
- Non-conventional renewable energies, focused on the third auction of non-conventional renewable energies organized by the National Government.
- Environmental Management, mainly in the strategies of Integral Management of Water Resources and Biodiversity, contributing, among others, to the national goal of planting 180 million trees by 2022; and in the Climate Change strategy.

Senior Management

GRI 102-26

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

Below is the composition of the strategic committees and the number of sessions held during 2021:



| Management | Core |
|---|--|
| <p>Objective:</p> <p>Articulate and control the management of the Company, through the analysis, definition, approval and monitoring of the matters within its competence, in order to achieve the strategic direction of EPM.</p> | <p>Objective:</p> <p>To establish and lead the unity of purpose and direction to be followed by all the companies of the Grupo EPM, through the analysis, definition and follow-up of the matters within its competence, in order to achieve the objectives of the business group.</p> |
| <p>Conformation:</p> <ul style="list-style-type: none"> • Chairman: Leader of the Grupo EPM, CEO of EPM. • Secretary: VP of Strategy and Planning. • Members: First level vice presidents. • Permanent guests: VP of Business (one per week). | <p>Conformation:</p> <ul style="list-style-type: none"> • Chairman: Leader of the Grupo EPM, CEO of EPM. • Secretary: VP of Strategy and Planning. • Members: First level vice presidents. • Permanent guests: Head of Corporate Governance Unit. |
| <p>Topics:</p> <ul style="list-style-type: none"> • Planning. • Policies for EPM. • Monitoring the performance of EPM's businesses and services (EPM's 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 stakeholders of the Company. • Customer experience. • Internal Audit • Changes to EPM's management structure • Reports from external assurance providers. | <p>Key Issues/Missions:</p> <ul style="list-style-type: none"> • Strategic leadership: provide the vision, direction and purpose of the Grupo EPM. • Capital: minimize the cost of capital and provide funds for growth. • Capabilities: enable the implementation of the strategic direction. • Control: ensure compliance with strategies, plans, guidelines and compliance with legal and regulatory requirements. • Identity: formulate shared vision and values for the Grupo EPM. |

| Contracting | Ethics |
|--|---|
| <p>Objective:</p> <p>To analyze and recommend on contracting matters associated with the procurement process of goods and services and contracts in which EPM acts as a contributor, according to the decree of delegations.</p> | <p>Objective:</p> <p>To promote and lead the implementation of ethical management, guiding the consolidation of the exercise of public service in terms of efficiency, transparency, probity and service to the public by all public servants.</p> |
| <p>Conformation:</p> <ul style="list-style-type: none"> • Chairman: Supply Chain Manager. • Secretary: Head of Contracting Management Unit. • Members: General Manager. Vice President of Legal Affairs (General Counsel). Executive Vice President of Corporate Finance (financial control). Vice President of Risk Management. Vice President of Corporate Audit. Executive Vice President of Business Management. Vice President of Projects and Engineering. • Permanent guests: Executive competent to contract according to delegations. The vice-president of the management area accompanied by the manager making the requisition. | <p>Conformation:</p> <ul style="list-style-type: none"> • Chairman: VP of Human Talent and Organizational Development. • Secretary: Human Development and Organizational Culture Management. • Members: VP of Risks. VP of Communication and Corporate Relations VP of Corporate Audit. Head of Compliance Unit. External member. Servant elected by the General Manager. • Permanent guests: Manager Labor Relations Management. Corporate Communications Manager. Support Audit Manager. |
| <p>Topics:</p> <ul style="list-style-type: none"> • Pre-contractual and contractual procedures, in accordance with the principles governing contracting and with the corporate policy for the Acquisition of Goods and Services, approved by the Board of Directors of EPM. • Relevant recommendations and observations to the competent manager, according to the decree of delegations. • Periodic reports submitted by the vice presidencies, related to EPM's contracting and the pertinent recommendations. • Follow-up of the annual contracting plan. | <p>Key Issues/Missions:</p> <ul style="list-style-type: none"> • Framework of action for ethical management. • Initiatives, mechanisms and methodologies for ethical management. • Ethical commitments. • Analysis of ethical dilemmas. |

General Manager Induction

The Corporate Governance Unit prepared an onboarding plan for the CEO, which was carried out in April and May 2021, with the support of the Human Development Solutions Department and the participation of various departments of the Company.

Evaluation of the General Manager

Código País 33.3 – ii. q); GRI 102-28

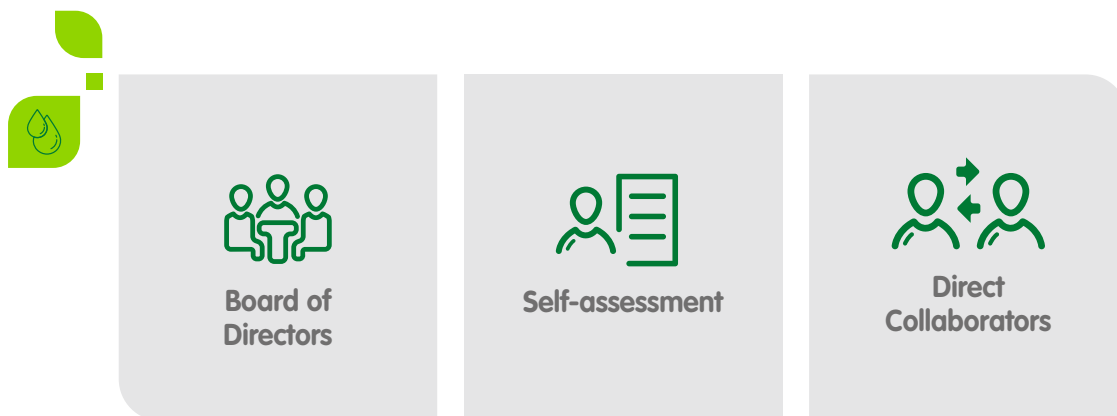
EPM's Board of Directors carries out a systemic process of evaluation of EPM's General Manager that has as its purpose:

- Align expectations regarding the manager's management based on qualitative (behaviors and management style) and quantitative results.
- Identify strengths and opportunities for improvement, in order to promote actions that enhance their leadership and generate value to the organization.

The evaluation methodology includes:

- Quantitative evaluation (fulfillment of CMI goals).
- Multi-source evaluation of leadership style (competencies and other behavioral benchmarks).
- Feedback of results in a private Board session with the CEO resulting in a public statement on the management of the period and recommendations for the following year.
- Updating of the Management Style indicator in the CMI.
- Accompanying actions as part of the cultural evolution.





Likewise, the Corporate Governance Code in numeral 4.7 establishes, among other matters, that the evaluation may “use the self-evaluation of the CEO the evaluation by the Board of Directors and the evaluation by the first 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 management of the CEO of EPM during the year 2021, began with the presentation of the methodology in the Core Committee and the Management Committee, the latter in its November session and the subsequent sending of the forms to the Board of Directors, the first level management and the manager. Likewise, the topic of evaluation was included in the agenda of the Board of Directors for the March 2022 session.

Senior Management Compensation

Código País 33.3 – ii. h); GRI 102-36

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

The total compensation of EPM's Senior Management in 2021 was as follows:

| Remuneration Senior Management EPM | | |
|------------------------------------|---|--------------------|
| Cost Cluster | Position | Total paid in 2021 |
| CEO | Chief Executive Officer | \$6,547,399,007 |
| Executive Vice Presidents | VPE New Business, Innovation and Technology | |
| | Finance and Investments VP | |
| | Business Management VP | |
| | Projects and Engineering VP | |
| 1st Level Vicepresidents | Strategy and Planning VP | |
| | Corporate Audit VP | |
| | Legal Affairs VP (General Counsel) | |
| | Communication and Corporate Relations VP | |
| | Supplies and Shared Services VP | |
| | Human Resources and Organizational Development VP | |
| | Legal Affairs VP (General Counsel) | |
| | Risk Management VP | |



Note:

- Payments include vacation, bonuses and benefits (including vehicle allowance).
- The vehicle recognition benefit does not apply to the general manager.
- The total amount paid corresponds to the position, taking into account all the people who occupied the position as incumbent or by remunerated assignment during 2021.
- Severance payments are those paid directly to the employee or consigned in February 2021 to the Funds.

- Ratio of the semi-annual total compensation of the Organization's highest-paid individual to the median of the semi-annual total compensation of all employees excluding the highest-paid individual:

8.30 GRI 102-38

- Ratio of the percentage increase in the semi-annual total compensation of the Organization's highest-paid individual to the median of the percentage increase in the semi-annual total compensation of all employees, excluding the highest-paid individual:

1 GRI 102-39

6 CLEAN WATER AND SANITATION



7 AFFORDABLE AND CLEAN ENERGY



8 DECENT WORK AND ECONOMIC GROWTH



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



10 REDUCED INEQUALITIES



Related party transactions

SUSTAINABLE DEVELOPMENT GOALS

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



13 CLIMATE ACTION



15 LIFE ON LAND



16 PEACE, JUSTICE AND STRONG INSTITUTIONS



17 PARTNERSHIPS FOR THE GOALS



4. Related party transactions

EPM and the other companies that make up the Group have the Financial Policy, and among other documents, the “Manual of accounting practices and financial information in accordance with the International Financial Reporting Standards-IFRS” and the provisions of the “Technical Definitions of Financial Model and Technical-Financial Definitions”, which includes in paragraph 1.8 the provisions concerning related parties. In addition, in order to formalize the relationships between companies of the Group, there is a “Governance Agreement”, about which context is provided in this report. Additionally, EPM’s Tax Department has defined the “Transfer Pricing Management Manual”.

The detail of the operations with the most relevant related parties can be found in the note “Related Party Disclosures” included in the financial statements. Additionally, the operations between companies of the Grupo EPM are included each year in this report.



During the year 2021, the **proposed Policy and Guidelines for Operations with Related Parties** was prepared in order to incorporate it as an annex to the Corporate Governance Code of the Grupo EPM. This proposal is being reviewed and legal observations are being addressed, prior to the approval of the competent authorities.

Special Report

The special report with the economic relationships existing between the controlling company or its affiliates or subsidiaries with the respective controlled company, referred to in Article 29 of Law 222 of 1995, are listed in the “Governance Agreement” section of this Report, which provides a general context of the minutes subscribed between the companies of the Grupo EPM as part of the Governance Agreement and highlights the most important ones.

Conflicts of interest

Código País 21.4 33.3 - iii. c); GRI 102-25

Annex No. 8 of the Code of Corporate Governance, [“Manual on 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 of a permanent nature and prevents the independent exercise of functions, the Board member must resign.

Código País 33.3 - iii. d); GRI 102-25

This manual regulates the differences that may arise between the parent company of Grupo EPM and the subordinated companies, with respect to the interest of the corporate group. The procedure follows the Governance Agreement entered into between the companies of the Grupo EPM, the shareholders' agreements entered into and the governance model defined for each of the subordinated companies. It also indicates the actions that correspond in each case to the Board of Directors of the subordinated company, the Management Committee of the Parent Company and the Board of Directors with their respective committees.

Código País 33.3 - iii. a)

In compliance with paragraph 11 of the manual, which states that “Conflicts of interest that arise and oblige the manager to abstain from participating in the discussion of a given matter shall be published annually in the Corporate Governance Report”, it is reported:



In 2021, there were 2 conflicts of interest on the part of the members of the Board of Directors and 1 conflict of interest on the part of EPM's Directors, according to the definition of Directors established in the “Manual of conflicts of interest and treatment of decisions in the interest of Grupo EPM”.



The following are the conflicts of interest that occurred in EPM:

| No. | Administrator | Date | #Meeting minutes | Description of the conflict | Date of report to Compliance Unit |
|-----|--------------------|----------------|------------------|--|-----------------------------------|
| 1 | Board of Directors | May 25, 2021 | 1715 | <p>At the meeting held on May 25, 2021, the Board of Directors accepted the existence of a conflict of interest by Mr. Sergio Andrés Restrepo Muñoz, member of the Board of Directors of EPM.</p> <p>Mr. Sergio Andrés Restrepo Muñoz is a member of the Board of Directors of UNE-TIGO, and stated that he would abstain from participating in the discussion and decision of the "Proyecto Titán" issue, due to the fact that it is a decision of EPM in relation to the participation it has in that company.</p> <p>As a result of the foregoing, Mr. Sergio Andrés Restrepo Muñoz abstained from participating in the analysis, deliberations and decisions related to the "Proyecto Titán" issue, which were presented to the Board of Directors during the year 2021.</p> | Jun 21, 2021 |
| 2 | Board of Directors | April 30, 2021 | 1714 | <p>In the session of April 30, 2021, the Board of Directors accepted the existence of a conflict of interests by Mr. Omar Flórez Vélez, member of the Board of Directors of EPM.</p> <p>Mr. Omar Flórez Vélez declares a possible conflict of interests in relation to the approval of the appointment of Mrs. Mabel Rocío López Segura, in the position of Vice President of Communication and Corporate Relations given that she was part of his Legislative Unit in a period in the Congress of the Republic.</p> <p>Mr. Omar Flórez Vélez declared the conflict of interests in the Management Committee, and it was accepted.</p> <p>As a result of the foregoing, Mr. Omar Flórez Vélez refrained from participating in the analysis, deliberations and decisions related to the appointment of Mrs. Rocío López Segura, as Vice President of Communication and Corporate Relations.</p> | June 1, 2021 |

| No. | Administrator | Date | Description of the conflict | Date of report to Ethics Committee |
|-----|--|------------------|---|------------------------------------|
| 1 | María Patricia Giraldo Velásquez y Juan David Vélez Hoyos | October 12, 2021 | <p>The Ethics Committee ratified the concept issued by the Corporate Legal Support Direction of EPM on the existence of a real, sporadic and personal conflict of interest in the head of María Patricia Giraldo Velásquez, Human Development and Organizational Culture Manager, and Juan David Vélez Hoyos, Labor Relations Management Manager of EPM to pronounce and participate on the right of petition of the employee Rubén Darío Álvarez Ochoa, who holds the position of Customer Service Manager in category A522.</p> <p>Rubén Darío Álvarez Ochoa requests that the salary corresponding to the position of Manager in category A520 be recognized retroactively.</p> <p>María Patricia Giraldo Velásquez and Juan David Vélez Hoyos withdrew from all matters related to the attention of the matter, since the decision on the retroactive recognition of Rubén Darío Álvarez Ochoa's salary could impact his remuneration scheme. The response to the right of petition was channeled through EPM's Ethics Committee.</p> | October 12, 2021 |



During 2021, the Colombian subsidiary CHEC reported a conflict of interest by two of its managers, and in the international subsidiaries there were two conflicts of interest.

The following is a detail of the conflicts of interest in the domestic and international subsidiaries of the Grupo EPM:



| No. | Date | Description of the conflict |
|-----|-------------------|--|
| 1 | February 16, 2021 | In compliance with Resolutions 080 and 130 of 2019 issued by the CREG, Juan Rafael López and Alberto Mejía Reyes, who serve as members of the Board of Directors of CHEC declared a conflict of interest and refrained from participating in the debate and decision making regarding the topic "energy purchases from the regulated market", keeping the corresponding procedures so that they do not have access to related information. The foregoing derived from the fact that both Juan Rafael and Alberto Mejía are directly linked to the businesses of Generation, Transmission and Distribution of Energy of EPM. |
| 2 | November 26, 2021 | In the November session of the Boards of Directors of TRELEC, COMEGSA, Enérgica, AMESA, IDEAMSA and CREDIEEGSA, international subsidiaries of the Grupo EPM, Board member Mario Alberto Naranjo Echeverri declared conflict of interest and abstained from voting with respect to the approving issue "pending retroactive salary increase 2021". The foregoing, derived from the fact that he also serves as manager of EPM in Guatemala and participating in the making of this decision impacts his salary scheme as manager. |
| 3 | November 26, 2021 | In the November session of the Boards of Directors of TRELEC, COMEGSA, Enérgica, AMESA, IDEAMSA and CREDIEEGSA, international subsidiaries of the Grupo EPM, Board member Mario Alberto Naranjo Echeverri declared conflict of interest and abstained from voting with respect to the approving issue "Governance Phase II, request for exchange control Lot 4, specifically regarding the redistribution of 1% of the weight assigned in the CMI to the milestone of analysis of financial viability of the companies". The above, derived from the fact that he also serves as manager of EPM in Guatemala and participating in the approval of the modification of Lot 4, affects the management objectives 2021. |

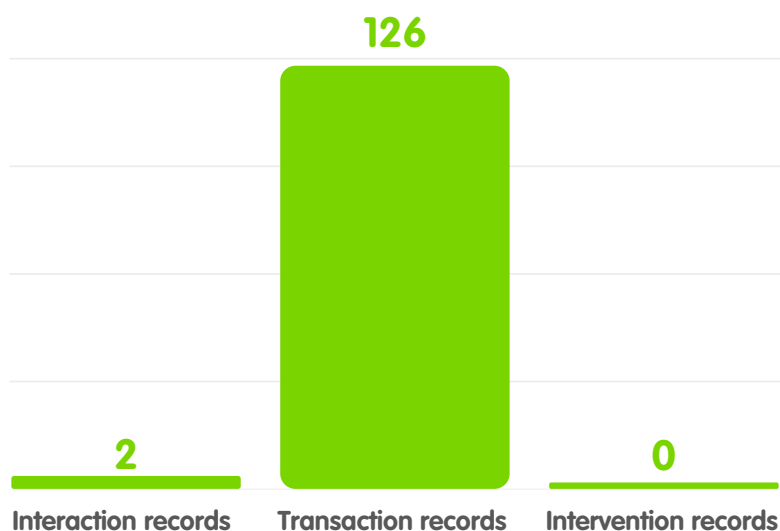
Government Agreement

Código País 33.3 – iii. b)

The Governance Agreement is a document that formally defines and guides the relations between the companies that make up the Grupo EPM. It has allowed subscribing different acts that facilitate the achievement of business objectives and obtaining business group synergies, in tune with the unity of purpose and direction. During the year 2021, 128 minutes were subscribed, 2 of interaction and 126 of transaction.

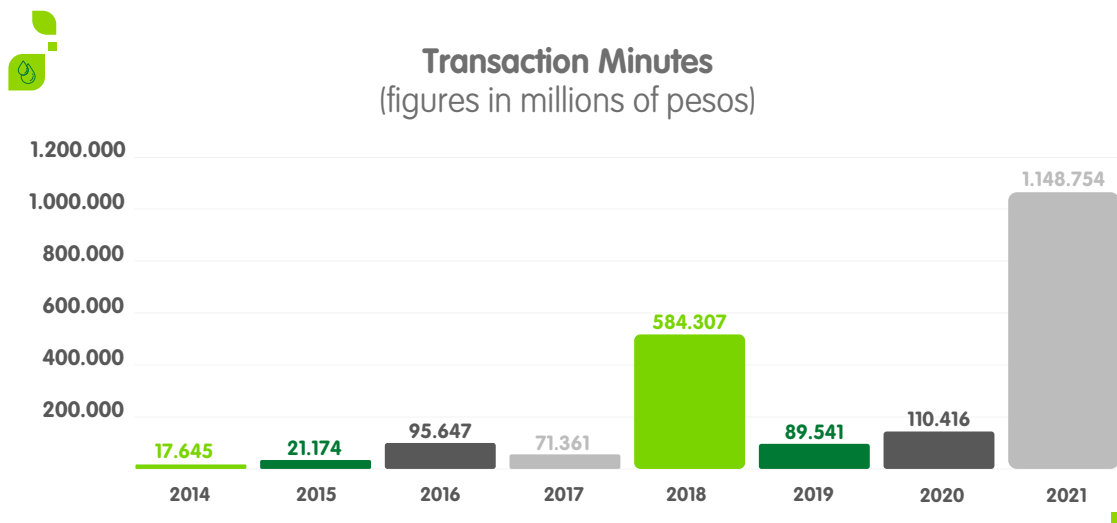


Number of signed minutes year 2021



General report on the minutes subscribed within the framework of the Government Agreement:

Transaction relationships are those established between the parties for the purpose of supplying goods and providing services to each other (not corresponding to the provision of residential public utilities), in order to amplify competitive advantages, as is the case of shared infrastructure and support, technical and commercial services, among others.



Regarding the historical information reported in 2020, the values are updated due to the fact that some minutes presented modifications, which are explained below:



In **2014** there was an increase of COP 718 million (from COP 16,927 million to COP 17,645 million), due to the fact that the agreement CT-2013-002297-A108 subscribed between EPM and Empresas Varias de Medellín S.A. E.S.P., with the purpose of providing billing services, distribution of invoices, portfolio management, reports associated to the portfolio and joint collection of the tariff of the domiciliary public sanitation service and special services, presented a higher value going from COP 5,270 million to COP 5,988 million.



In **2017**, an increase of COP 120 million is reflected (from COP 71,241 million to COP 71,361 million), due to the fact that the CT-2013-002297-A353 agreement signed between EPM and EPM Foundation, with the purpose of joining efforts to advance actions and implement the Environmental Management Plan - PMA and the Social Management Plan - PMS in the operation phase of energy transmission and distribution projects, presented an increase from COP 1,638 million to COP 1,758 million.



In **2018** a decrease of COP 2,583 million is reflected (from COP 586,890 million to COP 584,307 million), due to the fact that the act CT-2013-002297-A421 subscribed between EPM and Aguas Nacionales EPM S.A. E.S.P., with the purpose of regulating the conditions of interconnection to the subsystems of transport and treatment of wastewater owned by "the supplier", for the provision by "the beneficiary" of the public sewage service to the users of the system, presented a decrease from COP 458,786 million to COP 456,203 million.



In **2019**, an increase of COP 5,755 million is reflected (from COP 83,786 million to COP 89,541 million), due to the increase in the following acts:

CT-2013-002297-A495 subscribed between EPM and Tecnología Intercontinental - TICSA COLOMBIA, for the construction of the outlet structures associated with the Modernization project of the drinking water production plant La Ayurá, increasing from COP 53,985 million to COP 59,480 million.



CT-2013-002297-A384-R1 subscribed between EPM and Empresas Varias de Medellín S.A. E.S.P., with the purpose of providing the service of transportation and adequate final disposal of dehydrated sludge from the water treatment process of the plants owned by EPM, increasing from COP 518 million to COP 778 million.

In **2020**, there is an increase of COP 2,845 million (from COP 107,571 million to COP 110,416 million), due to the following variations:

Decrease in the values of the following minutes:



CT-2013-002297-A535 subscribed between EPM and Electrificadora de Santander S.A. E.S.P., with the purpose of rendering services related to credit granting and credit risk activities, as well as support, training and advisory services, from COP 402 million to COP 356 million.



CT-2013-002297-A583 subscribed between EPM and Empresa de Energía del Quindío S.A. E.S.P., with the purpose of providing activities related to the functional support, configuration, use of licenses and technical support of the Mercurio and Enter Online tools, from COP 121 million to COP 111 million.



CT-2013-002297-A569 subscribed between EPM and Empresa de Energía del Quindío S.A. E.S.P., in order to establish the administrative, technical and legal conditions based on which the client will grant the supplier a mandate with representation for the administration, payment of obligations and liquidation of the current contract, reducing from COP 17 million to COP 10 million.

Increase in the values of the following minutes:



CT-2013-002297-A593 subscribed between EPM and Electrificadora de Santander S.A. E.S.P., in order to fix the administrative, technical and legal conditions based on which the parties agree to provide basic technology and communications services, as well as support and specialized technical advice, increasing from COP 1,745 million to COP 2,409 million.



CT-2013-002297-A425-R subscribed between EPM and Aguas Regionales EPM S.A. E.S.P., in order to provide basic information technology services, operation and support of IT solutions, increasing from COP 201 million to COP 213 million.



CT-2013-002297-A622 subscribed between EPM and Empresas Varias de Medellín S.A. E.S.P., for the management of the Transfer Station project in the execution planning phase, design phase and land acquisition management, increasing from COP 430 million to COP 500 million.



CT-2013-002297-A503-R1 subscribed between EPM and Aguas de Malambo S.A. E.S.P., in order to set the administrative, technical and legal conditions to provide basic information technology services, operation and support of information systems solutions, increasing from COP 69 million to COP 78 million.

CT-2013-002297-A613 subscribed between EPM and Tecnología Intercontinental - TICSÁ COLOMBIA, for the design, supply, construction, assembly, commissioning and start-up of an operational flexibility module - MOFLO - with a capacity of 1.0 m³/s maximum daily flow (QMD) for the Manantiales potable water production plant, increasing from COP 47,149 million to COP 49,043 million.

CT-2013-002297-A588 subscribed between EPM and Aguas del Oriente S.A. E.S.P., with the purpose of providing preventive, predictive and corrective maintenance services for electromechanical equipment, at the time the subsidiary requires it, increasing from COP 21 million to COP 34 million.

CT-2013-002297-A565 subscribed between EPM and Empresas Varias de Medellín S.A. E.S.P., in order to provide drinking water supply services by means of tanker trucks, increasing from 150 million to 300 million pesos.



CT-2013-002297-A633 subscribed between EPM and Empresa de Energía del Quindío S.A. E.S.P., in order to fix the administrative, technical and legal conditions for the implementation, operation and support services of information systems solutions, increasing from COP 588 million to COP 601 million.



CT-2013-002297-A516-R1 subscribed between EPM and Aguas del Oriente Antioqueño S.A. E.S.P. and Aguas del Oriente Antioqueño S.A. E.S.P., with the purpose of providing IT and office automation Help Desk services, and the technology services that may be agreed, increasing from COP 4 million to COP 5 million.



CT-2013-002297-A601 subscribed between EPM and Centrales Eléctricas del Norte de Santander S.A. E.S.P., in order to establish the administrative, technical and legal conditions based on which "the principal" will grant the "mandatory" the representation for the negotiation, acceptance, liquidation, technical management and administrative management, increasing from COP 266 million to COP 317 million.



CT-2013-002297-A587 subscribed between EPM and Empresa de Energía del Quindío S.A. E.S.P., with the purpose of rendering services related to credit granting and credit risk activities, as well as support, training, advisory and accompaniment to the subsidiary, going from having no value to COP 31 million.

In addition, of the 126 transaction agreements signed in 2021, the following stand out:



- **Act between EPM and Aguas Nacionales EPM S.A. E.S.P.** to regulate the conditions of interconnection to the subsystems of transport and treatment of wastewater owned by "the supplier", for the provision by "the beneficiary" of the public sewage service to the users of the interconnected system of Valle de Aburrá for COP 1,066,819 million.

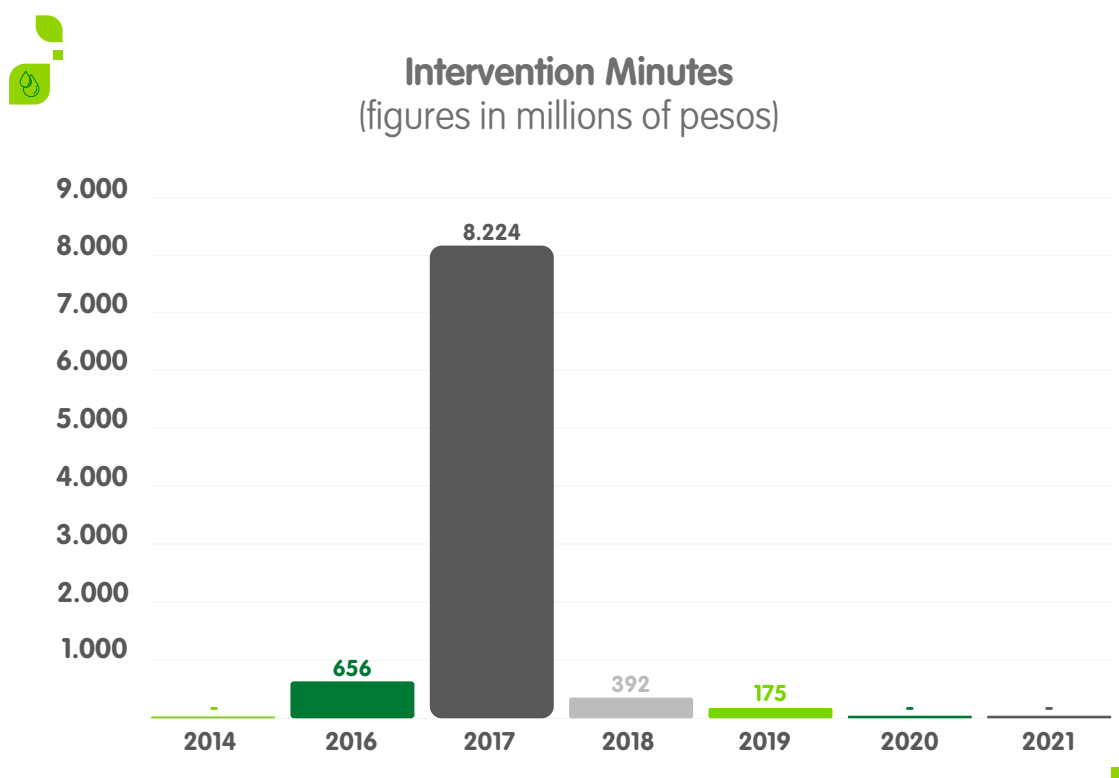


- **Agreement between EPM and Tecnología Intercontinental -TICSA COLOMBIA** for the design, supply, transportation, installation and testing of a biogas utilization plant for the injection of biomethane to EPM's natural gas networks and other related works and activities for COP 13,701 million.



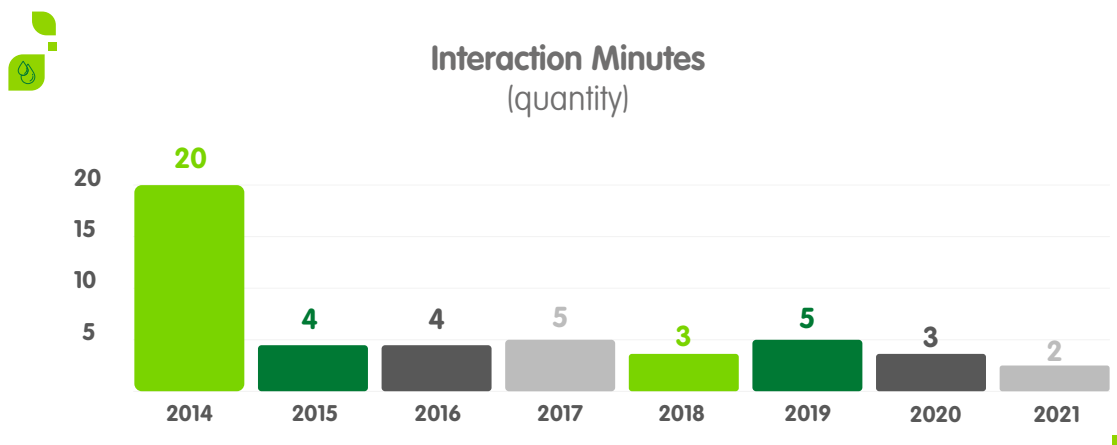
- **Agreement between EPM and Fundación EPM** for the provision by this entity and in favor of EPM, of services for the development and execution of education, relationship, social and environmental management activities in the territories where EPM is present for COP 12,010 million.

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



There are no variations in relation to the historical data of the intervention minutes. In the year 2021 no such minutes were subscribed.

Interaction relationships 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.



Referring to the history reported in the 2020 report, it is reported that a decrease was identified in 2017, due to the fact that two Minutes that were in process (CT-2013-002297-A340 and CT-2013-002297-A341), both with the purpose of defining the aspects for the centralized execution of the Financing Management Process, were cancelled by the Capital Management Department, due to an error in the procedure.

In 2021, the two interaction Minutes were subscribed to:

afinia

To enable the functional relationship between EPM and Afinia, in accordance with the strategic guidelines of the process operation model proposed for the integration and management of the subsidiary.

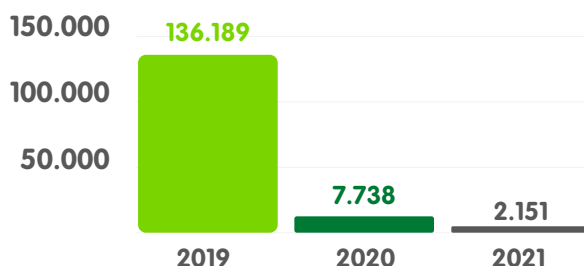
edeq CENS afinia
chec ESSA

Enable the functional relationship between EPM and the energy subsidiaries in Colombia, in relation to the purchase process of electricity assets.

The following is a summary of the transaction agreements entered into between subsidiaries, in which EPM is not a party involved:



Intercompany Transaction Minutes (figures in millions of pesos)



Compared to the historical information published, the values are updated due to the fact that some minutes presented modifications. Additionally, in 2020 there is an increase with respect to the values published in the report for that year, because Emvarias reported a new transaction agreement signed with TICS Colombia, for the purpose of "Operation of the leachate treatment system, including corrective maintenance of equipment and other activities associated with the operation of the system" for COP 6,810 million.

During 2021, 11 transaction agreements were signed for COP 2,151 million, among which the following stand out:

aguas
nacionales[®]

Fundación epm[®]

Subscribed between Aguas Nacionales and the EPM Foundation for the purpose of "Rendering of services for the design of the programmatic offer of a recreational, educational, cultural, recreational and environmental nature in the Aguas Claras Grape", for COP 784 million.



Subscribed between EDEQ and CHEC S.A. E.S.P. for the purpose of "Mutual or Loan - Loan of 55km of covered aluminum cable", for COP 291 million.



Subscribed between EDEQ and CHEC S.A. E.S.P. for the purpose of "Construction and commissioning of the electric vehicle charging station located at the Tambo Jardín viewpoint in the municipality of Filandia, Quindío", for COP 278 million.

In addition, in 2021, the following 2 agreements were signed between international subsidiaries:



Enérgica

EEGSA and Enérgica S.A. for the purpose of "Execution of electrical installation and civil works necessary for the operation of electrical equipment, related to energy efficiency, electrical mobility and pilot projects for future business opportunities", with undetermined value.

IDEAMSA | CREDIEEGSA

IDEAMSA and CREDIEEGSA S.A. with object "Lease of sixty square meters, of property 730, folio 227, book 6 of old book, located in 6ta av. 8 - 14, zone one, municipality of Guatemala, department of Guatemala, specifically in level one" for value US 395.28.





Ownership structure of Grupo EPM



5. Ownership structure of Grupo EPM

The Grupo EPM, whose parent company is EPM, is a multi-Latin business group that, as of December 31, 2021, is comprised of 45 companies between affiliates and subsidiaries, with presence in Mexico, Guatemala, El Salvador, Panama, Chile and Colombia, with 7 businesses: Energy Generation, Energy Transmission, Energy Distribution, Gas, Water Supply, Wastewater Management and Solid Waste Management.





At the end of 2021, Grupo EPM's revenues amounted to COP 25,257 billion.



Grupo EPM's capital and ownership structure

Código País 33.3 – i. a); GRI 102-10

In 2021, the following novelties were presented in the ownership structure of the Grupo EPM:

- The equity interest in Aguas de Malambo S.A. E.S.P. is modified and EPM is left with an equity interest of 98.10% and EPM Inversiones S.A. is left with an equity interest of 0.47%.
- The equity interest in Proyectos de Ingeniería Corporativa S.A. de C.V. (Proinge) is modified and Corporación de Personal Administrativo S.A. de C.V. (CPA) is left with an equity interest of 0.06% and Tecnología Intercontinental S.A.P.I. de C.V. (TICSA) with 99.94%.

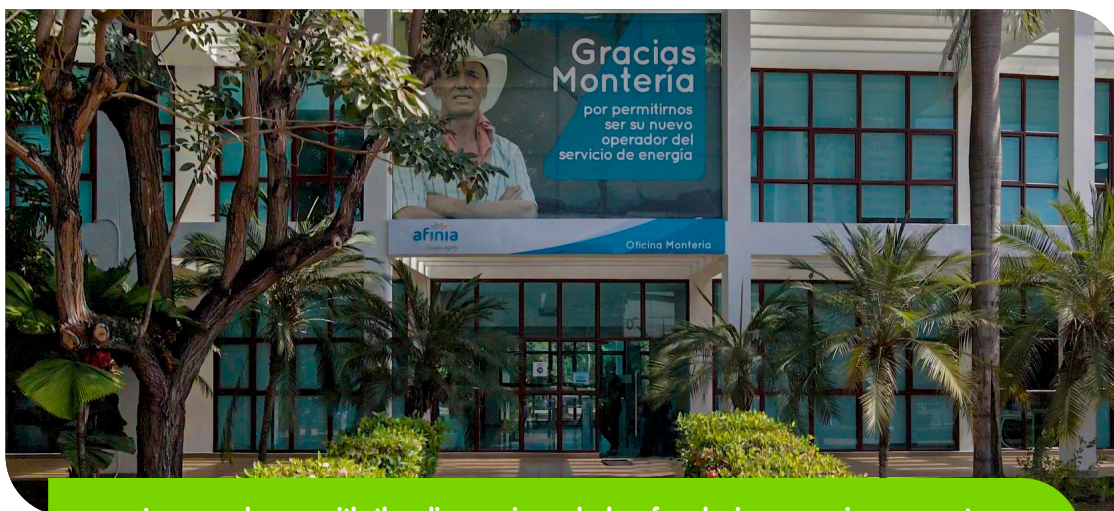
The ownership structure of Grupo EPM can be found in Annex 4 of this report.



See [Attachment 4: shareholder composition of the Grupo EPM.](#)



Corporate Governance in the acquisition of Afinia



In accordance with the diagnosis and plan for closing gaps in corporate governance defined for the subsidiary Afinia in 2021, several actions and deliverables were managed:

- Evaluation of governance bodies (Manager and Board of Directors).
- Adjustments to the bylaws in aspects related to corporate governance.
- Conflicts of interest manual and treatment of decisions in the Group's interest.
- Relevant information in accordance with the practice defined for the Group.
- Regulations of the Board of Directors.
- Follow-up on compliance with the typical agenda approved by the Board of Directors.

In addition, as part of the knowledge transfer activities and lessons learned in the management of the Board of Directors, the General Counsel of Afinia was integrated into the Colombian Subsidiaries Committee convened by the Corporate Governance Unit of EPM. In this committee, work was done on the Guide for the Management of the Boards of Directors of the Group's companies, as well as other relevant governance matters.

Regarding the Governance Agreement, advice was provided in the subscription of the minutes and support was provided for the formalization of the Interaction Act that enables the relationship between EPM and Afinia, in accordance with the strategic guidelines defined by EPM in its capacity as the parent company.



The stabilization stage of the operation in the subsidiary is also included in this stage. Likewise, in the aforementioned stage, the participation of the Corporate Governance Unit of EPM is maintained, which seeks to compile the governance practices adopted by the subsidiary in the Governance Code, consistent with the Group's definitions.



In general, during 2021, progress was made in the commitment to strengthen corporate governance in the subsidiary, and as an example of this, with the articulated effort between EPM and Afinia, various practices were implemented, maintaining a collaborative work by the Corporate Governance Unit of EPM and the General Secretariat of the subsidiary.


Grupo EPM shareholder agreements

Código País 33.3 i. f)

The following are the shareholders' agreements subscribed by EPM and in effect as of December 31, 2021.

| Company | Parties involved | Date of signature | Synthesis |
|---|--|--|--|
|  | <ul style="list-style-type: none"> • EPM • Millicom Spain S.L. (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 Board of Directors. |
|  | <ul style="list-style-type: none"> • EPM • Government of Antioquia • Municipality of Apartadó • Municipality of Chigorodó • Municipality of Mutatá • Municipality of Turbo • Municipality of Carepa | <p>December 1, 2006</p> <p>December 19, 2007</p> | Conditions and framework for their participation as shareholders, taking into account the background and special considerations for the management and development of the regional aqueduct that constitutes the purpose of the company. |

| Company | Parties involved | Date of signature | Synthesis |
|---|--|--|--|
|  | <ul style="list-style-type: none"> • Municipality of Carepa • EPM • Government of Antioquia • Municipality of Santa Fe de Antioquia • Municipality of Sopetrán • Municipality of San Jerónimo • Municipality of Olaya | <p>December 1, 2006</p> <p>December 19, 2007</p> | <p>Conditions and framework for their participation as shareholders, taking into account the background and special considerations for the management and development of the regional aqueduct that constitutes the purpose of the company.</p> |
| | <ul style="list-style-type: none"> • EPM • Government of Antioquia | <p>December 2006 and December 27, 2007</p> | <p>It ensures that decisions in the company are made by a plurality vote of EPM and the Governor's Office of Antioquia.</p> |
|  | <ul style="list-style-type: none"> • EPM • Municipality of Malambo • Community Action Boards of Malambo • Municipal Sports Institute • Malambo Hospital • Institute of Culture of Malambo | <p>June 29, 2011</p> | <p>Conditions and framework for their participation as shareholders, taking into account the background and special considerations for the management and development of the regional aqueduct that constitutes the purpose of this company.</p> |

| Company | Parties involved | Date of signature | Synthesis |
|---|--|-------------------|--|
|  HIDROECOLÓGICA DEL TERIBE, S.A. | <ul style="list-style-type: none"> • EPM • Administradora Serviagro S.A. • Consultores Asociados de Ingeniería S.A. • MacEnergy (Cayman) Ltda. | November 6, 2003 | Determine the basic conditions that will govern their relations 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. |
| *After the merger of Aguas de Urabá S.A. E.S.P. and Regional Occidente S.A. E.S.P. in 2015, the shareholder agreements that existed in each of the merged companies are maintained. | | | |



Note: the Afinia Shareholders' Agreement reported in the 2020 Corporate Governance Report is deleted from the list of Shareholders' Agreements of the Grupo EPM 2021, considering that such agreement was not subscribed by EPM.

Shareholders' meetings and partner relations

During 2021, 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 fiscal year, and the Board of Directors was also appointed for the period from March 2021 to March 2022. These meetings are par excellence the meeting space with the different partners of the Grupo EPM.

In order to strengthen trust with partners, Grupo EPM companies are committed to keep updated the section on the website of each subsidiary, enabled for the attention of this stakeholder group. In this way, transparency, access to information and communication channels are strengthened.

Código País 33.3 – v. b) c)



The stakeholder engagement plan Partners, had 100% compliance in 2021, largely thanks to the proposal of EPM's Corporate Governance Unit to standardize corporate governance issues in the respective sustainability or management reports of the national subsidiaries.



Management structure of Grupo EPM



6. Management structure of Grupo EPM

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

Board 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 are taken into account, the specific situation of each company, the level of involvement of the subsidiary with EPM and the knowledge of the plans drawn by the Grupo EPM for each business by the EPM executives that are part of the respective business, in search of the unity of purpose and direction that characterizes the business groups. Thus, as defined in the "Guide for the nomination of Boards of Directors of the Group's companies", the predominant profile of the members representing EPM is 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 Parent Company, and to have a coordinated decision-making process and effective instruments to develop the principles of corporate governance that govern the Grupo EPM, oriented to the generation of value. The Boards of Directors have the mission of controlling compliance with the financial and ethical plans and standards.



In this way, the boards of directors have internal members who are part of EPM's governing body and do not receive additional remuneration for this function, and 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 that provide 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, it is intended to select people from the market of incidence of each of the companies.

The following table includes the composition of the Boards of Directors, Boards of Directors, Boards of Directors of the companies of the Grupo EPM for the period between March 2021 and March 2022:



Water and Sanitation

National Water and Sanitation Companies




| Company | Position | Name | Category |
|---|-------------|-----------------------------------|----------|
|  | 1 | León Arturo Yepes Enríquez | Internal |
| | 2 | Valeria Restrepo Abad | Internal |
| | 3 | Santiago Wilches Yepes | Internal |
| | 4 | Representante Municipio El Retiro | Partner |
| | 5 | Representante Municipio El Retiro | Partner |
| | Alternate 1 | Luisa María Pérez Fernández | Internal |
| | Alternate 2 | Hemel Adolfo Serna Valencia | Internal |
| | Alternate 3 | Juan Carlos González Ramírez | Internal |
| | Alternate 4 | Representante Municipio El Retiro | Partner |
| | Alternate 5 | Representante Municipio El Retiro | Partner |
|  | 1 | Santiago Ochoa Posada | Internal |
| | 2 | Jorge Antonio Yepes Vélez | Internal |
| | 3 | Lady Johanna Ospina Corso | External |
| | 4 | Maritza Amparo Orrego Martínez | Internal |
| | 5 | Alcalde Municipio de Malambo | Partner |
| | Alternate 1 | Jorge William Ramírez Tirado | Internal |
| | Alternate 2 | Leon Arturo Yepes Enríquez | Internal |
| | Alternate 3 | Silvio Triana Castillo | Internal |
| | Alternate 4 | Valeria Restrepo Abad | Internal |
| | Alternate 5 | Julio César García Fernández | Internal |




National Water and Sanitation Companies

| Company | Position | Name | Category |
|---|-------------|---|----------|
|  | 1 | Jorge William Ramírez Tirado | Internal |
| | 2 | Maria del Pilar Restrepo Mesa | Internal |
| | 3 | Leon Arturo Yepes Enríquez | Internal |
| | 4 | Luis Fredy Mejía Betancur | Internal |
| | 5 | Representante Departamento de Antioquia | Partner |
| | Alternate 1 | Valeria Restrepo Abad | Internal |
| | Alternate 2 | Jorge Antonio Yepes Vélez | Internal |
| | Alternate 3 | Juan Carlos Restrepo Benítez | Internal |
| | Alternate 4 | Santiago Wilches Yepes | Internal |
| | Alternate 5 | Representante Departamento de Antioquia | Partner |
|  | 1 | Luisa María Pérez Fernández | Internal |
| | 2 | Jorge Antonio Yepes Vélez | Internal |
| | 3 | Juan Carlos Castro Padilla | Internal |
| | Alternate 1 | Jorge Alberto Cadavid Monroy | Internal |
| | Alternate 2 | Silvio Triana Castillo | Internal |
| | Alternate 3 | Juan Carlos González Ramírez | Internal |

International Water and Wastewater subsidiaries






| Company | Position | Name | Category |
|---|-------------|---------------------------------|----------|
|  | 1 | Martha Lucía Durán Ortiz | Internal |
| | 2 | Alejandro José Jaramillo Arango | Internal |
| | 3 | Santiago Ochoa Posada | Internal |
| | 4 | Luisa María Pérez Fernández | Internal |
| | 5 | Gilberto Escobedo | External |
| | Alternate 1 | Jorge Antonio Yepes Vélez | Internal |
| | Alternate 2 | Juan Carlos Restrepo Benítez | Internal |
|  | 1 | Santiago Ochoa Posada | Internal |
| | 2 | Álvaro García Hurtado | External |
| | 3 | Andrés Felipe Uribe Mesa | Internal |
| | 4 | | |
| | 5 | Luisa María Pérez Fernández | Internal |
|  | 1 | Santiago Ochoa Posada | Internal |
| | 2 | Luisa María Pérez Fernández | Internal |
| | 3 | Alejandro José Jaramillo Arango | Internal |
| | 4 | Andrés Felipe Uribe Mesa | Internal |
| | 5 | Carlos Mario Tobón Osorio | Internal |






Solid Waste subsidiary company

| Company | Position | Name | Category |
|---|-------------|----------------------------|----------|
|  | 1 | Daniel Arango Ángel | Internal |
| | 2 | Santiago Ochoa Posada | Internal |
| | 3 | Andrés Moreno Múnera | Internal |
| | Alternate 1 | Dario Amar Flórez | Internal |
| | Alternate 2 | Juan Carlos Castro Padilla | Internal |
| | Alternate 3 | Andrés Moreno Múnera | Internal |


Energy

Colombian energy subsidiaries

| Company | Position | Name | Category |
|---|-------------|----------------------------------|----------|
|  | 1 | Juan Felipe Valencia Gaviria | Internal |
| | 2 | Juan Carlos Duque Ossa | Internal |
| | 3 | Diego Humberto Montoya Mesa | Internal |
| | Alternate 1 | Juan Rafael López Foronda | Internal |
| | Alternate 2 | Fabio Andrés Rivera Barrera | Internal |
| | Alternate 3 | Carlos Mario Jaramillo Duque | Internal |
|  | 1 | Daniel Arango Ángel | Internal |
| | 2 | | |
| | 3 | Gilberto Saffón Arango | External |
| | 4 | Diego Humberto Montoya Mesa | Internal |
| | 5 | Gobernador de Caldas | Partner |
| | Alternate 1 | Juan Rafael López Foronda | Internal |
| | Alternate 2 | Alberto Mejía Reyes | Internal |
| | Alternate 3 | Carlos Mario Jaramillo Duque | Internal |
| | Alternate 4 | Juan Carlos Duque Ossa | Internal |
| | Alternate 5 | Alcalde de Manizales | Partner |
|  | 1 | Juan Felipe Valencia Gaviria | Internal |
| | 2 | Juan Carlos Duque Ossa | Internal |
| | 3 | Gobernador de Santander | Partner |
| | Alternate 1 | | |
| | Alternate 2 | John Jairo Celis Restrepo | Internal |
| | Alternate 3 | Delegado del Gobernador | Partner |
|  | 1 | Juan Felipe Valencia Gaviria | Internal |
| | 2 | Juan Carlos Duque Ossa | Internal |
| | 3 | Gobernador de Norte de Santander | Partner |
| | Alternate 1 | | |
| | Alternate 2 | Jaime Alberto Villa Valencia | Internal |
| | Alternate 3 | Carlos Mario Tobon Osorio | Internal |
|  | 1 | Daniel Arango Ángel | Internal |
| | 2 | Martha Lucía Durán Ortiz | Partner |
| | 3 | Darío Amar Flórez | Internal |
| | 4 | Andrés Moreno Múnera | Internal |
| | 5 | Gabriel Jaime Betancourt Mesa | Internal |
| | Alternate 1 | | |
| | Alternate 2 | Juan Carlos Castro Padilla | Internal |
| | Alternate 3 | Alejandro José Jaramillo Arango | Internal |
| | Alternate 4 | Juan Felipe Valencia | Internal |
| | Alternate 5 | Jhon Jairo Celis Restrepo | Internal |

| International energy subsidiaries | | | |
|--|-------------|-----------------------------------|----------|
| Company | Position | Name | Category |
|  | 1 | | |
| | 2 | Carlos Mario Tobón Osorio | Internal |
| | 3 | Eric Casamiquela | External |
| | Alternate 1 | Diego Humberto Montoya Mesa | Internal |
| | Alternate 2 | José Enrique Salazar Velásquez | Internal |
|  | 1 | Daniel Arango Ángel | Internal |
| | 2 | | |
| | 3 | Darío Amar Flórez | Internal |
| | 4 | | |
| | 5 | Maria del Carmen Aceña Villacorta | External |
| | Alternate 1 | José Enrique Salazar Velásquez | Internal |
| | Alternate 2 | John Jairo Celis Restrepo | Internal |
| | Alternate 3 | Juan Rafael López Foronda | Internal |
| | Alternate 4 | Carlos Mario Tobón Osorio | Internal |
| | Alternate 5 | Diego Humberto Montoya Mesa | Internal |
|   | 1 | Mario Alberto Naranjo Echeverri | Internal |
| | 2 | Daniel Arango Ángel | Internal |
| | 3 | | |
| | 4 | | |
| | 5 | Maria del Carmen Aceña Villacorta | External |
| | Alternate 1 | José Enrique Salazar Velásquez | Internal |
| | Alternate 2 | John Jairo Celis Restrepo | Internal |
| | Alternate 3 | Juan Rafael López Foronda | Internal |
| | Alternate 4 | Carlos Mario Tobón Osorio | Internal |
| | Alternate 5 | Diego Humberto Montoya Mesa | Internal |
|  | 1 | Daniel Arango Ángel | Internal |
| | 2 | | |
| | 3 | Darío Amar Flórez | Internal |
| | 4 | Martha Lucía Durán Ortiz | Internal |
| | 5 | Maria del Carmen Aceña Villacorta | External |



| International energy subsidiaries | | | |
|---|-------------|-----------------------------------|----------|
| Company | Position | Name | Category |
| GESA | 1 | Daniel Arango Ángel | Internal |
| | 2 | | |
| | 3 | Darío Amar Flórez | Internal |
| | 4 | | |
| | 5 | Maria del Carmen Aceña Villacorta | External |
| | Alternate 1 | José Enrique Salazar Velásquez | Internal |
| | Alternate 2 | John Jairo Celis Restrepo | Internal |
| | Alternate 3 | Juan Rafael López Foronda | Internal |
| | Alternate 4 | Carlos Mario Tobón Osorio | Internal |
| | Alternate 5 | Diego Humberto Montoya Mesa | Internal |
| Crediegsa Enérgica Amea Ideamsa | 1 | Mario Alberto Naranjo Echeverri | Internal |
| | 2 | | |
| | 3 | Darío Amar Flórez | Internal |
| | 4 | | |
| | 5 | Maria del Carmen Aceña Villacorta | External |
| | Alternate 1 | José Enrique Salazar Velásquez | Internal |
| | Alternate 2 | John Jairo Celis Restrepo | Internal |
| | Alternate 3 | Juan Rafael López Foronda | Internal |
| | Alternate 4 | Juan Carlos Duque Ossa | Internal |
| | Alternate 5 | Diego Humberto Montoya Mesa | Internal |
|  | 1 | Daniel Arango Ángel | Internal |
| | 2 | | |
| | 3 | Diego Humberto Montoya Mesa | Internal |
| | 4 | Federico Alfaro Boyd | Partner |
| | 5 | Julio Javier Caballero Decerega | Partner |
| ENSO | 1 | | |
| | 2 | Alberto Mejía Reyes | Internal |
| | 3 | Maritza Amparo Orrego | Internal |
| | 4 | Luz Marina Escobar Arango | Internal |
| | 5 | Alvaro León Ospina Montoya | Internal |



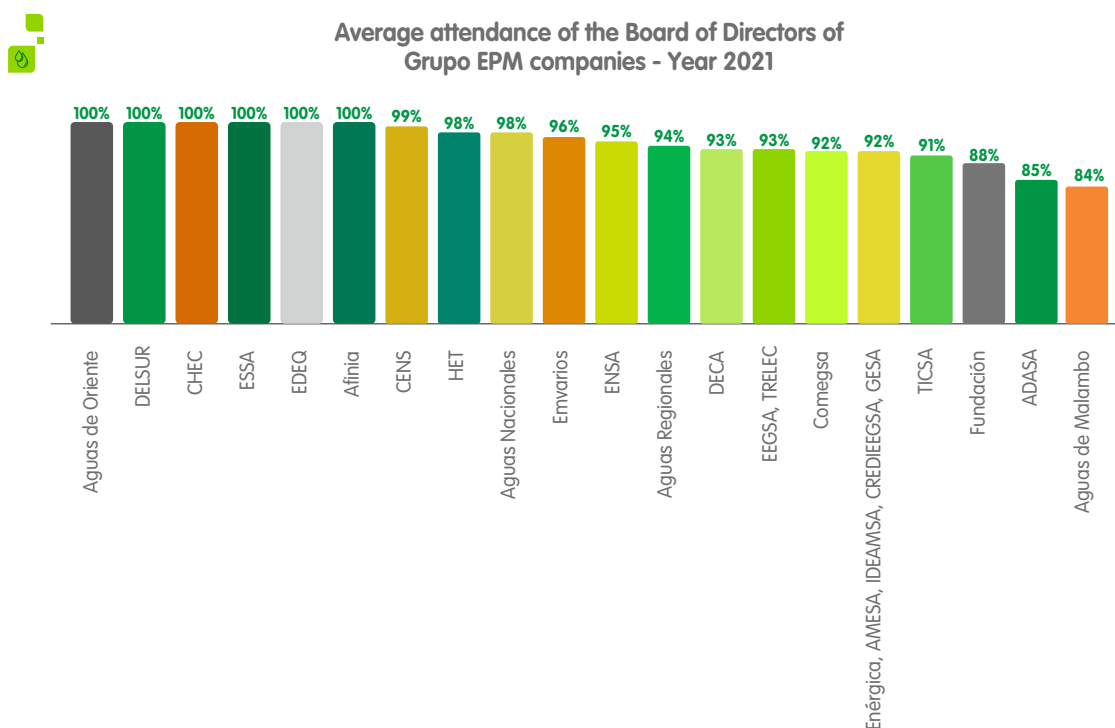
Investment vehicles and corporate ventures

| Investment vehicles | | | |
|--------------------------------|-------------|--------------------------------|----------|
| Company | Position | Name | Category |
| EPM Inversiones | 1 | Juan Carlos Castro Padilla | Internal |
| | 2 | Maritza Amparo Orrego Martínez | Internal |
| | 3 | Carlos Mario Giraldo Gómez | Internal |
| | Alternate 1 | Ángela María Ocampo Carmona | Internal |
| | Alternate 2 | Ángela María Loaiza Cortés | Internal |
| | Alternate 3 | Juan Carlos Sampedro Tobón | Internal |
| EPM Latam | 1 | Carlos Mario Tobón Osorio | Internal |
| | 2 | Juan Carlos Castro Padilla | Internal |
| | 3 | Maritza Amparo Orrego Martínez | Internal |
| Panamá Distribución Group S.A. | 1 | Carlos Mario Tobón Osorio | Internal |
| | 2 | Juan Carlos Castro Padilla | Internal |
| | 3 | Maritza Amparo Orrego Martínez | Internal |
| epm [®] Chile | 3 | Carlos Mario Tobón Osorio | Internal |
| | 4 | Juan Carlos Castro Padilla | Internal |
| | 5 | Maritza Amparo Orrego Martínez | Internal |
| epm [®] México | 1 | Juan Carlos Castro Padilla | Internal |
| | 2 | Carlos Mario Tobón Osorio | Internal |
| | 3 | Maritza Amparo Orrego Martínez | Internal |

| Investment vehicles | | | |
|------------------------------|-------------|-----------------------------------|-------------------|
| Company | Position | Name | Category |
| max seguros epm [®] | 1 | Andrés Felipe Uribe Mesa | Internal |
| | 2 | Martha Lucía Durán Ortiz | Internal |
| | 3 | Luis Alberto Botero Gutiérrez | External |
| promobiliaria [®] | 1 | Carlos Enrique Londoño Amariles | Internal |
| | 2 | Juan Carlos Castro Padilla | Internal |
| | 3 | Sebastián Méndez Agudelo | Internal |
| | 4 | Karoll García Vargas | External |
| | 5 | Carlos Arturo Díaz Romero | External |
| Fundación epm [®] | 1 | Mabel Rocío López Segura | Internal |
| | 2 | María Natalia García De Castro | External |
| | 3 | María Inés del Carmen Uribe Pabón | External |
| | 4 | Hugo Alexander Díaz Marín | Rep. Municipality |
| | 5 | Mónica María Ruiz Arbeláez | Internal |
| | Alternate 1 | Jennifer Andree Uribe Montoya | Rep. Municipality |
| | Alternate 2 | Irina Jaramillo Muskus | External |

Attendance to the Board of Directors of the Grupo EPM

Below is the average attendance of the members of the Board of Directors of the Grupo EPM companies:



Typical agenda and calendar of the Grupo EPM's Board of Directors' meetings

GRI 102-31

As a good corporate governance practice and to promote the unity of purpose and direction of the 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 Meetings session of December 18, 2020, these instruments were approved for the year 2021, and during this period the respective follow-up was carried out. The 2021 Joint Meetings were held on December 3, 2021, and these instruments were approved for 2022.



The typical Board agenda for the Grupo EPM in 2021 had an average compliance for Colombian companies of 98% (energy subsidiaries of 99.7% and water subsidiaries of 97%) and for international companies of 99% (energy subsidiaries of 100% and water subsidiaries of 98%).

Evaluation of the Grupo EPM's Boards of Directors

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

Components evaluated:

1

Relationship of the Board of Directors with the company's management.

2

Performance and effectiveness of the Board of Directors as a collegiate body.

3

Role of the Chairman 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 adopt best practices in this area, since 2017, the evaluation from the management perspective was implemented, with the purpose of evaluating the degree of alignment and interaction between the Management (Board of Directors) and the Administration (Senior Management).

Pilot - CHEC Board Evaluation

For the evaluation of the Board of Directors of CHEC for the 2021 fiscal year, a pilot was implemented with the purpose of strengthening the methodology and scope of the evaluation, but preserving the essence and the different components on which the Boards of Directors of the companies of the Grupo EPM have been evaluated.

The methodology incorporated evaluation elements based on the Conversational Capital model, and on the evaluation implemented by CHEC in previous years, and retained the structure of the analysis of the following components:



- Relationship of the Board of Directors with the Company's management.
- Performance and effectiveness of the Board of Directors as a collegiate body.
- Role of the Chairman of the Board of Directors.
- Individual performance as a member of the Board of Directors.

Likewise, the peer evaluation methodology was applied for the first time in the evaluation of CHEC's Board of Directors, with the support of an external firm and EPM's Corporate Governance Unit for the application and analysis of results.

The results obtained in the pilot evaluation of CHEC's Board of Directors are presented below, independently from the results of the other subsidiaries, since the methodologies are not comparable.

Conversational Capital Results


Under the perspective of Conversational Capital, it is identified that CHEC's Board of Directors has a high potential to accompany the Company's processes with sense and contribute from what each member of the body is, which allows internalizing the organizational flow. The percentage of presence shows the transition between resistance (difficulty to welcome the new) and adaptability (ability to allow the emerging future and contribute with an eye on a greater evolutionary purpose), which is typical of 3.0 organizations that focus their attention outside themselves.

There is also a tendency of the Board of Directors towards a willingness to contribute and open-mindedness, while retaining certainties and learned ways of operating.

The main challenge is to continue working to make room for the new, recognizing the lessons learned from the past, and being ready to act based on the desired future and focusing more on the well-being of the whole.

Results of the CHEC methodology by evaluated component

■ Averages greater than 91%
 ■ Averages between 91% and 84%
 ■ Averages equal to or less than 83%

| | Components evaluated |  | |
|---|--|---|--------------|
| | | 2020 | 2021 |
| 1 | Relationship of the Board of Directors with the Company's management | ● 99% | ● 94% |
| 2 | Performance and effectiveness of the Board of Directors as a collegiate body | ● 94% | ● 89% |
| 3 | Role of the Chairman and Secretary of the Board of Directors | ● 92% | ● 89% |
| 4 | Individual performance as a member of the Board of Directors | ● 99% | ● 84% |
| | Total average | ● 96% | ● 89% |

Results of the self-assessments by component evaluated and by group of companies:





■ Averages greater than 91%
 ■ Averages between 91% and 84%
 ■ Averages equal to or less than 83%

| | Components evaluated | Colombian water, sanitation and solid waste companies: | | | | | | | | | |
|---|---|--|-------|------------------|-------|-------------------------------|--------|-------------------------------|--------|------------------------|-------|
| | | Aguas del Oriente | | Aguas de Malambo | | aguas regionales [®] | | aguas nacionales [®] | | enviarias [®] | |
| | | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 |
| 1 | Relationship of the Board of Directors with the company's management | ● 78% | ● 77% | ● 87% | ● 91% | ● 98% | ● 98% | ● 89% | ● 93% | ● 83% | ● 91% |
| 2 | Performance and effectiveness of the Board of Directors as a collegiate body. | ● 87% | ● 89% | ● 92% | ● 96% | ● 97% | ● 96% | ● 98% | ● 94% | ● 93% | ● 91% |
| 3 | Role of the Chairman and Secretary of the Board of Directors | ● 92% | ● 98% | ● 98% | ● 98% | ● 98% | ● 100% | ● 100% | ● 97% | ● 97% | ● 95% |
| 4 | Individual performance as a member of the Board of Directors | ● 93% | ● 93% | ● 96% | ● 97% | ● 97% | ● 98% | ● 96% | ● 99% | ● 100% | ● 97% |
| 5 | Level of discussion and depth of issues by the Board of Directors | ● 83% | ● 84% | ● 88% | ● 91% | ● 95% | ● 94% | ● 90% | ● 88% | ● 81% | ● 85% |
| 6 | Interaction and relationship matrix - affiliates | ● 76% | ● 77% | ● 83% | ● 91% | ● 95% | ● 90% | ● 93% | ● 100% | ● 78% | ● 91% |
| | Total average | ● 85% | ● 86% | ● 91% | ● 95% | ● 96% | ● 96% | ● 94% | ● 95% | ● 89% | ● 92% |

■ Averages greater than 91%
 ■ Averages between 91% and 84%
 ■ Averages equal to or less than 83%

| | Components evaluated | International water, sanitation and solid waste companies: | | | |
|---|--|--|--------------|-------------------|--------------|
| | | Ticsa | | aguas antofagasta | |
| | | 2020 | 2021 | 2020 | 2021 |
| 1 | Relationship of the Board of Directors with the company's management | ● 93% | ● 87% | ● 95% | ● 95% |
| 2 | Performance and effectiveness of the Board of Directors as a collegiate body | ● 93% | ● 92% | ● 97% | ● 96% |
| 3 | Role of the Chairman and Secretary of the Board of Directors | ● 100% | ● 93% | ● 100% | ● 98% |
| 4 | Individual performance as a member of the Board of Directors | ● 100% | ● 93% | ● 100% | ● 97% |
| 5 | Level of discussion and depth of issues by the Board of Directors | ● 94% | ● 88% | ● 93% | ● 93% |
| 6 | Interaction and relationship matrix -subsidiary companies | ● 96% | ● 89% | ● 95% | ● 85% |
| | Total average | ● 96% | ● 90% | ● 97% | ● 94% |

● Averages greater than 91%
 ● Averages between 91% and 84%
 ● Averages equal to or less than 83%

| | Components evaluated | Colombian energy generation, distribution, transmission and commercialization companies: | | | | | | | |
|---|--|--|--------|---|-------|---|-------|---|-------|
| | |  | |  | |  | |  | |
| | | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 |
| 1 | Relationship of the Board of Directors with the company's management | ● 99% | ● 98% | ● 99% | ● 97% | ● 97% | ● 99% | ● 88% | ● 74% |
| 2 | Performance and effectiveness of the Board of Directors as a collegiate body | ● 99% | ● 98% | ● 99% | ● 99% | ● 97% | ● 99% | ● 92% | ● 81% |
| 3 | Role of the Chairman and Secretary of the Board of Directors | ● 99% | ● 100% | ● 100% | ● 99% | ● 98% | ● 97% | ● 86% | ● 83% |
| 4 | Individual performance as a member of the Board of Directors | ● 99% | ● 98% | ● 98% | ● 99% | ● 96% | ● 99% | ● 99% | ● 90% |
| 5 | Level of discussion and depth of issues by the Board of Directors | ● 97% | ● 95% | ● 96% | ● 94% | ● 95% | ● 93% | ● 89% | ● 74% |
| 6 | Interaction and relationship matrix - affiliates | ● 98% | ● 100% | ● 97% | ● 93% | ● 90% | ● 87% | ● 89% | ● 87% |
| | Total average | ● 98% | ● 98% | ● 98% | ● 97% | ● 95% | ● 96% | ● 91% | ● 82% |

● Averages greater than 91%

● Averages between 91% and 84%

● Averages equal to or less than 83%

| | Components evaluated | International energy generation, distribution, transmission and commercialization companies: | | | | | | | |
|---|--|--|-------|--------|--------|-------|-------|-------------------------------|--------|
| | | Deca II | | DELSUR | | ENSO | | HIDROELECTRICA DEL TENE, S.A. | |
| | | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 |
| 1 | Relationship of the Board of Directors with the company's management | ● 93% | ● 93% | ● 96% | ● 96% | ● 97% | ● 98% | ● 98% | ● 98% |
| 2 | Performance and effectiveness of the Board of Directors as a collegiate body | ● 95% | ● 95% | ● 95% | ● 96% | ● 98% | ● 98% | ● 98% | ● 98% |
| 3 | Role of the Chairman and Secretary of the Board of Directors | ● 98% | ● 97% | ● 100% | ● 100% | ● 95% | ● 93% | ● 100% | ● 100% |
| 4 | Individual performance as a member of the Board of Directors | ● 97% | ● 94% | ● 100% | ● 99% | ● 99% | ● 99% | ● 98% | ● 98% |
| 5 | Level of discussion and depth of issues by the Board of Directors | ● 94% | ● 91% | ● 94% | ● 95% | ● 98% | ● 95% | ● 91% | ● 96% |
| 6 | Interaction and relationship matrix - affiliates | ● 93% | ● 89% | ● 95% | ● 88% | ● 96% | ● 96% | ● 100% | ● 100% |
| | Total average | ● 95% | ● 94% | ● 97% | ● 96% | ● 97% | ● 96% | ● 98% | ● 98% |

General conclusions

For the year 2021, the self-evaluations of the Boards of Directors of the Group's companies continued to show positive results, considering that most of them had the participation of new members.

Additionally, although the conditions imposed by COVID-19 did not allow a face-to-face relationship among the Board members, discussions and conversations took place in an environment of respect for each 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.

The behaviors evaluated were as expected for the development of the functions of these governing bodies and, in general, their management during the year 2021 was adequate, however, the members of the boards of directors agree that the virtuality has not favored a closer relationship. It is expected that in 2022 the number of face-to-face sessions will increase, as approved in the integrated calendar of Boards of Directors for 2022.

The governing bodies (Board of Directors and Administration) have always been characterized by their commitment as collegiate bodies, by the fulfillment of their legal duties, the confidentiality of confidential information, independence and objectivity in decision making, by their active participation, as well as by their strict compliance with the Internal Regulations of the Board of Directors. The performance of the role of the presidents and secretaries of the Boards of Directors is also highlighted.

The component "Interaction and relationship between parent company - subsidiaries", which accounts for the knowledge of the boards of directors about the guidelines for interaction between the governing bodies, the expectations and guidelines of the Group and corporate governance practices, in general, obtained lower results compared to 2020. EPM will provide the necessary spaces in order to provide the clarity that must be had regarding the relationship and the communication channels that are created in EPM, in order to ensure that the achievement of the objectives of the companies of the Grupo EPM is adequately supported; additionally, having external members in the Board of Directors means paying greater attention to permanently disseminating the interaction guidelines and expectations of the 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.

In order to define the strengthening plan, at the meeting of each Board of Directors scheduled by typical agenda, a space for dialogue is created between the members of this body and the Administration. This plan is built and validated at this meeting and the Secretary of the Board is responsible for following up on its implementation.



The strengthening plan seeks to:

- Promote a systematic reflection by the Board on its own management and that of the Administration, in order 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 subsidiaries of the Grupo EPM establishes the dates on which the implementation of this plan must be followed up.

Remuneration of the Boards of Directors of Grupo EPM companies

GRI 102-36

In Grupo EPM, external members and representatives of the partners are recognized for attending the meetings of the Board of Directors and the committees in the companies that have them. EPM officers who act as members of the Board of Directors in the companies of Grupo EPM do not receive remuneration for such management.

Amount paid by each affiliate per session attended and frequency of regular sessions:

GRI 102-35.



| Company | Value per assisted session | Currency | Frequency of periodic meetings |
|---|----------------------------|----------|--------------------------------|
| Water companies | | | |
|  Aguas del Oriente | 1 SMMLV* | COP | Monthly |
|  Aguas de Malambo | 1 SMMLV | COP | Monthly |
|  aguas nacionales® | 1.5 SMMLV | COP | Monthly |
|  aguas regionales® | 1.5 SMMLV | COP | Monthly |
|  emvarias® | 1.5 SMMLV | COP | Monthly |
|  aguas antofagasta | 55 | UF** | Monthly |
|  Ticsa | 1,800 | USD | Monthly |
| Power Companies | | | |
|  chec | 2 SMMLV | COP | Bimonthly |
|  edeq | 2 SMMLV | COP | Bimonthly |
|  ESSA | 2 SMMLV | COP | Monthly |
|  CENS | 2 SMMLV | COP | Monthly |
|  afinia | 3 SMMLV | COP | Monthly |
|  Deca II  comegsa | 2,000 | USD | Monthly |
|  EEGSA  ITELEC | | | |
|  DELSUR | 1,600 | USD | Bimonthly |
|  ENSO | 2,000 | USD | Bimonthly |

*SMLMV – Minimum Legal Monthly Minimum Wage in Force (Colombia).

**UF - Unidad de Fomento (Chile). 1 Chilean Unidad de Fomento is equal to 39.65 US dollars.

In compliance with the Corporate Governance Code, the amount that each company paid during 2021 for fees and/or benefits (per diems) to the members of their respective boards of directors is detailed below:

| Remuneration of the Board of Directors Grupo EPM | | |
|---|----------|-------------------------------|
| Company | Currency | Frequency of regular meetings |
|  Aguas del Oriente | COP | 21,804,624 |
|  Aguas de Malambo | COP | 9,993,786 |
|  aguas nacionales | COP | - |
|  aguas regionales | COP | 4,042,282 |
|  envarias | COP | 21,804,624 |
|  aguas antofagasta | UF | 22,244,714 |
|  Ticsa | USD | 8,800 |
|  chec | COP | 54,566,874 |
|  edeq | COP | 3,234,352 |
|  ESSA | COP | 19,987,572 |
|  CENS | COP | 10,814,700 |
|  afinia | COP | 21,804,624 |
|  Deca II  comegsa | USD | 48,165 |
|  EEGSA  Irelec | USD | 22,676,92 |
|  DELSUR | USD | 22,676,92 |
|  ENSO | USD | 54,420 |

Managers of Grupo EPM companies

In 2021, the following new developments occurred in the **management of the Group's companies**:



Santiago Villegas Yepes, Manager of CHEC as of January 4, 2021.



Vivian Cecilia Puerta Guerra, Executive Director of the EPM Foundation as of May 13, 2021.



Javier Alonso Lastra Fuscaldo, General Manager of Afinia as of August 19, 2021.



Hernán Alexander García Henao, General Manager of Aguas de Oriente as of November 2, 2021.

The following is a list of the **leaders that make up the Grupo EPM's management team**:

| Subsidiary | Name | Position | Seniority in Grupo EPM (years) |
|---|-------------------------------|----------|--------------------------------|
|  Aguas del Oriente | Hernán Alexander García Henao | CEO | 14.52 |
|  Aguas de Malambo | Walther Darío Moreno Carmona | CEO | 6.17 |
|  Aguas Regionales | Hernán Andrés Ramírez Ríos | CEO | 4.49 |
|  Aguas Nacionales | Henry Parra Molina | Chairman | 12.12 |
|  Envíos | Paula Andrea Zapata Uribe | CEO | 1.20 |

| Subsidiary | Name | Position | Seniority in Grupo EPM (years) |
|---|---------------------------------|--|--------------------------------|
|  | Carlos Mario Méndez Gallo | CEO | 30.15 |
|  | Juan Carlos Restrepo Perea | CEO | 10.51 |
|  | Vacante | Legal Representative | 0.00 |
|  | Jorge Iván Grisales Salazar | CEO | 31.50 |
|  | Santiago Villegas Yepes | CEO | 12.54 |
|  | Mauricio Montoya Bozzi | CEO | 5.59 |
|  | José Miguel González Campo | CEO | 5.14 |
|  | Javier Alonso Lastra Fuscaldo | CEO | 0.37 |
|  | Mario Alberto Naranjo Echeverri | Country Director | 25.76 |
|  | Carolina Alexandra Quintero Gil | CEO | 15.48 |
|  | Esteban Barrientos Moreno | CEO | 13.74 |
|  | Oscar Armando Restrepo Posada | Head of Captive | 8.08 |
|  | Vivian Cecilia Puerta Guerra | CEO | 0.64 |
|  | Nelson Armando Ramírez Gallo | CEO | 1.50 |
|  | Carlos Mario Tobón Osorio | Legal Representative (EPM employee) | 27.57 |



Each year, aligned with the strategic objectives, performance commitments are defined for the managers of the Grupo EPM companies. Their purpose is to promote and emphasize the main value levers of the business, generate cohesion and coherence in the actions of the entire company and outline a basic roadmap of what is expected from each subsidiary and its management, taking into account their particularities and priorities.

The approval of such performance commitments is carried out in a very important space for the Grupo EPM, called "Joint Meetings of the Grupo EPM companies", where the three governing bodies of the subsidiary companies meet:

- Ownership, represented by the Manager of Grupo EPM and by representatives of some of the partners.
- Management, represented by the boards of directors.
- Management, represented by the managers.

Grupo EPM Executives Meeting

Since 2014, the Grupo EPM's management team, made up of EPM's vice presidents and the managers of the Colombian and international operating and corporate subsidiaries, led by EPM's CEO have been meeting periodically with two fundamental objectives:

- Create a shared vision of the Grupo EPM.
- Empower company managers as leaders of the business group.

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





In 2021, the **Grupo EPM Executives Meeting** was held on September 9 and 10 in person and was attended by 40 executives, including managers from Colombian and international subsidiaries, and first and second level vice presidents of EPM.



Grupo EPM Executives Meeting

Topics covered:

Day 1: Context of each of the subsidiaries, and the most relevant challenges for the short, medium and long term.

Day 2: Adjustment to the Grupo EPM strategy dimension, with the following subtopics:

- Classification of information Law 1712 of 2014.
- Grupo EPM management focuses.
- Grupo EPM integrated planning macro-process.
- Integrated planning cycle schedule 2021.
- Business architecture.
- Sustainable development model and strategy.
- Grupo EPM Sustainability Model.
- Strategy dimension.
- Grupo EPM business environment.
- New business paradigm for Grupo EPM.
- Work fronts of the adjustment to the strategy.
- Corporate strategy.
- Competitive and functional strategies.
- Map of corporate strategic objectives.
- Management focus initiatives.
- Growth horizons.
- Harmonization of strategy with corporate architecture.
- Cultural evolution focus.
- Summary of the fit with the strategy dimension.



Evaluation of Grupo EPM Managers

As part of the cultural evolution of the Grupo EPM, changes have been made since 2020 in the Human Talent Management Policy, and in the Human Development, Competencies and Performance Management models, which are benchmarks for the Group's companies and are incorporated in the human talent processes and practices. In this sense, in the year 2021 the performance assessment of the Group's CEOs was updated, with the objective of identifying the strengths and opportunities for improvement that each manager has to face the challenges and challenges in each organization.

The leaders of the Grupo EPM are the first to be called upon to recognize their potential, their skills, their leadership and to implement concrete actions that allow them to be an example for the people who make up the companies they lead.

In general terms, the purpose of the evaluation of managers is to align the expectations regarding their management based on quantitative and qualitative results (behaviors and management style) and to identify their strengths and opportunities for improvement, in order to promote actions that enhance their leadership and generate value to the Organization.

The unified methodology for this exercise consists of a multi-source tool that allows assessing the descriptors associated with four generic competencies and two managerial competencies defined for the Grupo EPM:

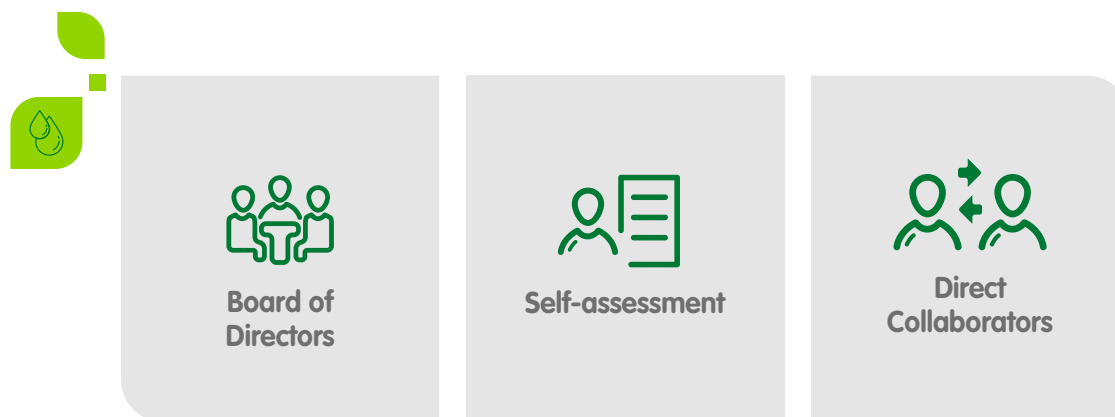
Generic Competencies

- Conscious personal leadership
- Connection with the purpose
- Proactivity to incorporate the future
- Collaborative creation

Management Competencies

- Empathy for evolution
- Perspective and dynamism

And the next is the **group of evaluators**:



Strengthening plan

The results of the evaluation are delivered at the February meeting of the Board of Directors of each subsidiary and are based on the following scale:

- In development
- Consistent
- Outstanding









This rating is part of each manager's goals and is called *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 or her management that is part of the annual Management Report of the respective company.



Remuneration of Grupo EPM's management team in Colombia

In compliance with the Grupo EPM's Code of Governance, the amount for salaries and benefits paid during 2021 to the CEO and to the persons who are part of the first reporting level in the organizational structure of the Colombian subsidiaries is detailed below:

| Remuneration of management team Grupo EPM (in COP millions) | |
|--|-----------------|
| Subsidiary | Total paid 2021 |
|  Aguas del Oriente | 201,828,612 |
|  Aguas de Malambo | 465,168,325 |
|  aguas nacionales | 699,865,676 |
|  aguas regionales | 958,455,123 |
|  enviarías | 1,892,793,783 |
|  chec | 2,964,287,667 |
|  edeq | 1,915,780,513 |
|  ESSA | 3,395,204,520 |
|  CENS | 2,461,681,812 |
|  afinia | 3,795,135,482 |
| Fundación  epm | 1,275,874,699 |



Corporate Governance Measurements



7. Corporate Governance Measurements

Código País

On January 28, 2022, within the deadline established by the Financial Superintendency of Colombia, EPM transmitted the Corporate Best Practices Implementation Report of the Código País Survey, corresponding to the period between January 1 and December 31, 2021. For this period, 78% of the 148 recommendations of the survey were reported as complied with.

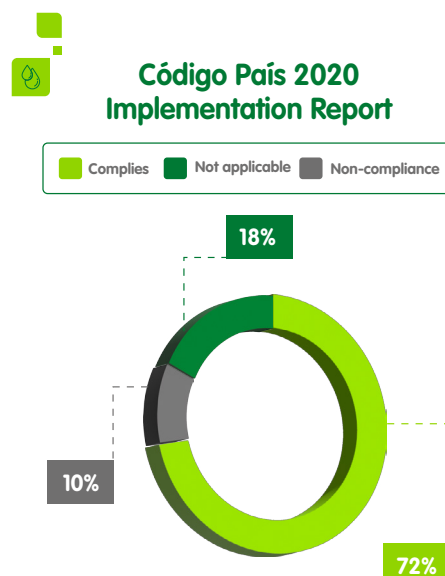
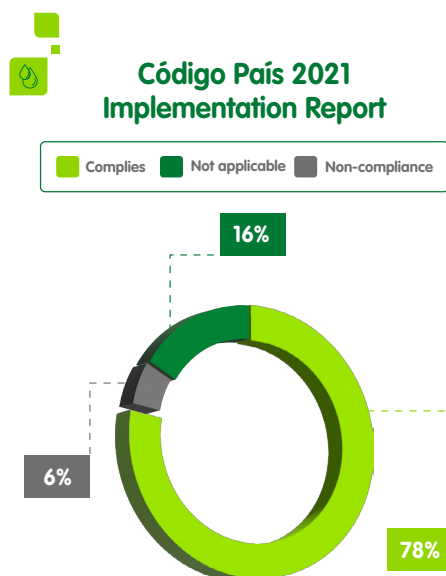
As required by the Financial Superintendence of Colombia, EPM retransmitted on June 11, 2021, the Implementation Report of the Código País Survey corresponding to the period between January 1 and December 31, 2020. For this period, 72% implementation was reported.

This shows an additional compliance of 6% of the recommendations in 2021 with respect to the 2020 report.

The answers to the survey explain the corporate governance practices adopted and applied by EPM during each period.

The recommendations that were not implemented are due to reasons of size, structure or particular moment of the company, while the recommendations whose implementation does not apply are associated with the legal nature of the Company.





 [The report of this survey is published here](#)

Corporate transparency

EPM participates in the Corporate Transparency Measurement—Utilities Chapter—, promoted by Corporación Transparencia por Colombia. The general objective of the measurement is, through the identification of corruption risks, to improve transparency and anti-corruption standards to strengthen corporate 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 Corporate Transparency Measurement consists of four components: clear rules, openness, dialogue and control.

EPM participates since 2008 in the Corporate Transparency Measurement, the results obtained with the measurements performed in EPM and the Colombian water and energy subsidiaries have reflected the commitment as a business group with this important practice and become a stimulus for continuous improvement and strengthening of the corporate integrity system. In 2021 the Measurement was not applied, however, EPM remains committed to the incorporation of transparency practices in its management and participation in the measurement processes carried out.

Investor Relations Recognition (IR)

For the 2021 fiscal year, as has been the case since 2013, EPM received the Issuer Recognition - IR - granted by the Colombian Stock Exchange (BVC), given the importance for the markets to have sufficient and timely information for investment decisions. This recognition promotes among issuers the adoption of best practices in disclosure of information and investor relations (Investor Relations, IR).⁵

AquaRating Report on Corporate Governance

In 2021 the AquaRating measurement report was generated for EPM, corresponding to the 2020 period. The AquaRating model is based on an international standard for the characterization and evaluation of companies, through management indicators and the application of practices in eight areas that integrate the different processes of its value chain, one of which is corporate governance.



⁵ https://www.bvc.com.co/pps/tibco/portalbvc/Home/Empresas/IR/Empresas_IR?action=dummy





EPM obtained an overall score of 77.06 in the corporate governance component in 2020, which is broken down into the following specific results:

- Provider autonomy and responsibilities with 57.14 points.
- Decision-making processes and accountability with 63.75 points.
- Transparency and control with 100.00 points.

The main opportunities for improvement in corporate governance for EPM, according to the measurement, are the autonomy of EPM in the management of matters related to the acquisition of national debt, remuneration and staffing of personnel, procurement of goods and services, selection of members of the Board of Directors and the general manager, and the powers and responsibilities assigned to the Board of Directors.

Credit risk rating

Regarding credit risk ratings, EPM in 2021 continued with its practice of informing risk rating firms in a broad and timely manner about relevant facts, in order to transparently provide them with the necessary elements for their decision making and thus maintain confidence in the Company.



In 2021, Fitch Ratings placed EPM's risk rating at "BB+" in international scale and "AAA" in national scale, both in negative observation, while Moody's maintained the international rating at "Baa3" level with negative outlook.

With respect to the Colombian subsidiaries and the ADASA subsidiary in Chile, their ratings were positive and sustained:

AAA



ESSA

afinia

chec

AA+

envarias®

A

aguas
regionales®

AA-

aguas
antofagasta

Note: local rating in Chile.

BBB

ENSO

Note: Maintains its international investment grade with a stable outlook.





Investor relations



8. Investor relations



EPM maintained its transparency practices before the national and international financial markets, complying with the timely delivery of the Company's updated information. Some of the most representative practices in this regard are: the quarterly financial results teleconferences (four per year in both languages: Spanish and English), the Annual Investors Meeting, the web portal for investors (Spanish and English version) and the permanent attention to local and international investors through different channels (mailbox, teleconferences, calls).

Relevant information

EPM is an issuing entity because it participates in the Colombian public securities market, through the issuance of bonds and commercial papers. Given the foregoing, it must inform investors and the market in general of the relevant facts of the Company and its business group, and provide access to timely, truthful, sufficient, complete and easily understandable information on its financial and non-financial situation; in order to provide equitable treatment, generate relationships of trust and facilitate the decision making of its investors and other stakeholders.

In a complementary manner, and in line with good practices in transparency and disclosure of information, in the year 2021 the Board of Directors of EPM approved the Information Disclosure Policy.



During 2021 EPM made **107 reports of relevant information**, which includes financial and non-financial information.

On the website of the Superintendencia Financiera de Colombia (www.superfinanciera.gov.co/jsp/61446) you can consult the relevant information reports made by EPM in 2021.

Credit operations

In December 2021, EPM and IDB Invest agreed on the voluntary prepayment of the total amount of the loan granted to EPM in December 2017 for the financing of the future Ituango hydroelectric power plant, and whose total outstanding balance as of December 22, 2021 was USD 450 million.

The loan was repaid with available resources in the Company's cash, maintaining a positive level of liquidity, and without affecting the operation and continuity of the investments required both by the project, as well as by the other projects currently being developed in EPM.

This voluntary prepayment operation was developed in response to the priority given by EPM to honor all its financial obligations, to its financial capacity and to the integral preservation of the long-term relationship of the two institutions.





Corporate Governance Planning



9. Corporate Governance Planning

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

The plan includes activities to be carried out by different departments of EPM 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 Grupo EPM.



See Attachment 1: **General Framework of Corporate Governance of the Grupo EPM.**

Follow-up to the Corporate Governance Plan 2021

During 2021, the schedules of the plan’s initiatives were defined, their scope was reviewed and the Corporate Governance Unit periodically monitored compliance with the planned activities, which facilitated compliance. Likewise, in September, the Management Committee of EPM’s Board of Directors followed up on the plan.



Follow-up to the Corporate Governance Plan 2021

| N. | Emphasis/Plan Issues | % Planned progress | % Progress executed and compliance |
|----|---|--------------------|------------------------------------|
| 1 | Strengthening property management | 100 % | 100 % |
| 2 | Strengthening of the Grupo EPM's governing bodies | 100 % | 79 % |
| 3 | Strengthening intragroup relations | 100 % | 85 % |
| 4 | Strengthening the framework for action Governance Model and its relationships | 100 % | 100 % |

■ % Planned

■ Compliance between 75% and less than 95%

■ Compliance equal to or greater than 95%

■ Compliance below 75%



In reference to the 79% compliance in the emphasis **“Strengthening of Governance Bodies of the Grupo EPM”**, there were gaps in the initiative “leading the corporate governance front of Afinia”, due to the fact that progress was made in the proposal of the Governance Code of the subsidiary in the stabilization of the operation and it is pending to be submitted for approval of the Board of Directors. There were also gaps in the initiative “to analyze the corporate governance instruments for the Grupo EPM board nomination guide”, because the proposed guide was validated with the Head of the Governance Unit and the General Secretary of EPM, and the review with the CEO of EPM was pending.



Regarding the 85% compliance in the emphasis **“Strengthening of intra-group relations”**, there were gaps in the initiative “to sign an interaction agreement with water and international energy subsidiaries”, due to the fact that the agreement and the proposal to update the guide were drafted and legal observations were addressed. However, the corporate legal area requested adjustments that coincided in time with the need to migrate the system that enables the minutes of the Government Agreement, which is why the update of the guide was articulated with such migration.

In addition, there were gaps in the initiative that seeks to define the Policy of Operations with Related Parties, due to the fact that the policy and guidelines were designed as annexes to the Governance Code; likewise, it was presented to the Corporate Core Committee in EPM, it was socialized in the Governance Committee of Colombian subsidiaries and it was sent for review to all the general secretaries of both Colombian and international companies. However, in the primary group of the Vice-Presidency of Legal Affairs of EPM, they requested to make adjustments to the guidelines previously presented to the Board of Directors of EPM. It is expected to be approved by the Board of Directors in 2022.



Achievements and progress



Analysis of the participation of office secretaries of the Municipality of Medellín in the committees of the Board of Directors of EPM, which was included in the proposal to reform the Regulations of the Board of Directors of EPM to be submitted for approval of said body in the first half of 2022.



Comprehensive review of EPM's Board of Directors' committees and preparation of a proposal to reform the regulations with the respective improvement actions.



Documentation of the onboarding methodology for the members of the Board.



Approval of the Information Disclosure policy and guidelines that meet Código País' recommendations.



Proposed business rule and guideline to amend internal circular 1553 of 2018, given the update of Decree 2555 of 2010 of the Ministry of Finance and Public Credit, regarding disclosure of information by issuers of securities.

The following progress was made in the initiatives proposed to strengthen the control environment:



Measurement of the ethical climate in EPM, survey addressed to 7,685 employees, with a response rate of 76.53%.

Achievements and progress

Grupo•epm



Presentation to the Colombian subsidiaries of the proposal of Corporate Governance issues to be included in the management reports for Shareholders' Meetings.



Strengthening of Corporate Governance in Guatemala, deliverables were obtained such as: Governance Model that includes RACI Matrix - Responsible, Approved, Consulted and Informed - and the mechanism for disagreement resolution and mandate scheme: Regulations of the Board of Directors.



Strengthening Corporate Governance in Afinia, deliverables were obtained such as: evaluation of the manager and the Board, transfer of knowledge of corporate governance practices through the participation of the general secretary of the subsidiary in the Corporate Governance Committee of the Colombian subsidiaries, Board of Directors Regulations, Manual of conflicts of interest and treatment of decisions in the interest of the Group, adoption of the practice of relevant information, follow-up of compliance with the typical agenda of the Board, among others. Likewise, progress is being made in the proposal of the Governance Code.



Proposal and validation by the General Secretariat of EPM of the Guide for the nomination of Boards of Directors of the Grupo EPM.



Progress is being made in the interaction act and in updating the guide of the Governance Agreement with the water and international energy subsidiaries, an issue that will be articulated with the migration of the Governance Agreement to the Ariba information system.



Proposal of policy and guidelines regarding operations with related parties to be incorporated into the Governance Code, which meets the recommendations of the Código País, which is awaiting legal feasibility.



Documentation of the Corporate Governance planning methodology.

With regard to the initiatives proposed to strengthen the control environment, the following progress was made:



Measurement of ethical climate in Colombian subsidiaries. EPM provided the mechanism to measure the ethical climate in each of the water and energy operating subsidiaries in Colombia, and it was confirmed that the measurement was carried out in the second half of 2021.



The mechanisms that EPM's parent company has for measuring the ethical climate were made available to the international operating subsidiaries, and support was provided where there is evidence of the measurement in TICSA and EEGSA, complying with the goal of accompanying at least two international subsidiaries in the measurement of the ethical climate.



Updating of the Business Conduct Manual in the companies of the Grupo EPM. The update was achieved in the subsidiaries in Colombia, and in the international subsidiaries TICSA, DELSUR, EEGSA, ENSA and ADASA.

Corporate Governance Plan 2022 - 2025

Based on an analysis of multiple sources, the Corporate Governance Plan 2022 - 2025 was designed, which consolidates a long-term vision and includes the initiatives of the Grupo EPM to maintain the constant evolution in this matter. The Plan was approved by the Board of Directors of EPM as part of the Company Plan 2022 - 2015, in session of December 13, 2021 (Act N°1730).

1 Strengthening property management

- | | |
|---|--|
| 1 | Define corporate governance matters to be included in management reports for shareholders' meetings. |
| 2 | Propose methodology to the municipality of Medellín for evaluation of the Framework Relationship Agreement. |
| 3 | Verification of requirements for the appointment of members of the Board of Directors. |
| 4 | Adoption of best management practices (Redefine the process for appointing and removing the general manager). |
| 5 | Presentation of a proposal of procedure for the modification of the corporate purpose: <ul style="list-style-type: none"> Analyze implementation in other government instruments. Proposed annexed Framework Relationship Agreement. |
| 6 | Relationship management in the electoral cycle (opening of information) and splicing. |
| 7 | Work plan of the Management Committee for the governing bodies, due to a change in the representation of EPM's ownership. |
| 8 | Evaluate the feasibility of defining and implementing the majority shareholder declaration. |



Subsidiaries: national and international companies or subordinate companies of the **Grupo EPM.*

2 Strengthening of the governing bodies of the Grupo EPM companies

| | |
|-----|---|
| 1 | Update corporate governance codes in subsidiaries. |
| 2 | Formation of EPM Board Committees. |
| 3 | Board of Directors Minutes (procedure for approval and signing of minutes). |
| 4 | Specialized advice Corporate Governance |
| 4.1 | Clarify the role of the Chairman of the Board of Directors of EPM and evaluate the need to establish the position of Vice-Chairman of the Board. |
| 4.2 | Structuring the board policy of the Group's subsidiaries. |
| 4.3 | Evaluate the feasibility of defining and implementing a peer evaluation methodology for the Board of Directors in EPM and subsidiaries. |
| 5 | Evaluate the feasibility of defining a methodology or policy for management succession planning in subsidiaries and the nomination and removal process. |
| 6 | Complement the independence criteria for members of EPM's Board of Directors. |
| 7 | Review management evaluation methodology. |
| 8 | Structure a succession policy for senior management. |
| 9 | Define methodology for evaluation of strategic committees (Core and Management). |
| 10 | Updating EPM Foundation's bylaws and corporate governance practices. |
| 11 | Review governance models in subsidiaries. |
| 12 | Lead the implementation of mechanisms for the resolution of conflicts between governing bodies. |
| 13 | Analyze the corporate governance instruments for the Grupo EPM's board nomination guidelines. |
| 14 | Structure a succession policy for senior management. |



**Subsidiaries: national and international companies subordinated to Grupo EPM.*

3 Strengthening intragroup relations

- | | |
|---|--|
| 1 | Define policy with respect to transactions with related parties. |
|---|--|

4 Strengthening the framework for action, governance model and its relationships

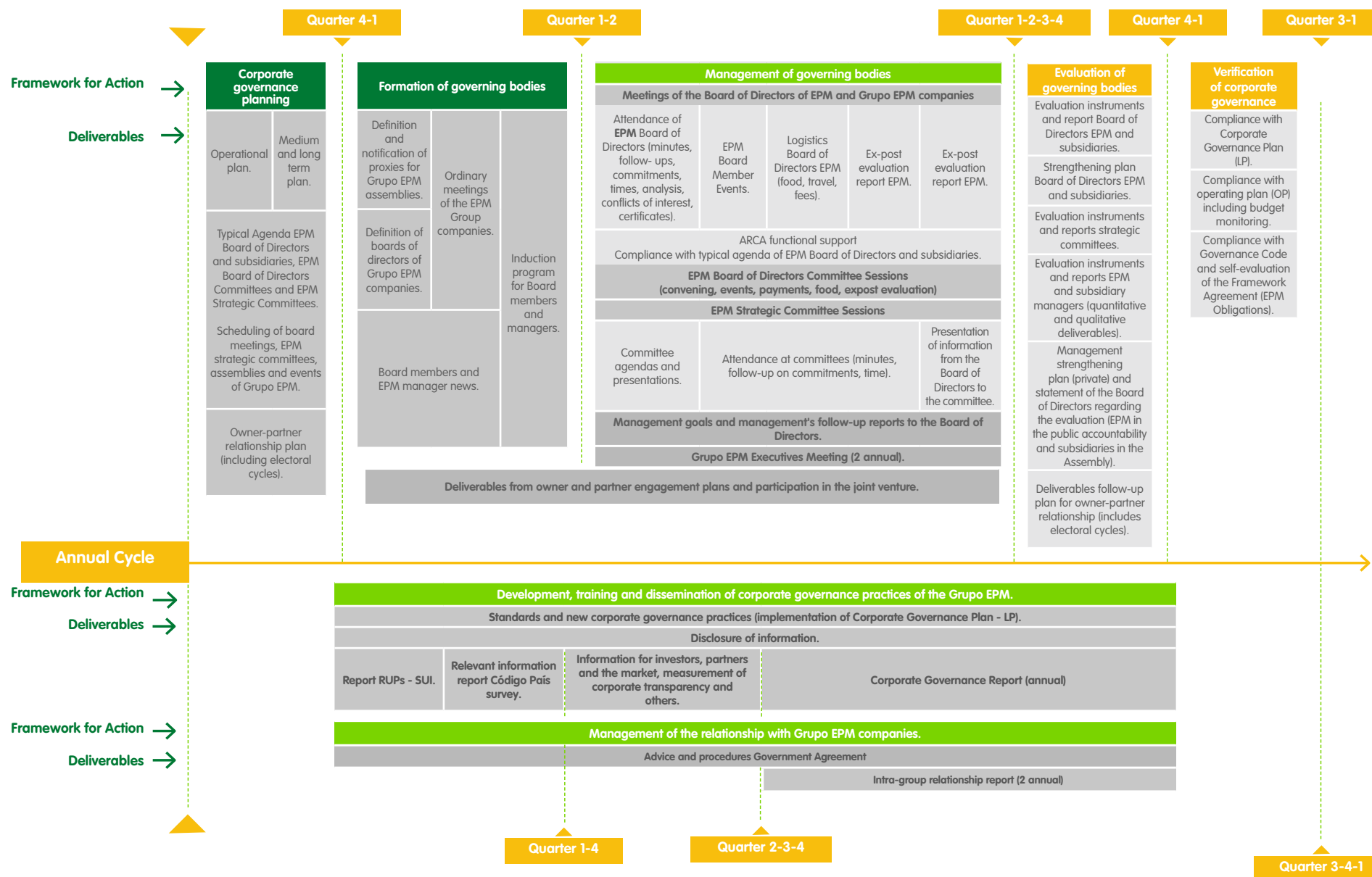
- | | |
|-----|---|
| 1 | Attention SuperFinanciera de Colombia requirements (Código País): <ul style="list-style-type: none"> Meeting with SFC. Código País work plan. Documentary management consultation. |
| 2 | Structuring a scorecard of corporate governance indicators and follow-up mechanisms. |
| 3 | Review ESG (Environmental, Social and Corporate Governance) standard to incorporate improvements in the Governance Report. |
| 4 | Corporate governance document management review (including document retention tables). |
| 5 | Specialized advice on corporate governance. |
| 5.1 | Conduct corporate governance training program (general public, governing bodies). |
| 6 | Initiatives to strengthen the control environment. |
| 7 | Lead the implementation of the ARCA information system in the Colombian subsidiaries. |
| 8 | Document work on standards and new corporate governance practices (execution of Corporate Governance Plan - CP). |
| 9 | Implement corporate governance evaluation proposal. |
| 10 | Disclosure of corporate governance practices. |
| 11 | Review, harmonize and update the different corporate instruments. |
| 12 | Once the annexes to the Framework Relationship Agreement have been approved, make the corresponding modifications to the Corporate Governance Code. |



**Subsidiaries: national and international companies or subordinate companies of the Grupo EPM*

Corporate Governance Unit Operating Plan 2021

Consolidates the recurring deliverables of the annual cycle, in accordance with the Performance Framework and corporate governance practices of the Grupo EPM (see Annex 1: General Corporate Governance Framework of the Grupo EPM).



The results of the follow-up of the operating plan are detailed in this report.



Accountability



10. Accountability

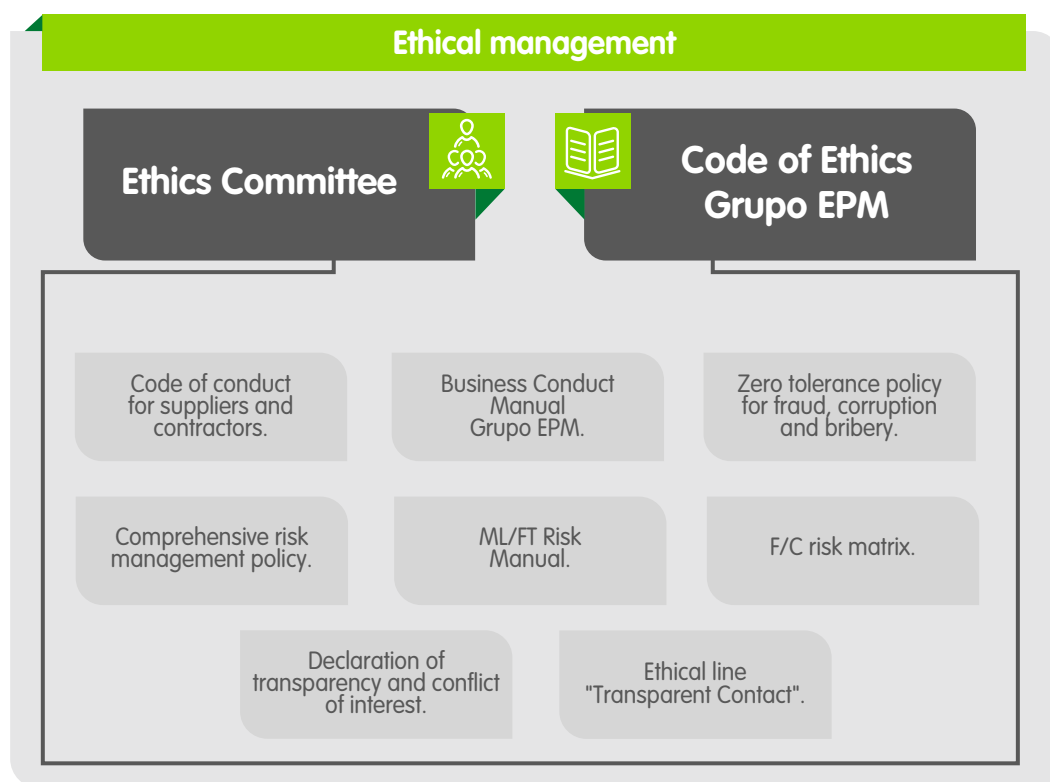
Ethical management of the Grupo EPM

GRI 102-17

The Grupo EPM 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 to optimize 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 Grupo EPM People reflects the principles of ethical action and values on which it is based.**





In the material topic **“Transparency”** of the Sustainability Report we report the details of the actions implemented during 2021 aimed at strengthening ethical and transparent behavior among employees, which are essential to strengthen trust among the different stakeholders with which the Company relates.

Grupo EPM control environment

Código País 32.5

The legal nature of EPM, its 100% state-owned nature, the economic sector in which it operates and its status as a securities issuer, make it an entity widely supervised by the internal control mechanisms regulated by the Law and the external control entities, in addition to those that have been adopted voluntarily and have been implemented in the companies of the corporate group.

In addition to allowing cohesion among the companies, the control environment allows having 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 Group’s MEGA.

Control environment

Comprehensive risk management



- It includes the definition of risk policies, as well as the definition and execution of methodologies for their identification, evaluation, measurement, management, monitoring and reporting.
- It requires an internal control system to ensure, by means of controls, that risks are managed in accordance with the policy and methodology defined and that these are applied in practice.

Internal control



(Law 87 of 1993) "System integrated by the organizational scheme and the set of plans, methods, principles, standards, procedures and verification and evaluation mechanisms adopted by an entity, with the purpose of ensuring that all activities, operations and actions, as well as the administration of information and resources, are carried out in accordance with the constitutional and legal rules within the policies outlined by the management and in attention to the goals or objectives foreseen".

Compliance



Risk management associated with money laundering and the financing of terrorism, which represent a significant threat to the economic, social and political stability of a country and markets worldwide.

Internal audit

- It performs the evaluation of the internal control system, which is defined as an independent and objective activity of assurance and consultation. Its finality is to help improve the management of the Organization and the fulfillment of its objectives.
- The internal audit activity provides a comprehensive approach to evaluate and improve the effectiveness of integrated risk management, controls and governance.



External financial audit

Evaluates the accounting information in general and the financial statements, as well as the rendering of an independent opinion regarding the reasonableness with which they indicate the financial situation of EPM at the end of each fiscal year.



External controls

They are also part of the Company's control environment due to their legal nature, since they seek to guarantee the development of its governance process within the public administration.

Corporate Audit Management

Código País 32.5

In 2021, 100% of the **risk-based Audit Plan**, approved by the Board of Directors and programmed for the Grupo EPM, was executed, covering the processes with the highest risk level and in accordance with the prioritization criteria defined in the methodology.



A total of **140 assurance and consultation**, management and development tasks were performed in the Grupo EPM to evaluate the mission, 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 their compliance and effectiveness, according to the follow-up carried out by the audit.



The **control effectiveness indicator in the Grupo EPM** during 2021 (monitoring of improvement plans) was 91%.

The Corporate Audit Model seeks to carry out assurance and consultation activities in the Grupo EPM; additionally, during 2021 the following activities were carried out:

- Definition and implementation of awareness and communication plans on control culture, with emphasis on the three lines of defense model and improvement plans.
- Quality Assurance and Improvement Program (PAMC), evaluation to determine compliance with international auditing standards.
- Development of tools for data extraction, automation and presentation, towards continuous auditing.
- Evaluation of the structuring of the Integrated Planning and Management Model (MIPG).
- Attention and coordination of the requirements of the different external control entities, as defined in Decree 648 of 2017.

As a result of the strategic approach of the Corporate Audit for the year 2021 - 2025, the following strategic initiatives were defined.

Strategic Initiatives: Corporate Auditing

Providing assurance and consultation services



Strengthening the Audit Activity

Implement and use tools that support and optimize the internal audit activity, based on compliance with current regulations, adding value and contributing to the achievement of organizational objectives.



Strategic Leadership

Maintain permanent communication with the management level, provide advice on control and risk issues through participation in strategic committees and the development of assurance and consulting work.



Alignment with strategic objectives and risks

To associate the work to be performed with the strategic objectives of the Organization from the general planning of the audit to deliver results that contribute to improve and protect the value of the Organization.



Relationships of trust

Strengthen communication with the different internal and external stakeholders in search of collaborative work.



Digital Transformation

Innovate and develop capabilities, increasing the quality of the Internal Audit activity, through the use of technology (IT - TO).

Enhance and protect the value of the Organization

External Audit Plan

Código País 29.12

Due to its legal nature as an Industrial and Commercial Company of the State, EPM is not required to have an external financial audit. As a good corporate governance practice and in compliance with the entity's commitments with multilateral banks, EPM hired an external financial audit, which included an opinion on the financial statements, an audit of the information reported to the Energy and Gas Regulatory Commission (CREG) by the network operators and related to the administration, operation and maintenance (AOM) expenses incurred, and a specific audit to certify EPM's compliance with the commitments acquired in the legal stability contract, and the letters of conformity for the issuance of bonds.



As of May 1, 2021, the **private firm Deloitte & Touche Ltda. was hired as external financial auditor for the Grupo EPM**, ranked among the four largest auditing firms in the world.

| Contract | Object | Period (Start – End) | Payments made 2021 |
|-----------------------------------|--|--------------------------|-------------------------------------|
| CW 55509 KPMG | The contractor is entrusted with the provision of external audit services required by EPM. | 01/01/2021 30/04/2021 | COP 337,724,648 (without VAT) |
| CW 130551 Deloitte | The contractor is entrusted with the provision of external audit services required by EPM. | 01/05/2021 31/12/2021 | COP 787,336,542 (without VAT) |

The **value of the external audit contract** during the period from January to December 2021 was COP 1,125,061,190 (excluding VAT).

The **fees paid by EPM to Deloitte** during the period May - December 2021 represent 0.60% compared to the total income of Deloitte for the external audit activity for the same period.

This Corporate Governance Report has been prepared in accordance with Sustainability Reporting Standards of the Global Reporting Initiative (GRI) and has been externally verified by the firm Deloitte, which is the external auditor of EPM and the statutory auditor of the companies of the Grupo EPM. The external verification certificate can be consulted in the [social and environmental management report](#) that is part of the Sustainability Report.

Código País 29.7

External control, supervision and oversight entities

External control entities

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

Supervisory and oversight bodies

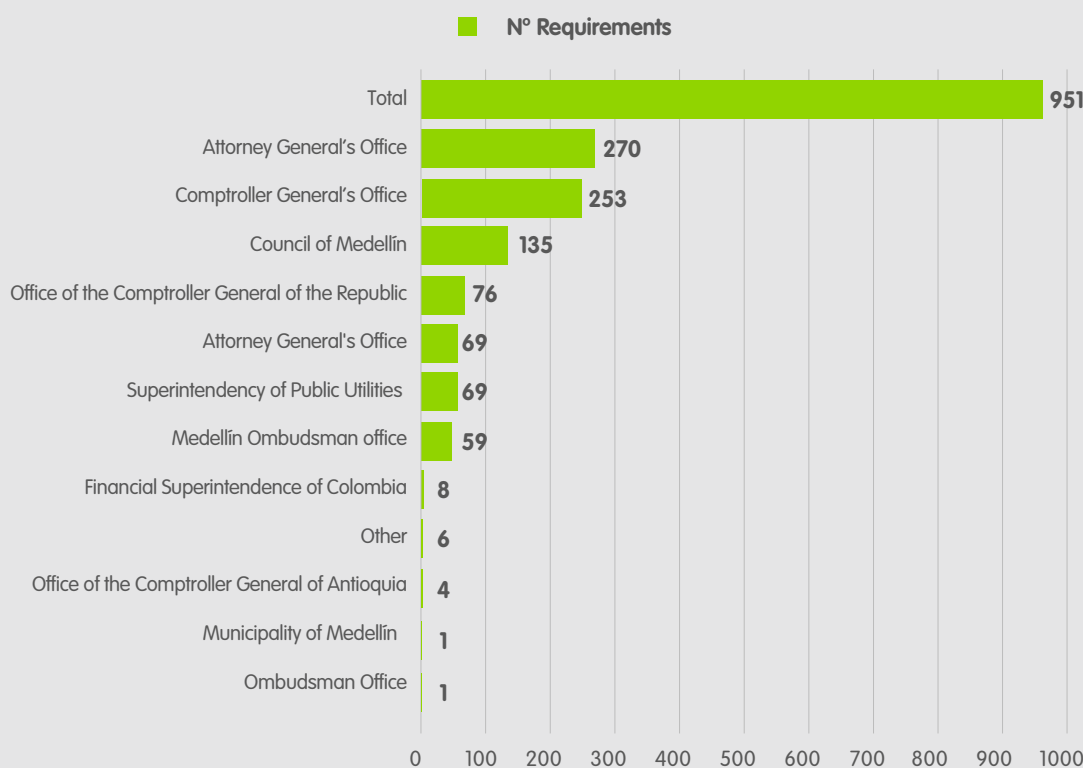
Entities defined in the structure of the Colombian State with supervisory and oversight functions in accordance with the services provided by EPM. The Superintendency of Public Utilities and the Superintendency of Finance are part of this group.

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



EPM attended, in a responsible and timely manner, during 2021 a total of **951 requirements from the different control, supervision and oversight entities.**

Injunctions from external control, supervision and oversight entities



Notes:

Others include injunctions from the Ombudsmen of other municipalities other than Medellín.

The injunctions of the Financial Superintendence of Colombia, reported in this chapter, are different from the requirements and reports generated by EPM as part of the relevant information.

Comprehensive risk management

Código País 32.5; 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, where the definitions, progress and challenges of the Grupo EPM related to this matter can be found.



See [integrated risk management](#).

Integrated Planning and Management Model (MIPG)

Código País 32.5; 33.3 – iv. a)

The Integrated Planning and Management Model (MIPG) is a reference framework to direct, plan, execute, follow up, evaluate and control the management of public entities and agencies, in order to generate results that address development plans and solve the needs and problems of citizens, with integrity and quality service, according to Decrees 1499 and 648 of 2017, of the Administrative Department of Public Function (DAFP).

In EPM, the responsibility for the Integrated Planning and Management Model (MIPG) lies with its legal representative (Decree 2198 of May 2, 2018), while its institutionalism is represented by both the Institutional Management and Performance Committee CIGD, and the Institutional Internal Control Coordination Committee (CCICI) (Decree 2192 of January 5, 2018), both are institutionalized through the EPM Management Committee, whose sessions are coordinated by the representative of institutional planning - the Vice President of Strategy and Planning, and Internal Control - Vice President of Audit - respectively.

In 2021 the MIPG Model completed three years in the process of implementation in EPM and subsidiaries in Colombia.

Governance structure for the implementation of MIPG in EPM: in order to advance in the implementation, the governance structure that responds to the roles and responsibilities of the topics that make up the dimensions and their policies is preserved.

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 | Value-based management for results | Evaluation of results | Information and communication | Knowledge management | Internal control |
| Responsible | VP of Human talent and organizational development | VP of strategy and planning | VP of Human talent and organizational development VP of New business, innovation and technology VP of strategy and planning | VP of strategy and planning | VP of communication and corporate relations VP of Human talent and organizational development VP of Supply and shared services VP of New business, innovation and technology | VP of Human talent and organizational development VP of strategy and planning | VP of Human talent and organizational development VP of risks Corporate auditing VP of strategy and planning |

The Colombian subsidiaries apply this model adapted to the structure of each one.

Evolution of FURAG 2018, 2019 and 2020 results: the Single Management Reporting and Progress Form (FURAG), a tool provided by the Administrative Department of the Civil Service (DAFP) that seeks to evaluate the evolution of the implementation of MIPG in each entity, has yielded the following institutional performance indexes -IDI- for EPM:



| Year | 2018 | 2019 | 2020 |
|------|------|------|------|
| IDI | 77 | 84 | 78.2 |

The above results represent a benchmark score on a scale of 1 to 100, and positions EPM in the top percentile score when compared to the peer group to which EPM belongs (Entities in Antioquia). As of the date of preparation of this report, no FURAG results had been reported for 2021.

Diagnosis of MIPG in 2020

Each year, the FURAG tool has had changes or improvements in its measurement structure, i.e., changes in the questionnaire due to adjustments to the MIPG model itself. These changes, added to some deficiencies in the quality of some evidence attached to the questionnaire, and new and existing gaps in the model in the process of implementation, resulted in the decrease of the IDI in 2020 compared to the previous year, which implied a thorough review of the results and recommendations for improvement provided by the application in order to identify the main points of attention in the process of implementation of MIPG in EPM.



Advances in MIPG in 2021

The main milestones advanced in 2021 are:

- Identification of gaps and registration of improvement plans in AVANZA by each of those responsible for the activity according to their role in EPM. Most of these improvement plans will be executed in 2022.
- Communication focused on MIPG for EPM. Several newsletters with detailed content on MIPG were made, in order to inform and train EPM people on the model and its implementation in EPM.
- Adjustment to the accountability process.



Update on the implementation of MIPG in subsidiaries

In 2020, the Public Function issued Circular 004, which determines that public utilities whose public shareholding represents less than 90% are not subject to the completion of the Single Management Reporting Form (FURAG). In this sense, the subsidiaries of EPM in Colombia that are excluded from filling out the FURAG are:

chec

edeq

CENS

ESSA

Aguas del Oriente

aguas nacionales

Aguas de Malambo

afinia

The subsidiaries that, like EPM, must fill out the FURAG are Aguas Regionales and Emvarias.

It is important to mention that MIPG is a model that constitutes a set of good business practices, mandatory for EPM. These good practices will have Group scope to the extent that the vision of the business group merits it and adds value to EPM and its stakeholders.

The Internal Control System in EPM: The person responsible for the Internal Control System is the CEO of EPM, and delegates its management to the Vice-Presidency of Strategy and Planning, in accordance with the instructions of MIPG.

In relation to the Internal Control System, the MECI has been and will continue to be the basis for its implementation and strengthening. From this, EPM developed a scheme of roles and responsibilities integrated by four **lines of defense** that provides a simple and effective way to improve communications in **risk management** and control by clarifying the related roles and duties.



The **control structure** is based on the COSO/INTOSAI scheme, consisting of five components

1. Control environment.
2. Risk assessment.
3. Control activities.
4. Information and communication.
5. Monitoring activities

The Management Committee, as the Institutional Management and Performance Committee (CIGD), approved the structuring of the following lines of defense for EPM:





Strategic Line:

Formed by the Management Committee, led by the CEO. It analyzes institutional risks and threats to the fulfillment of strategic plans. MIPG establishes what Senior Management is, in decentralized entities of the territorial order.



First line of defense:

Composed of all public servants of EPM. At this level, the effective maintenance of internal controls is performed, the execution of risk management and controls on a daily basis. To this end, it identifies, evaluates, controls and mitigates risks through "Self-control".



Second line of defense:

The Risk Management Committee is comprised of 75 managers with responsibilities associated with nine (9) key aspects of success established for EPM. Its main role is to ensure that the risk management controls and processes of the first line of defense are appropriate and work properly, as well as to supervise the implementation of effective risk management practices; likewise, to consolidate and analyze information on key issues for the entity, basis for decision making and preventive actions necessary to avoid risk materializations, all of the above as part of the "self-assessment". It is important to bear in mind that the number of managers may increase or decrease according to the dynamics of the Organization.



Third line of defense:

Composed of the Corporate Audit Vice-Presidency, Business Audit Manager, Project and Supply Audit Manager and Support Audit Manager. This level provides independent assurance on the effectiveness of risk management and internal control to Senior Management, through independent evaluation.

According to the definition established by the Administrative Department of the Civil Service (DAFP), the key aspects of success for the proper functioning of the lines of defense are summarized below:

Operational assurance

Its scope includes the processes (strategic, mission and support), programs, and key projects for the fulfillment of the mission.

Risk monitoring integration mechanisms

Its scope is the mechanisms used to monitor the implementation of risk management practices. It includes the Committees evaluated in the Internal Control - Second Line of Defense Index.

Financial Information

Its scope is the processes related to the preparation of financial information.

Regulations

Its scope is compliance with applicable laws and regulations. It includes regulatory management and policy compliance assurance.

Reputation

Its scope is the transparency of the entity's activities and its relationship with stakeholders.

Monitoring and improvement

Its scope is supervisory activities: it performs continuous or separate evaluations and assesses and communicates deficiencies.

Security information

Its scope is related to the technological infrastructure guaranteeing confidentiality, integrity and availability of information.

Physical security

Its scope is the integrity of assets and people, guaranteeing the continuity of activities.

Management system

Its scope is the application of international quality, environmental and labor standards, among others, according to nature.

(1) Source: Integrated Planning and Management Model - Module 7.

(2) Source: Prepared by the Proponent (FURAG indicator results).

(3) Source: COSO - Governance and Internal Control

FURAG results related to internal control: the following table shows the annual evolution of the FURAG policy indicators corresponding to dimension 7 of MIPG.

| Policy Indicators | 2018 | 2019 | 2020 |
|--|------|------|------|
| I70 Internal Control Environment conducive to the exercise of control | 74,5 | 90,4 | 75,0 |
| I71 Internal Control Strategic risk assessment | 70,3 | 75,9 | 63,5 |
| I72 Internal Control Effective Control Activities | 73,2 | 81,4 | 69,6 |
| I73 Internal control Relevant and timely information and communication for control | 72,7 | 94,9 | 78,4 |
| I74 Internal Control Systematic, improvement-oriented monitoring activities | 75,7 | 85,6 | 65,7 |
| I75 Internal Control Independent evaluation of the internal control system | 68,5 | 97,4 | |
| I77 Internal Control Strategic Line | 77,7 | 93,0 | 79,7 |
| I78 Internal Control First Line of Defense | 74,7 | 83,4 | 76,3 |
| I79 Internal Control Second Line of Defense | 74,6 | 83,6 | 72,3 |
| I80 Internal Control Third Line of Defense | 64,2 | 73,2 | |



Indicators 175 and 180 on independent evaluation of the internal control system and the third line of defense, respectively, were not measured in 2020, so the results of the indicator are not available.

The 2020 results show a decrease in the rating with respect to 2019, which generates the necessary alert to identify the opportunity for improvement with regard to the internal control system, and which will be addressed in 2022 in the improvement plans registered in the AVANZA improvement plan support information system.

As of the date of preparation of this report, no FURAG results related to internal control had been reported for 2021.

Evaluation of the Internal Control System

The Corporate Audit Vice-Presidency, in compliance with Article 156 of Decree 2106 of 2019, issued by the Administrative Department of Public Function (DAFP), performs every six months, the "Independent evaluation of the status of the Internal Control System - Dimension 7", supported by the methodology of the DAFP, and whose results are published on the EPM website that [can be consulted here](#). EPM has made significant progress in the different components, supported by the management of improvement plans.

Compliance

Código País 32.5; GRI 102-17

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





Attachments



11. Attachments

Attachment 1²: General Framework of the Group's Corporate Governance

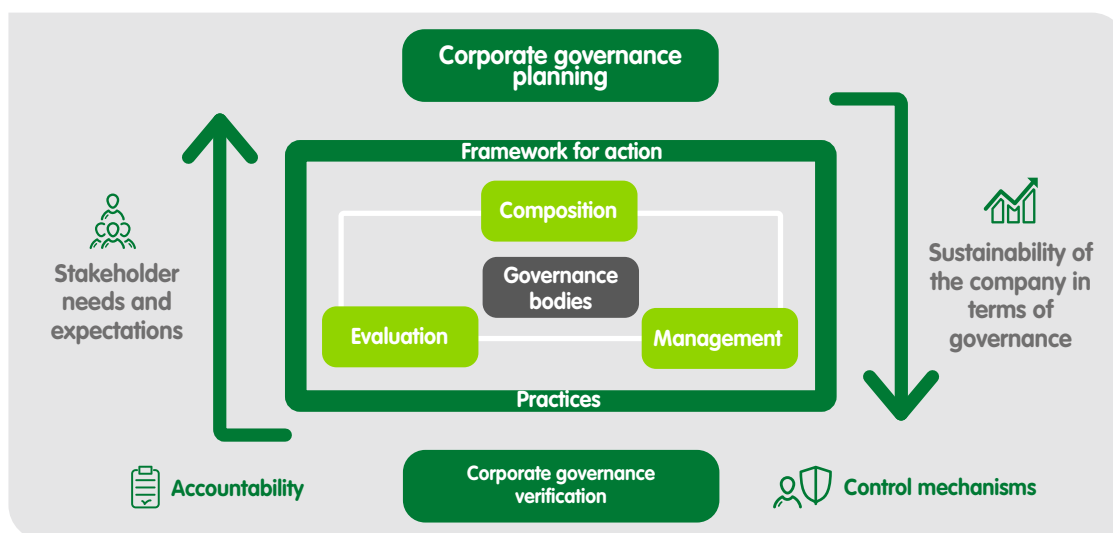
- **Definition of Corporate Governance:** according to the provisions of numeral 1.3 of the EPM and Grupo EPM Governance Code, Corporate Governance is "the system³ by which Grupo EPM companies are directed, managed and controlled through the balance between ownership and administration, in order to ensure their sustainability and growth, the rights of their investors, transparency and ethics in their performance and access to information for their stakeholders (...)".
- **Corporate Governance Strategic Statement:** Grupo EPM guides its management through the development and adoption of good governance practices, for the conscious decision making of the governing bodies, fostering a corporate management culture that contributes to the balanced satisfaction of the needs of its stakeholders, the creation of value and the sustainability of the companies within the framework of unity of purpose and direction.
- **Objective of the General Framework of Corporate Governance:** to define the scope of action of the ownership, direction and management of the companies of the Grupo EPM, implementing the necessary practices to strengthen these governance 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 Corporate Governance Framework is an integral part of the Code of Governance, in this sense it is defined and implemented in EPM, and 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.



² This text is a faithful copy of the General Corporate Governance Framework of the Grupo EPM, which is annexed to the Corporate Governance Code.

³ "Corporate governance is the system by which the direction and control of companies is exercised", Sir Adrian Cadbury 1992, Report on Financial Aspects of Corporate Governance in the United Kingdom.

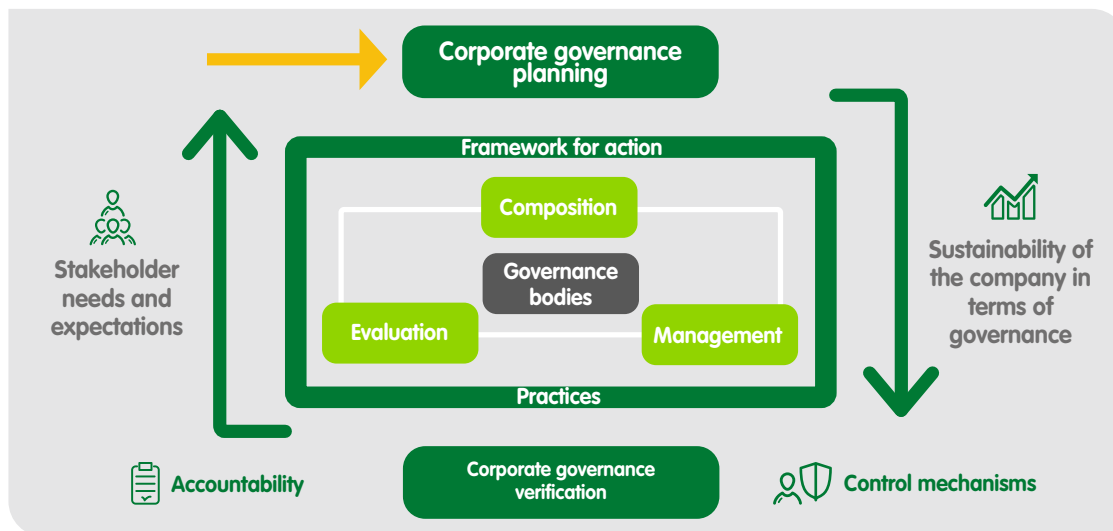
- **Graphic representation of the General Framework of Corporate Governance of the Grupo EPM:** this model is based on the governing bodies, the definition of its framework of action through governance practices, control mechanisms, and accountability.



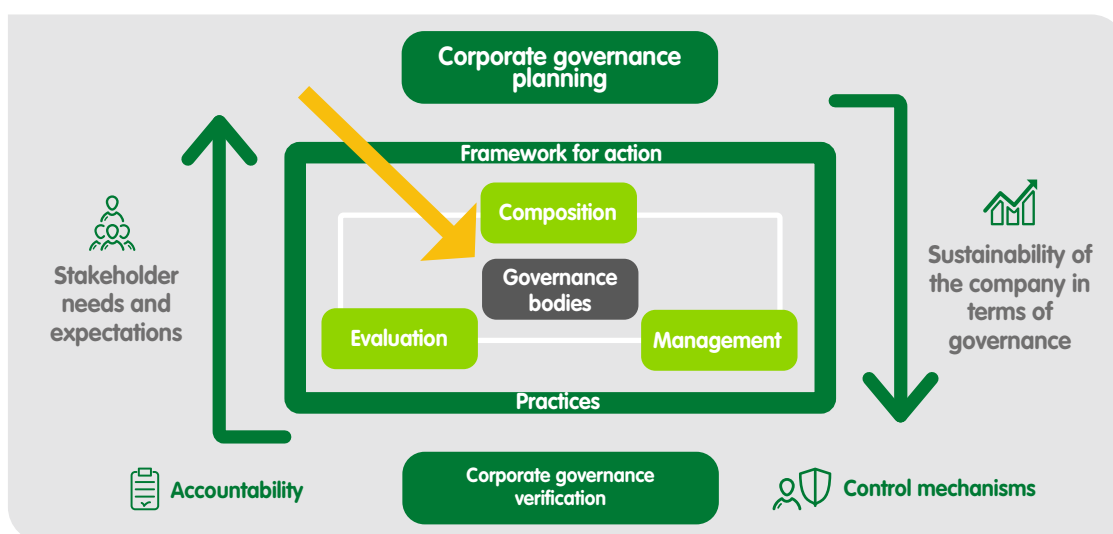
- **Corporate Governance Planning:** the General Corporate Governance Framework considers the needs and expectations of the stakeholders⁴ in corporate governance matters, it also seeks the articulation with the components of the strategic direction to align the interests of the governance bodies towards the achievement of the expectation of value generation, identifying the emphasis, initiatives, objectives, goals, targets and schedules that must be met to strengthen the level of maturity in corporate governance matters of Grupo EPM.

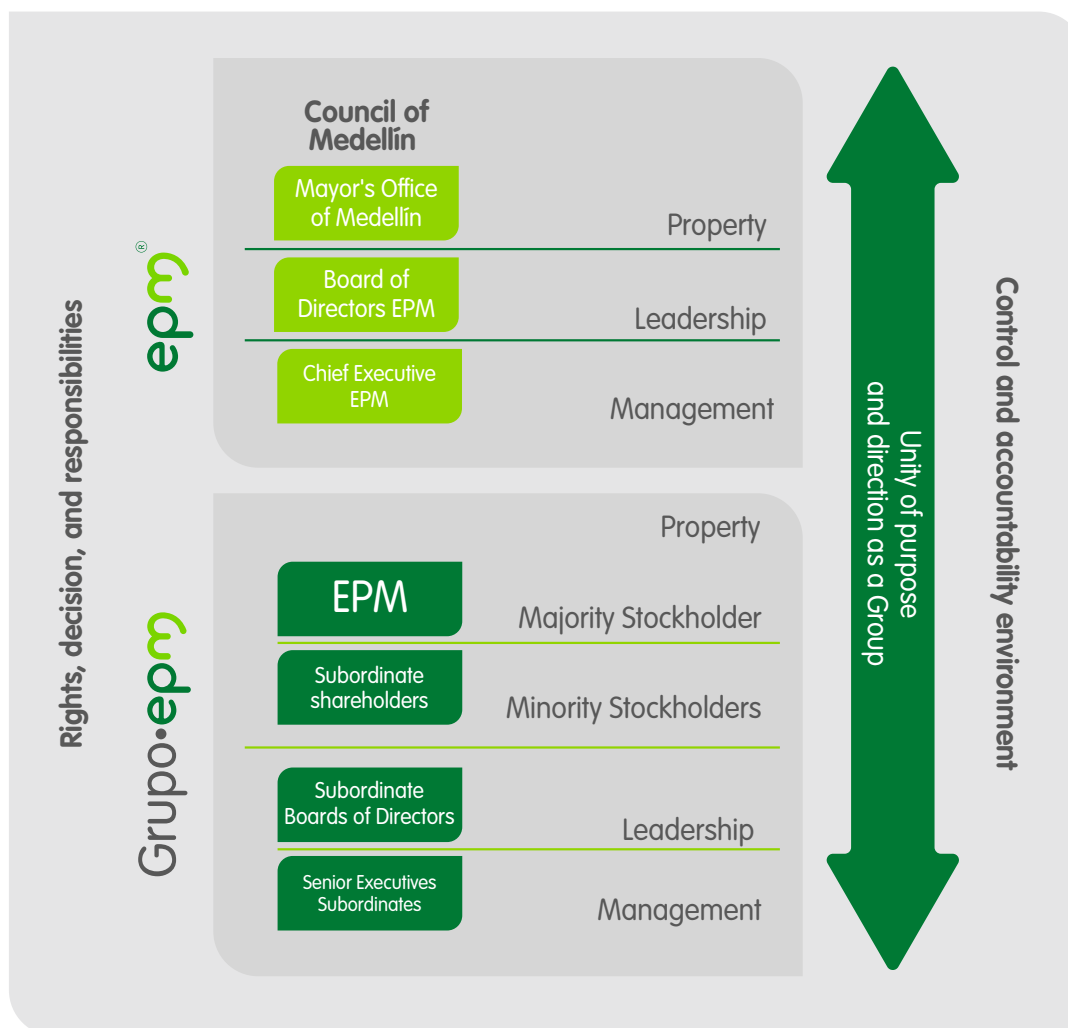


⁴ Person or organization that can affect, be affected or be perceived to be affected by a decision or activity (ISO 9001-2015).

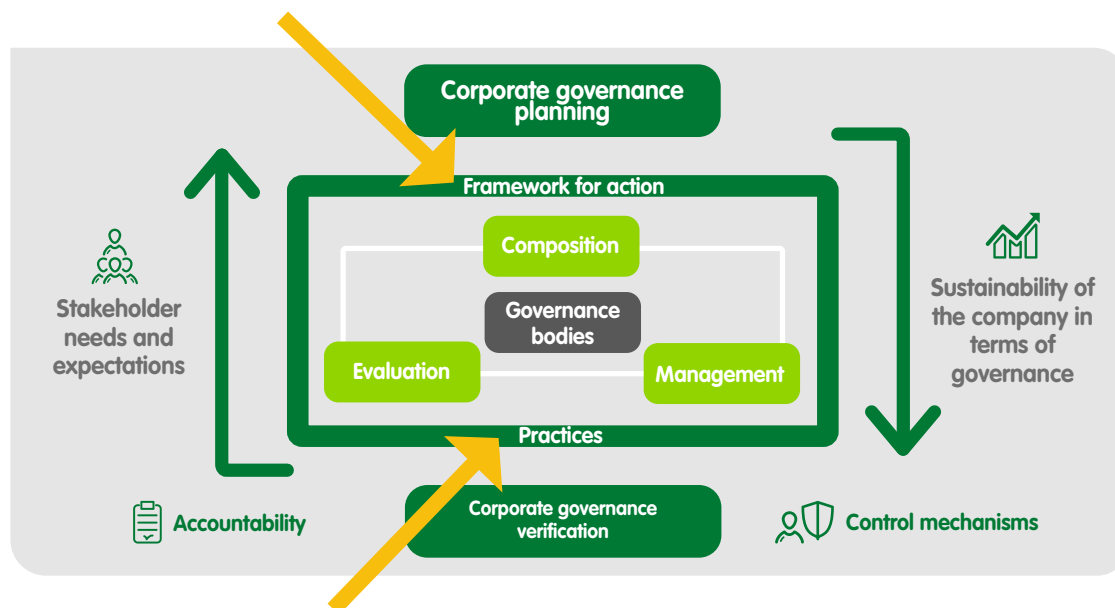


- **Corporate governance bodies:** graphic representation of the governance levels of EPM as Parent Company of the Group and of the subordinate companies, indicating who exercises ownership, direction and management. It also shows the distribution of rights, decisions and responsibilities so that it develops in a system of weights and counterweights, aligned with the unity of purpose and direction, in an environment of control and accountability. The Corporate Governance Code describes each level.



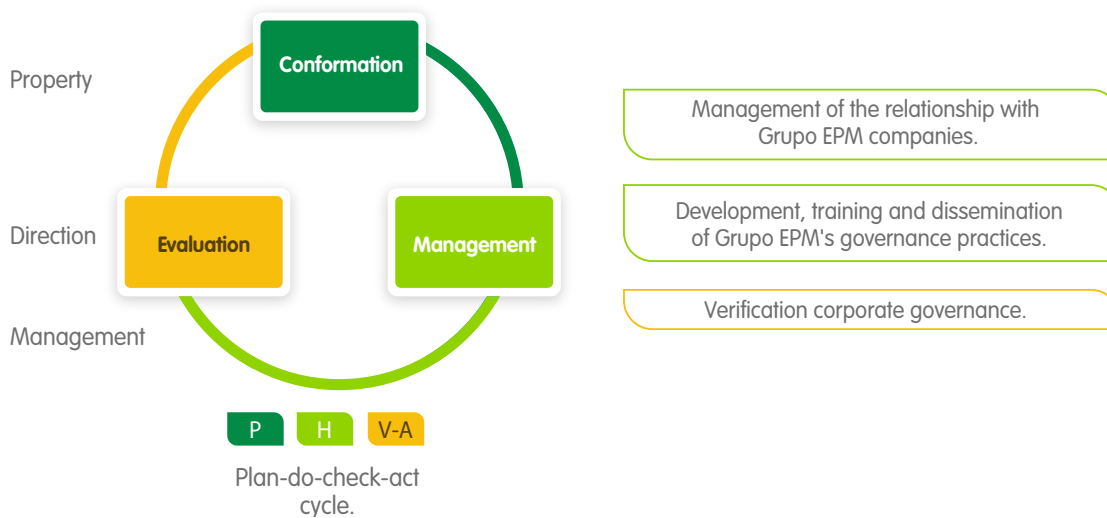


- **Action framework and practices:** graphic representation, in order of precedence and time, of the corporate governance practices applied to the Grupo EPM's governing bodies. Also included are those aimed at strengthening the relationship between the Group's companies, and finally those aimed at strengthening the evolution of corporate governance through development, training and dissemination.



General level action framework graph.

Corporate Governance Planning



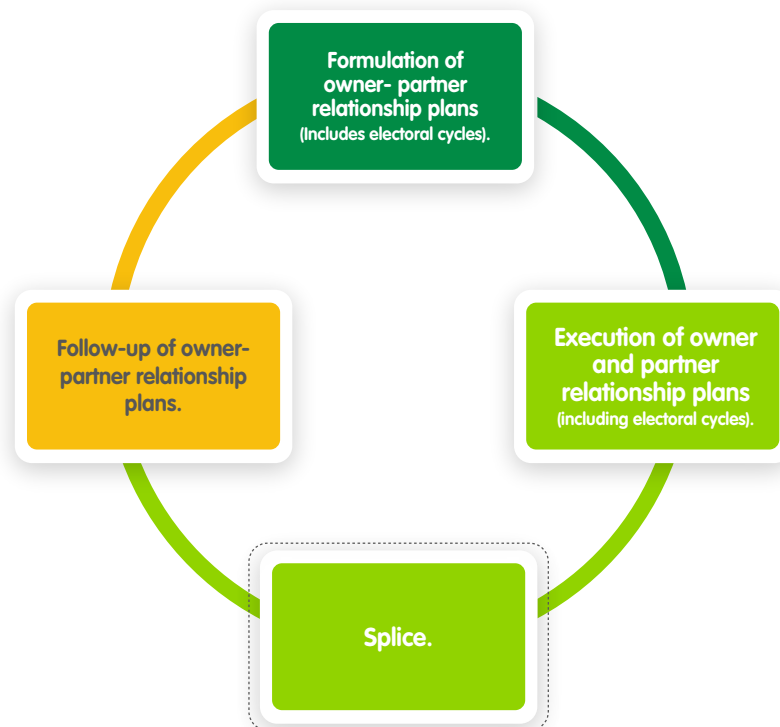
Ownership:

Conformation, management and evaluation of governing bodies.

Performance framework chart - ownership detail



EPM's practices with its owner, and EPM as majority shareholder



Applies for
EPM

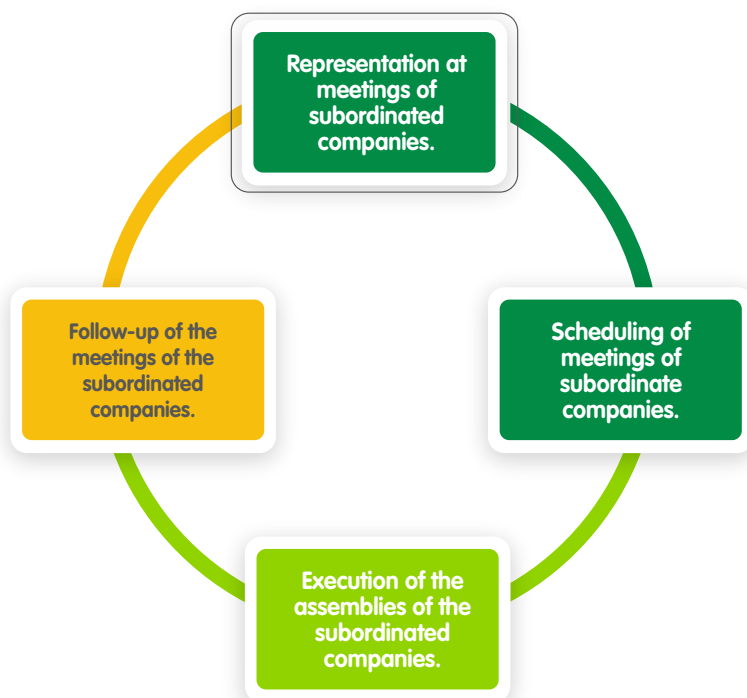


Applies every
4 years



Plan-do-check-act
cycle.

Practices of the subordinate companies of the Grupo EPM



Applies for
EPM



Applies every
4 years



Plan-do-check-act
cycle.



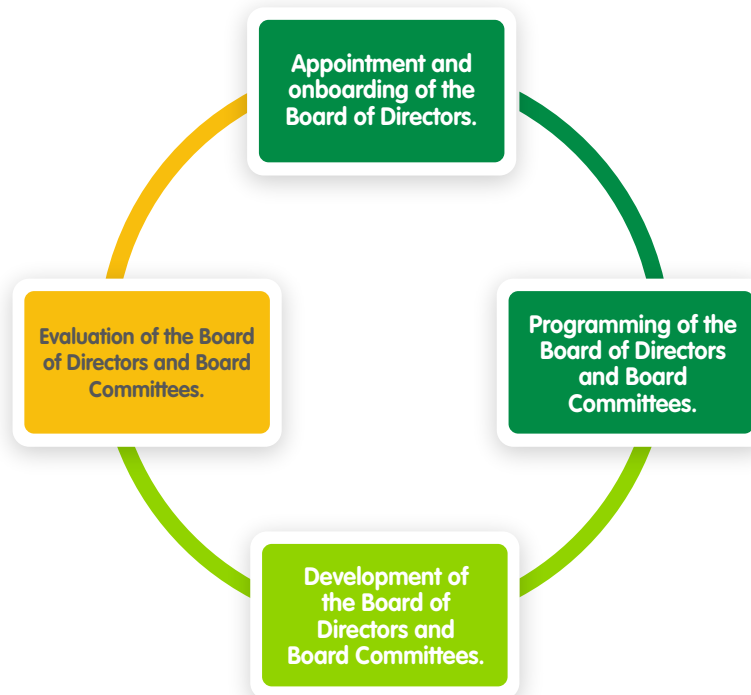
Management:

Conformation, management and evaluation of governing bodies.

Performance Framework Chart - detail of the Board of Directors.



Practices of EPM and the Grupo EPM's subordinated companies



P H V-A

Plan-do-check-act
cycle.

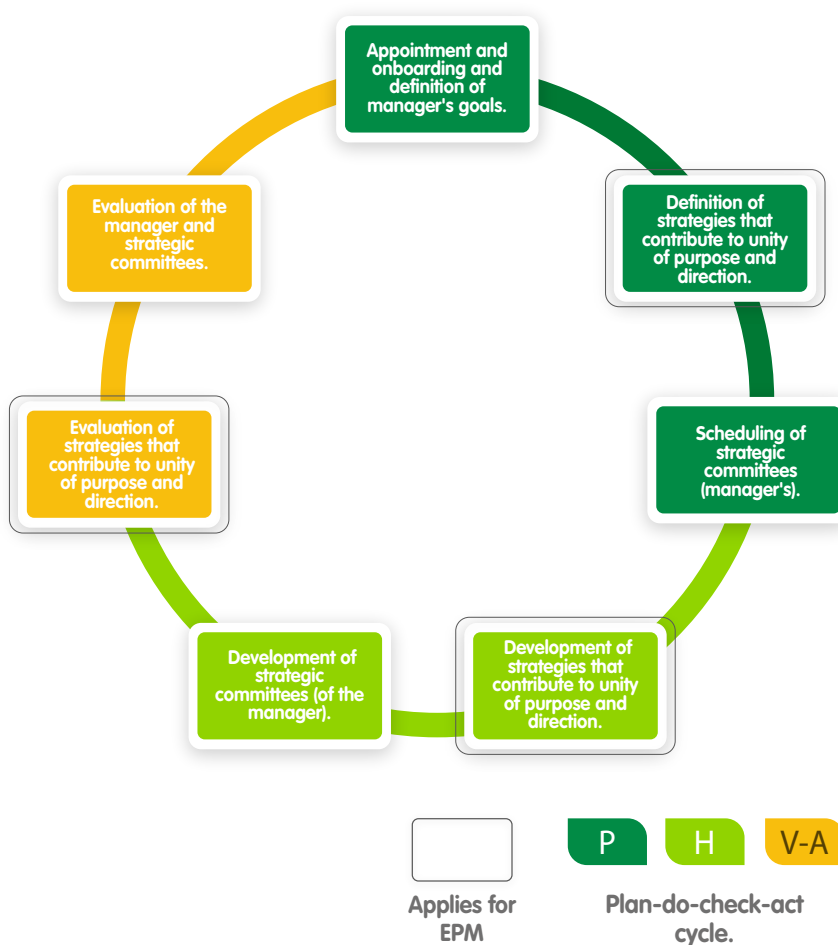
Management:

Conformation, management and evaluation of governing bodies.

Performance framework chart - management detail.



Practices of EPM and the Grupo EPM's subordinated companies

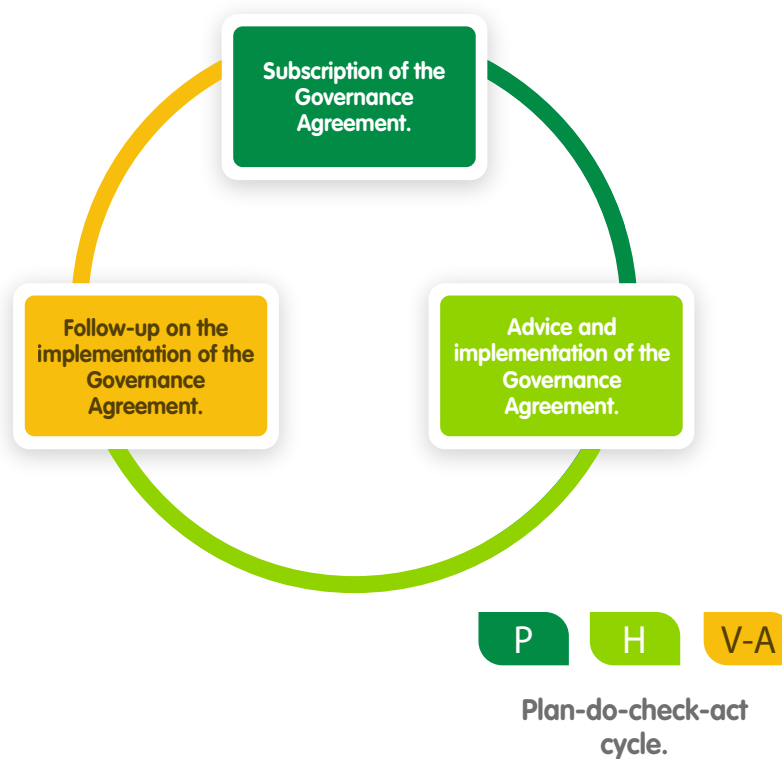


Management of the relationship with Grupo EPM companies.

Performance framework chart - detail of the management of the relationship between the Group's companies.



Practices of EPM and the Grupo EPM's subordinated companies

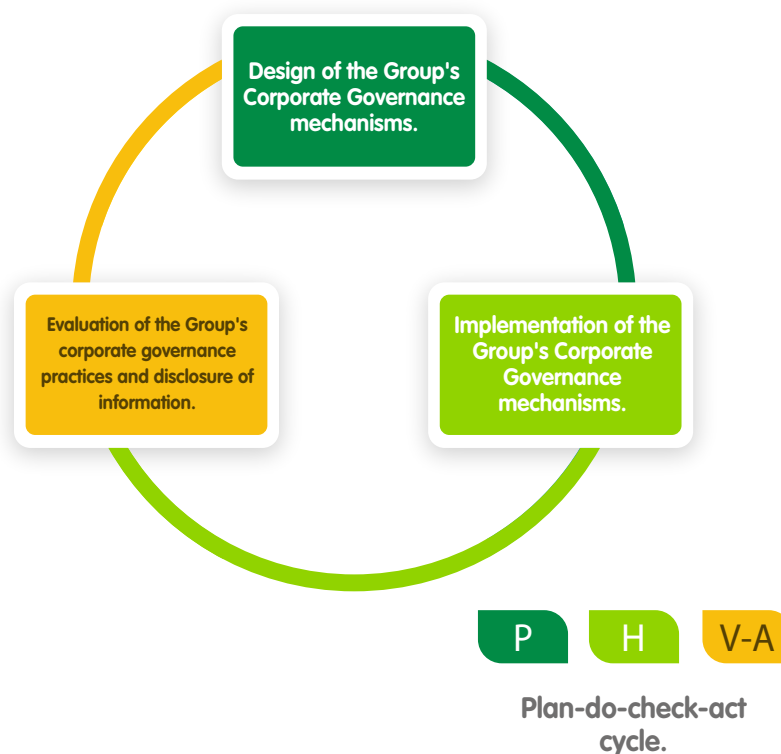


Development, training and dissemination of Grupo EPM's governance practices.

Performance framework chart - details of the development, training and dissemination of the Group's governance practices.



Practices of EPM and the Grupo EPM's subordinated companies

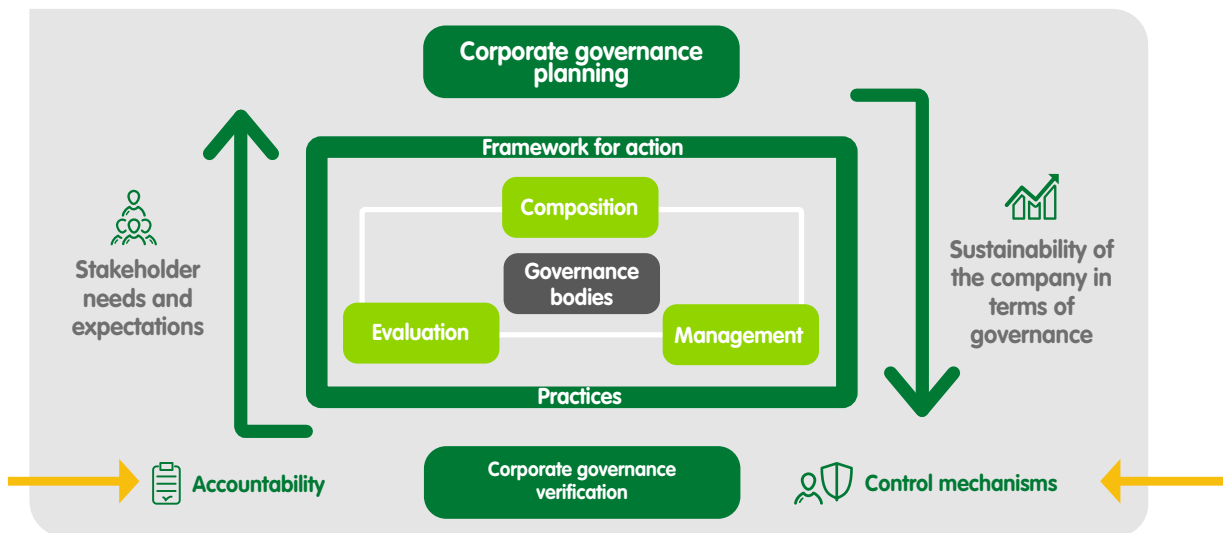


- **Control and accountability mechanisms:** regulation, self-regulation and control mechanisms ensure compliance with the rules that limit the exercise of the functions of each of the Company's governing bodies, so it is essential to implement these mechanisms in the Corporate Governance Framework, as they contribute to the existence of checks and balances in the General Corporate Governance Framework.

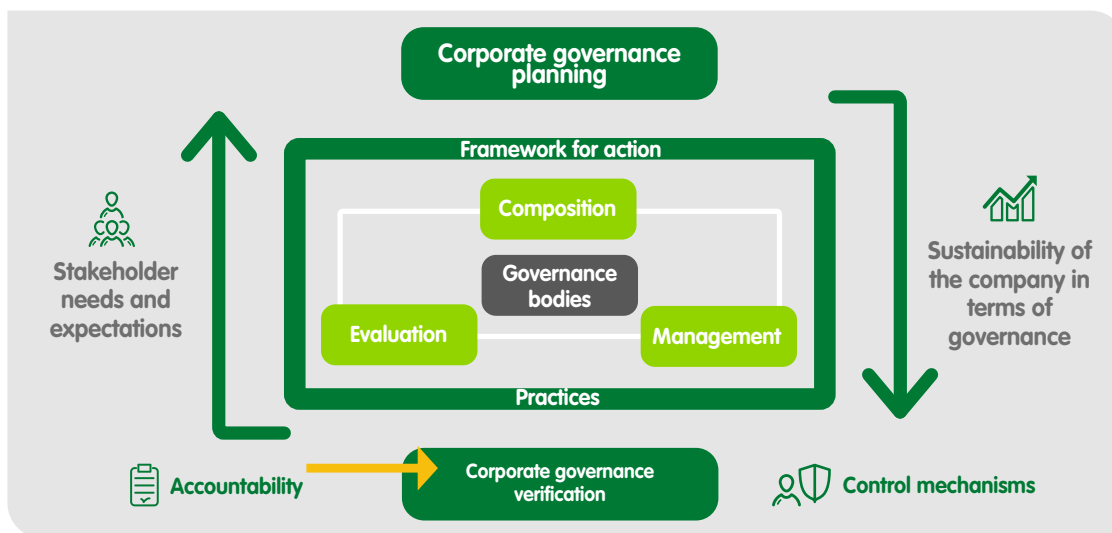
For the Grupo EPM it is of utmost importance to guarantee that the mechanisms described above exist, for this purpose, it has internal and external controls. Among the latter are all those implemented by the bodies that by law exercise control, as well as the voluntary measures that monitor the status of control practices in an impartial, independent and objective manner; these are, for example: the measurement performed by the entity Transparency for Colombia, the audit of the execution of the Annual Corporate Governance Activity Plan, the control exercised by the Financial Superintendency of Colombia and investors, among others. Likewise, the General Corporate Governance Framework interacts with other management systems implemented to promote a culture of risk management and controls, ethical management, compliance, among others, which 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 citizens and, in general, to the 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 through timely, clear and transparent communication mechanisms, the Grupo EPM promotes the construction of a social capital that allows the durability of good business practices. Thus, accountability is manifested in practices such as ethical management, culture and values; disclosure of timely, complete and available information to stakeholders and the market in general; mechanisms for citizen participation, disclosure of conflicts of interest, rating of corporate governance standards by international external entities such as risk rating agencies, among others.



- **Verification of corporate governance:** according to the planning and the results of the different evaluations defined in the performance framework, progress is monitored, deviations are identified and improvement actions are implemented to achieve the objectives and strengthen the level of maturity in corporate governance of the Grupo EPM.



Documentation structure of the Grupo EPM's General Corporate Governance Framework

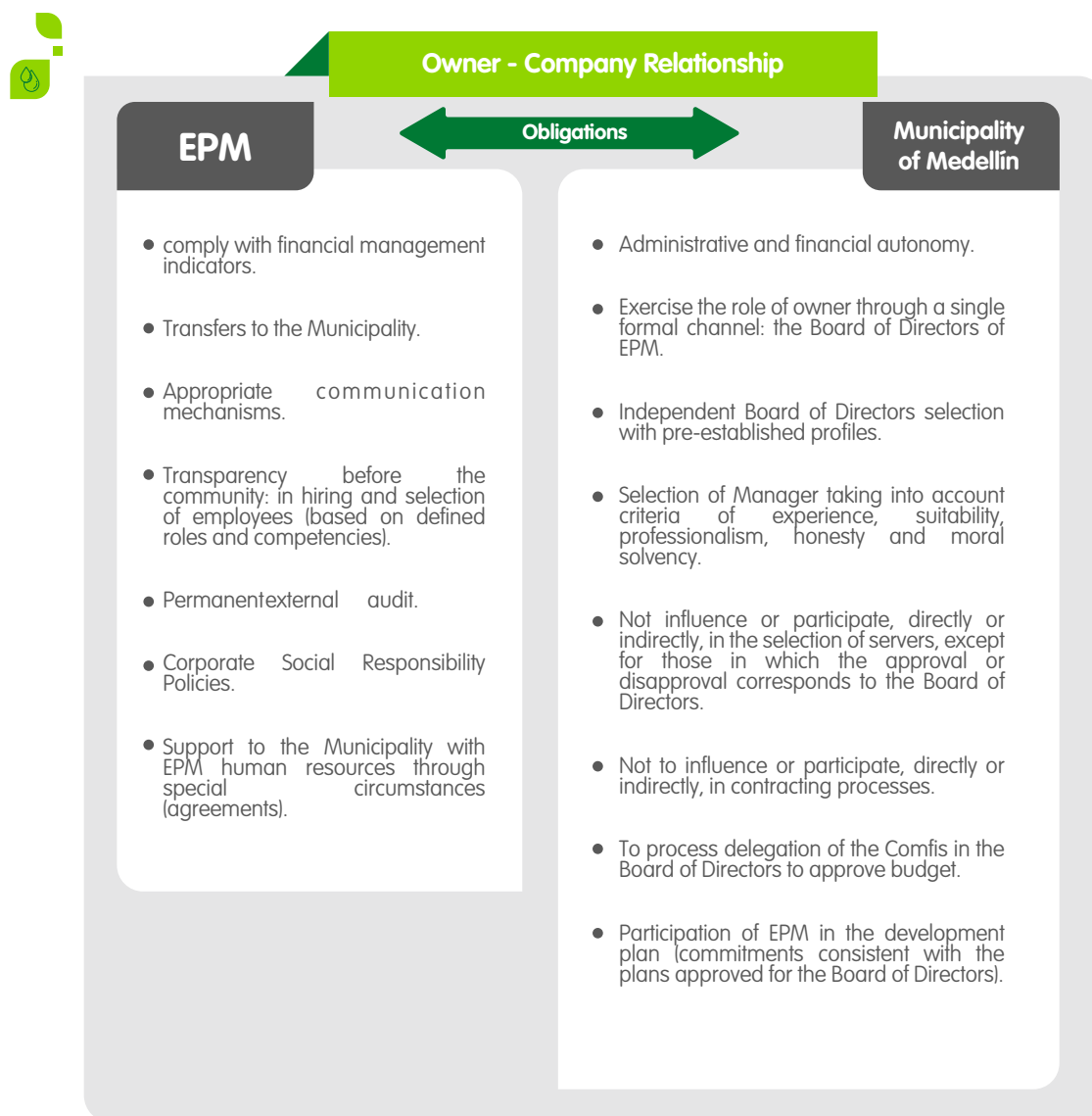
The documentation of the practices originating in the General Corporate Governance Framework is organized as follows:

| Documentation structure of the Grupo EPM's General Corporate Governance Framework | | |
|---|--|--|
| Level of the General Corporate Governance Framework | Document that formalizes the corporate governance practice | Criteria for the issuance and formalization of the document |
| General Framework. | Corporate Governance Code. | It is planned in EPM, submitted for consideration and formalized in the respective governing body of each Group company. |
| Framework for Action. | Guidelines, regulations, manuals, instructions, protocols, among other documents issued by the governing body in accordance with the competence or by the Corporate Governance Unit. | Corporate Governance, for example: the way to make the governance evaluation, the way to celebrate and manage minutes of the Governance Agreement, the application of the Board evaluation methodology, the application of the manager evaluation methodology, among others; are projected and formalized in EPM's Corporate Governance Unit, submitted for consideration and adopted in the Group's companies through the mechanisms defined by the Governance Agreement. |

The documents issued and the records generated from the execution of corporate governance practices are controlled in accordance with the document management defined in each company of the Grupo EPM.

Attachment 2: Context of the Relationship Framework Agreement

The Relationship Framework Agreement⁵, signed between EPM and the Municipality of Medellín in 2007, reflects the common objective of these entities to generate business management conditions that enable sustainability and the generation of value for stakeholders, but especially, that make EPM a viable source of income for the city of Medellín.



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

Attachment 3: Resumes of EPM Board Members



Daniel Quintero Calle
Mayor of Medellín

Chairman of the Board of Directors EPM (From 01/ Jan/2020)
Age Range: 30-45 years / PEP: Yes
No Independent

Education

- Electronic Engineer **Universidad de Antioquia (Medellin - Colombia)**
- Specialization in Finance **Universidad de los Andes (Bogota - Colombia)**
- Master in Business Administration (MBA) **Boston University (USA)**

Other studies

- Course for Global Leaders in Public Financial Management
(**Harvard Kennedy School of Government**)

Experience

- Vice Minister of the Ministry of Information Technologies and Telecommunications (**2016 -2017**)
- Director INNpursa Colombia (**2015 - 2016**)
- Director of Pienza Verde Foundation (**2012 - 2014**)
- Management Consultant Intrisoft S.A. (**2005 - 2015**)

Acknowledgments

- Carlos Lemos Simmonds Order for transparency, democracy and social development.
- St. Gabriel Archangel National Army Medal.



Bernardita Pérez Restrepo

EPM Board Member (From 08/25/2020)

Age Range: 60-65 years old

PEP: Yes

Independent

Education and experience

Lawyer from the University of Antioquia, specialist in Philosophy of Law from the University of Castilla La Mancha (Spain); Master's student in Political Philosophy at the Institute of Philosophy of the University of Antioquia. He has taught at the universities of Antioquia, Pontificia Bolivariana, Medellín, Nacional and Universidad Libre.

He 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 to the Presidency of the Senate of the Republic, Ombudsman of Teleantioquia, Judge of the Superior Court of Medellin, Judge of the Contentious Administrative Court and Judge of the Constitutional Court.

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





Gildardo Antonio Correa Salazar

EPM Board Member (From 08/25/2020)

Age Range: 66-70 years old

PEP: Yes

No Independent

Vocal of Control of Public Utilities of the city of Medellín Commune 1, since 2013.

Experience

- Neighborhood animator of the Local Development Plan of Commune 1 (2006 - 2013)
- Neighborhood delegate to the Participative Budget (PB) of Commune 1 (2005 - 2013)
- Trainer of Community Action Trainers (2008 - 2012)
- Coordinator of the Coexistence and Participation Commission of Commune 1 of the Participatory Budget (2007 - 2008).
- Twice Chairman of local community council 1 (1996 - 2000)
- Councilman JAL Commune 1 (1995 - 1997)
- Member of COPACO Board (1994 - 1997)
- General Secretary of the Informal Economy Union (1966 - 1968)





Jorge Iván Palacio Palacio

EPM Board Member (From 08/17/2020)

Age Range: 71-75 years old

PEP: Yes

Independent

Education and experience

Colombian lawyer and jurist, former president of the Constitutional Court of Colombia between 2013 and 2014. He is a lawyer from Universidad Autónoma de Medellín and holds a Master's Degree in Law from Universidad Sergio Arboleda.

In his career he has served as a magistrate of the Constitutional Court, magistrate of the Supreme Court of Justice and judge of the same entity. He has been a judge in Medellín and different municipalities of the department of Antioquia, national and international lecturer, professor at the Universidad de los Andes in 2019 and independent legal advisor.





Olmer Orlando Palacio Garzón

EPM Board Member (From 08/25/2020)

Age Range: 30-45 years old

PEP: Yes

Independent

Education

- Graduate in Preschool Education from **Universidad San Buenaventura**

Experience

- Vocal of control of utilities of the city of Medellín **Commune 3 (Conectémonos)**.
- He has worked as a teacher and social manager.



Omar Flórez Vélez

EPM Board Member (From 08/17/2020)

Age Range: 71-75 years old

PEP: Yes

Independent

Education and experience

Former Mayor of Medellín and former Chairman of the Board of Directors of EPM, he is an administrative engineer from Universidad Nacional and a specialist in Business Management and Competitiveness. He has served as manager of the Liquor Factory of Antioquia, Secretary of Finance of Antioquia, Secretary of Government of Antioquia, Vice Minister and Minister of Communications, representative to the Chamber of Deputies and Senator of the Republic, President of the National Association of Municipalities, among other positions in the private sector.



Pablo Felipe Robledo Del Castillo

EPM Board Member (From 08/21/2020)

Age Range: 50-55 years old

PEP: Yes

Independent

Education and experience

Lawyer, specialist in Civil Procedural Law and candidate for a Master's Degree in Contractual and Extracontractual Civil and State Liability from the Universidad Externado de Colombia.

In the public sector he has served as Superintendent of Industry and Commerce, Deputy Minister for the Promotion of Justice, Minister of Justice and Law (in charge), Deputy Minister of Criminal Policy and Restorative Justice (in charge), Director of the National Agency for the 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 worked as a trial lawyer, advisor, consultant and partner of law firms. He has teaching experience in public and private educational institutions.

He participated as alternate Chairman of the Review Commission of the Draft Law of the General Code of Procedure and of the Interinstitutional Commission of Constitutional Reform to Justice appointed by the President of the Republic, member of the Drafting Commission of the Draft Law of National and International Arbitration, among others.





Sergio Andrés Restrepo Muños

EPM Board Member (Since 05/19/2021)

Age Range: 30 - 45 years old

PEP: Yes

No Independent

Education and experience

Electrical Engineer from Universidad de Antioquia, with postgraduate degrees from Universidad Externado de Colombia in Regulation and Management of Information and Communications Technologies, and in Regulation of Electric Energy and Gas. He passed the Innovation and Leadership in Government (ILG) program at Georgetown University in Washington D.C. He studied Project Management and Administration at Universidad de la Salle in Bogotá, as well as Renewable Energies - Photovoltaic Installations at Universidad Nacional de Colombia. He is currently pursuing a Master's degree in Electrical Engineering and Sustainable Energy Management at the Universidad de Bogotá Jorge Tadeo Lozano.

He has knowledge and experience in policy and structuring of public procurement processes, public utilities, energy markets and implementation of electric energy, renewable energy and information and communications technology projects.

He has been a professional services advisor at the Ministry of Information Technology and Communications, and has accompanied the National Public Procurement Agency Colombia Compra Eficiente in issues related to the structuring of technical specifications and IT standards. He has also worked as Energy Supervisor at American Tower Corporation and as Project Professional at Furel S.A.

Currently, he is a control member of the Development and Social Control Committee "Buen Vecino" (Good Neighbor), through which the benefits related to the Minimum Vital Potable Water program, among others, are promoted.

He is also a member of the Board of Directors and the Audit Committee of UNE EPM Telecomunicaciones S.A and Colombia Móvil S.A E.S.P. And he was a permanent guest member of the Board of Directors of Distribuidora Eléctrica DELSUR S.A de C.V - Grupo EPM.



Guillermo León Diosa Pérez

**Former Board Member EPM (From 08/25/2020
Until: 05/18/2021)**

**Age Range: 60-65 years old
PEP: Yes**

Education and experience

Mechanical Engineer, specialist in Maintenance Management from Universidad de Antioquia and in Environmental Education from Universidad Pontificia Bolivariana.

Member of the control of domiciliary public utilities of the city of Medellín since 2003 (CODECOS).

He has served as Undersecretary of Environment of the Municipality of Medellín and Secretary of Environment (in charge); CEO of Pontus Group SAS; territorial director of Corantioquia - Panzenú, manager of Modial Ltda; auditor of the Comptroller General of the Republic, and professor at the Instituto Tecnológico Pascual Bravo.

He has extensive experience in environmental authority, environmental licensing of projects, structuring of hydroelectric projects, hydraulic infrastructure and administration of water networks, forestry, property, contractual and legal management. He was a speaker at the forum on urban transformation, local

development and sustainable cities as change agents; an advisor for International Certification and Training S.S. and Transtech; and advisor in the implementation of the quality system of the Physical Education Institute of the University of Antioquia for sports initiation schools.

He has been a member of the boards of directors of Parque Arví, Jardín Botánico Joaquín Antonio Uribe, Centro de Extensión Académica de la Facultad de Ingeniería de la Universidad de Antioquia (Ceset), Transtech. Member of committees of Corantioquia, International Certification And Training S.A., 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 alumni in the Council of the Faculty of Engineering of the University of Antioquia.



Jorge Andrés Carrillo Cardoso

**Former Board Member EPM (From 08/25/2020
Until: 04/12/2021)**

**Age Range: 30–45 years old
PEP: Yes**

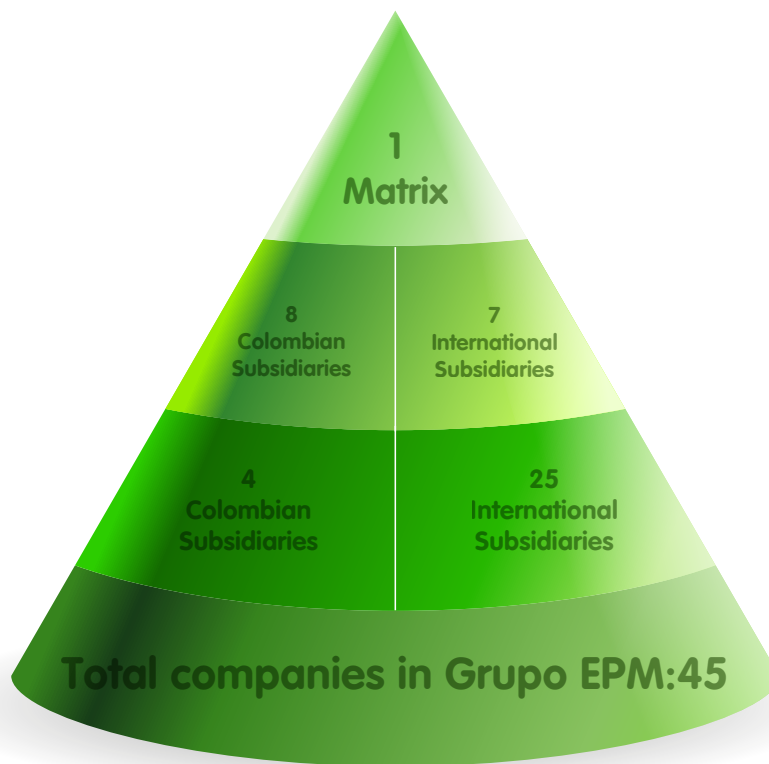
Education and experience

Civil and environmental engineer with a master's degree in Environmental Management from Universidad de Los Andes. With extensive experience as a senior official of the Colombian Government 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, project structuring and strategic direction of public-private coalitions, with excellent high-level relationship and obtaining results.

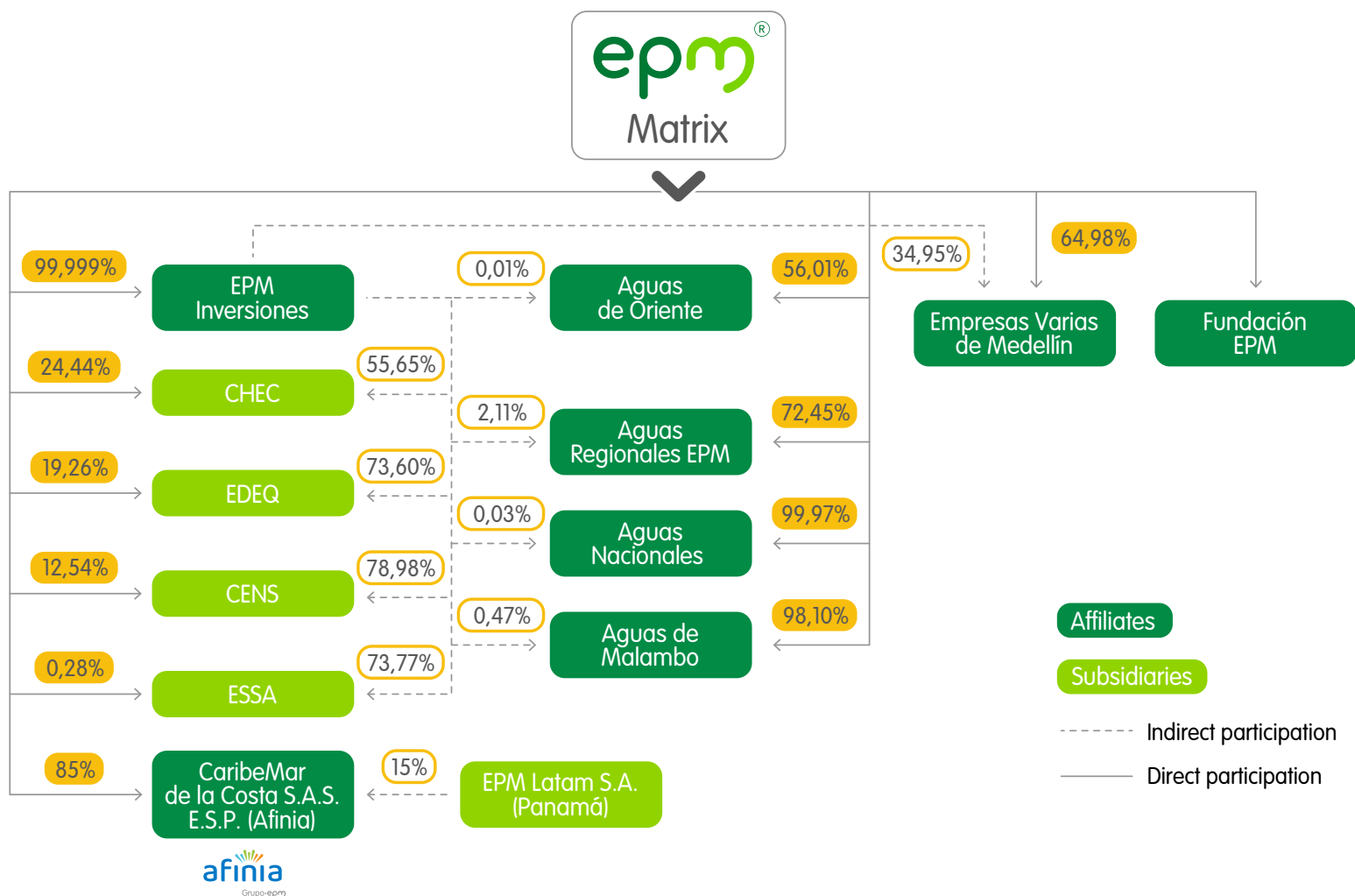
He has been advisor to the Presidency of ANDESCO, Project Manager Water Coalition for Colombia of TNC (The Nature Conservancy); manager of the Construction Services Division of Grupo Constructor Normandia S.A.; vice minister of Water and Basic Sanitation of the Ministry of Housing, City and Territory; Director of the Water and Basic Sanitation Regulatory Commission (CRA); advisor to the Board of Directors of the Colombian Geological Service; advisor to the National Water Council; advisor to the National Environmental Council; and member of the Intersectoral Commission on Climate Change. Advisor to the High Presidential Advisor for the Regions (Presidency of the Republic); coordinator of Environment and Water Resources for USAID's Orinoquia Master Plan; delegated superintendent for Aqueduct, Sewerage and Sewage (Superintendency of Public Utilities); consultant to the Business Management Directorate of the United Nations Development Program (UNDP).

Attachment 4: Grupo EPM Shareholding Composition

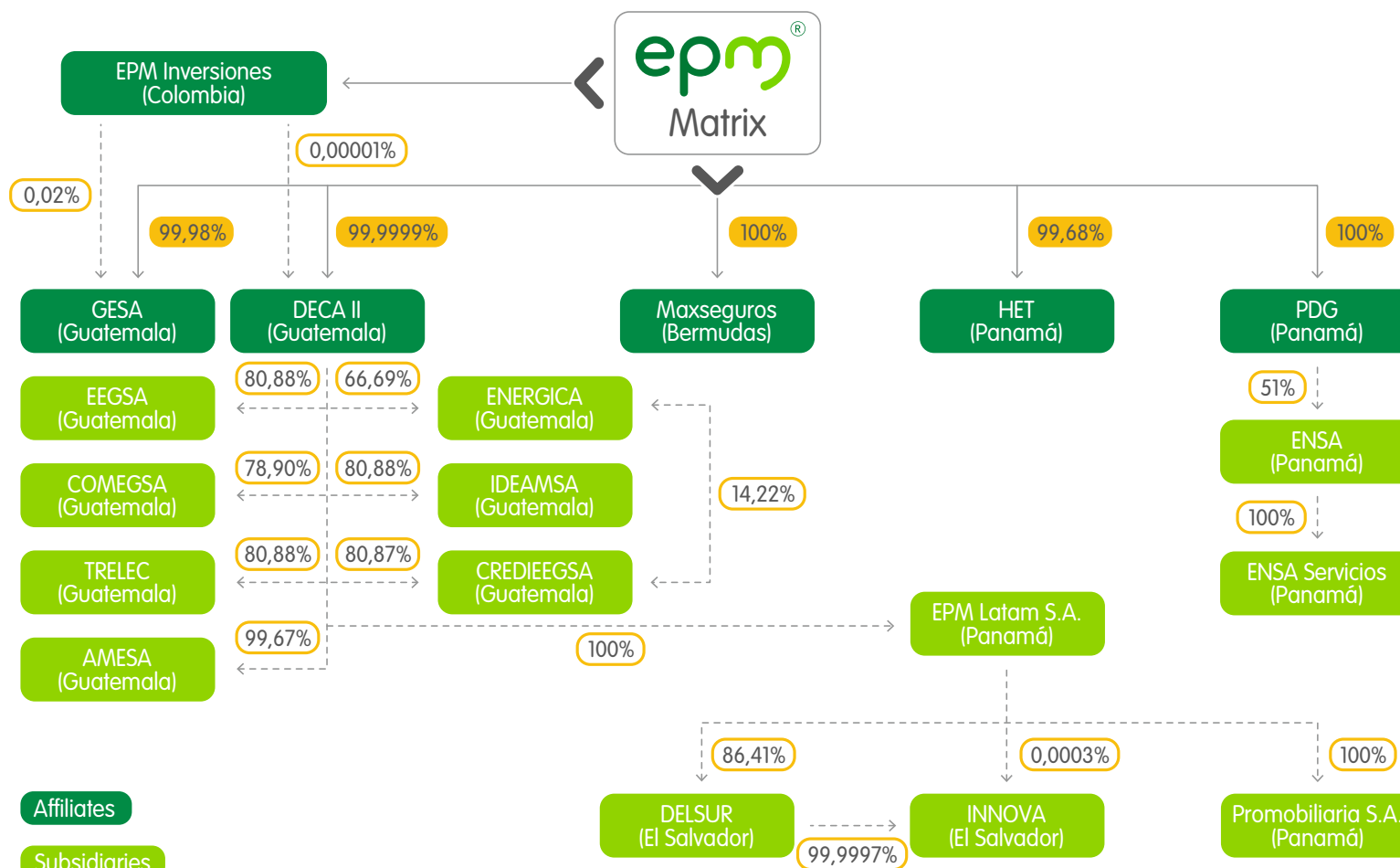
General structure of the Grupo EPM



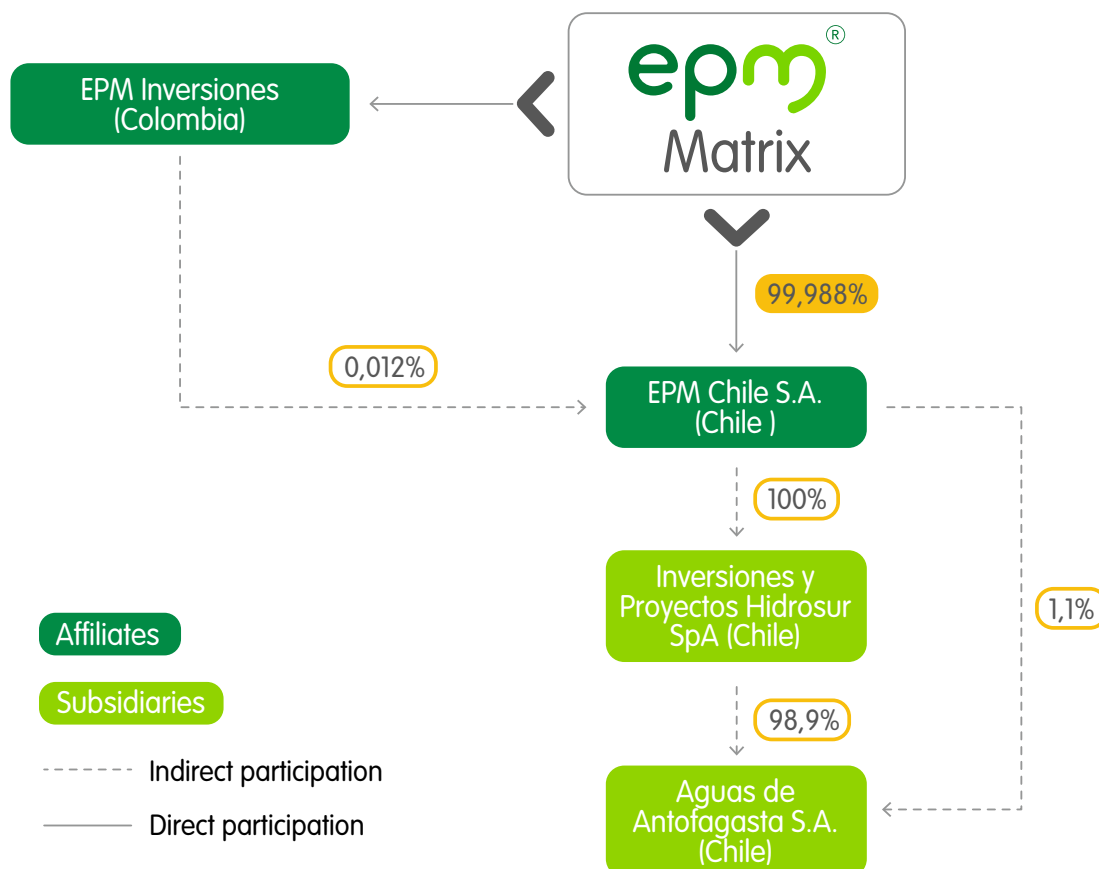
Subsidiaries in Colombia



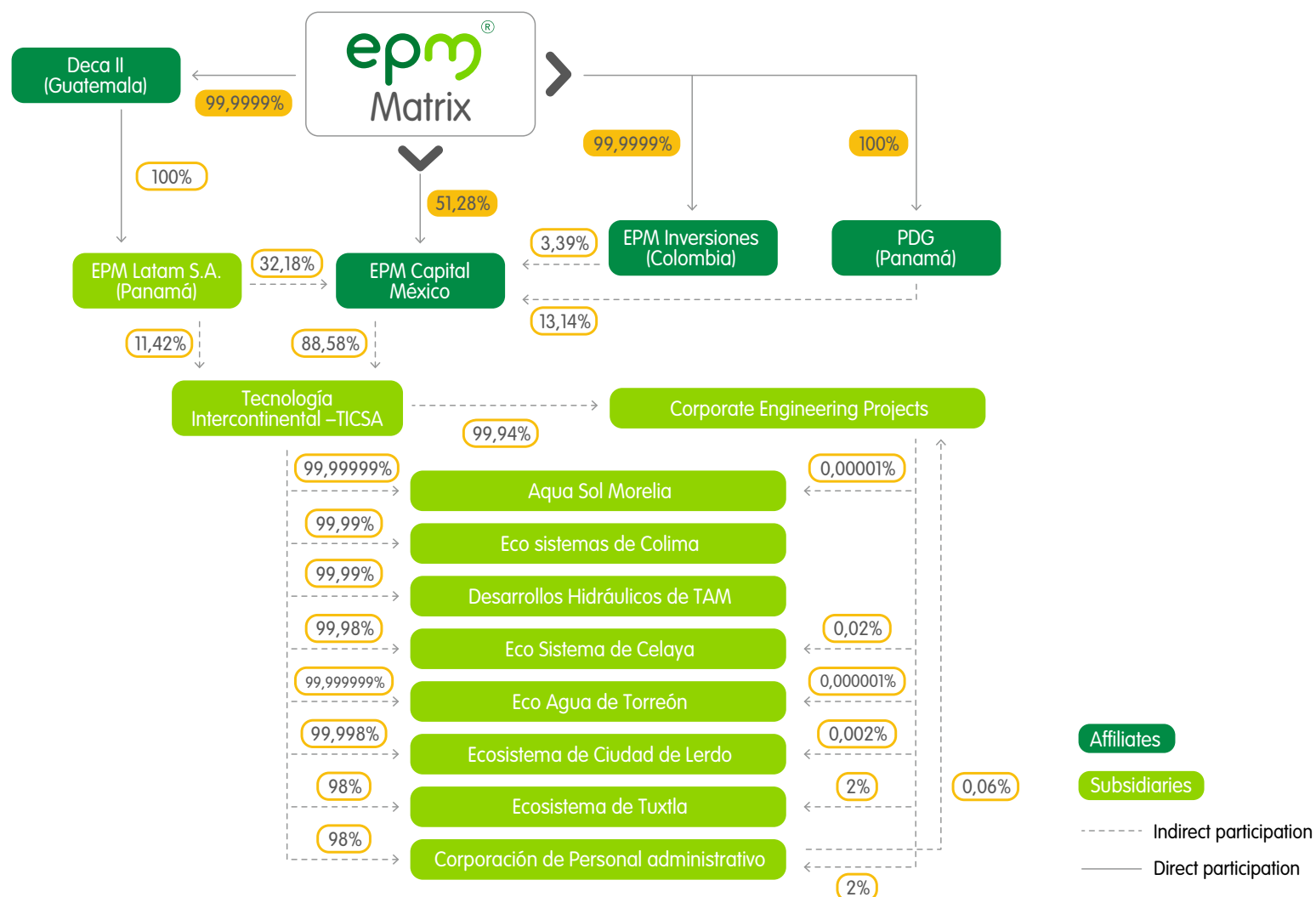
Subsidiaries in Central America and the Caribbean



Subsidiaries in Chile



Subsidiaries in México





Sustainability Report

2021

SUSTAINABLE
DEVELOPMENT
GOALS

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Grupo•epm

