

## BYLAWS OF GRUPO ENERGÍA BOGOTÁ S.A E.S.P.

### Chapter I. Name, legal nature, domicile, duration and purpose

**Article 1. Name:** The name of the company shall be Grupo Energía Bogotá S.A. ESP, and it may use for all effects, in all legal and business acts, the acronym GEB S.A. ESP

**Article 2. Legal nature:** Grupo Energía Bogotá S.A. ESP is a public utility services company, incorporated as a joint stock corporation, pursuant to the provisions of Law 142/1994. The Company is autonomous in terms of its administration, equity and budget, and conducts its business under the private law regime, with the status of sui generis business company, given its function as a public utility services company.

**Paragraph:** Given the composition and origin of its capital, Grupo Energía Bogotá S.A. ESP is a Company owned by both private and government (local level) shareholders, in which the government shall hold as a minimum fifty one percent (51%) of its share capital, in accordance with resolution 001/1996 of the City Council of Bogotá (formerly Council of Santa Fe de Bogotá), the Capital District of Colombia, which authorized its organization as a joint stock corporation pursuant to the provisions of article 17 of Law 142/1994 and article 104 of Decree Law 1421/1993.

**Article 3. Domicile:** The main registered address of Grupo Energía Bogotá S.A. ESP is the city of Bogotá, Capital District, but it may engage in business and have secondary domiciles both within and outside the national territory, through the establishment of branch offices and agencies, at its convenience.

**Article 4. Duration:** The Company shall have indefinite duration.

**Article 5. Corporate Purpose:** The Company's main corporate purpose is the generation, transmission, distribution and commercialization of energy, including gas and liquid fuels of all forms. It may also participate as partner or shareholder in other public utility companies, either directly or in partnership with others. The Company may also develop or participate, directly or indirectly, in engineering and infrastructure projects, and make investments in these areas, including providing services and related activities.

In furthering its corporate purpose, Grupo Energía Bogotá S.A. ESP may engage in any activities that are related to or that complement its primary line of business, and specifically the following:

1. Design, build, operate and exploit power generation plants using any type of energy resource.
2. Design, build, operate and exploit energy transmission and distribution systems.
3. Generate, acquire to sell, intermediate and commercialize energy, both in Colombia and abroad.
4. Provide electric public utility services in the Capital District, in municipalities where it

has entered into special agreements, and at any other location outside its corporate domicile.

5. Enter into all types of agreements, contracts, partnerships and legal businesses related to its corporate purpose and, particularly, enter into any type of partnership or joint venture with individuals or legal entities in the same line of business, or in related or complementary businesses.
6. Participate as partner, associate or shareholder of companies in businesses related to its corporate purpose that carry out activities aimed at providing services or supplying products that are essential for fulfilling of its purpose, or any legal entity that carries out activities that are useful in furthering the Company's corporate purpose.
7. Engage in and perform any legal business that can be performed by public utility companies according to Colombian law.
8. Promote scientific and technological activities related to its purpose, and use and apply them for technical and economic ends.
9. Perform any activities aimed at fulfilling its corporate purpose, exercising its rights and fulfilling the Company's obligations.
10. Enter into any legal business that may be necessary to adequately exploit the Company's infrastructure, and establish any legal entities that may be required to this effect, partnering with other public utility companies of any type, or with private parties through any type of partnership authorized by Law.
11. Provide advisory and consulting services on matters related to its main corporate purpose.

**Paragraph:** Through its governance bodies, and in abidance of commercial, civil and labor law, these Bylaws and other applicable internal rules, the Company may enter into all types of legal acts and businesses, dispose of assets of its property, acquire all types of assets and obligations of any nature, and manage programs for the sale of Company shares.

## **Chapter II. Capital**

**Article 6. Authorized capital:** The Company's authorized capital totals TWO TRILLION, THREE HUNDRED SEVENTY BILLION PESOS COLOMBIAN LEGAL CURRENCY, represented in FORTY FOUR BILLION, TWO HUNDRED SIXTEEN MILLION, FOUR HUNDRED SEVENTEEN THOUSAND, NINE HUNDRED TEN (44.216.417.910) nominative shares with a nominal price of FIFTY THREE PESOS AND 60/100 PESOS (\$53.60) COLOMBIAN LEGAL CURRENCY each, represented in tradable securities.

**Article 7. Issued Capital:** The Company's issued capital totals FOUR HUNDRED NINETY TWO BILLION, ONE HUNDRED ELEVEN MILLION, EIGHTY EIGHT THOUSAND, ONE HUNDRED ELEVEN PESOS (\$492.111.088.111).

**Article 8. Paid Capital:** The Company's paid-in capital totals FOUR HUNDRED NINETY TWO BILLION, ONE HUNDRED ELEVEN MILLION, EIGHTY EIGHT THOUSAND, ONE HUNDRED ELEVEN PESOS (\$492.111.088.111) COLOMBIAN LEGAL CURRENCY represented in NINE BILLION, ONE HUNDRED EIGHTY ONE MILLION, ONE HUNDRED SEVENTY SEVEN

THOUSAND, SEVENTEEN (9.181.177.017) shares.

### Chapter III. Shares and shareholders

**Article 9. Share Characteristics and Classes:** The shares into which the Company's capital is divided shall be nominative and shall circulate in a non-material manner. The Company shall have two types of shares: ordinary shares and shares with preferred dividends without voting rights. For the effects of these Bylaws, ordinary shares, depending on the holder, may be either "government ordinary shares" or "private ordinary shares". Similarly, shares with preferred dividends without voting rights, depending on the holder, may be either "government shares with preferred dividends without voting rights" or "private shares with preferred dividends without voting rights".

**Article 10. Ordinary government shares:** These are shares owned by government entities of any type, which grant the holder all the rights embodied in the shares, pursuant to the Law and the Company Bylaws. For the effects of these Bylaws, shares of this type shall be referred to as class A shares.

**Article 11. Government shares with preferred dividends and no voting rights:** These are shares owned by government entities of any type, which grant the holders the privileges defined in article 63 of Law 222/1995, particularly the right to receive a preferred dividend, and which consequently shall have no voting rights. For the effects of these Bylaws, shares of this type shall be referred to as class B shares.

**Article 12. Private ordinary shares:** These are shares owned by private individuals and legal entities, which grant the holders all the rights embodied in their shares, pursuant to Law and the Company Bylaws. For the effects of these Bylaws, shares of this type shall be referred to as class C shares.

**Article 13. Private shares with preferred dividends and no voting rights:** These are shares owned by private individuals and legal entities of any type, which grant the holders the privileges defined in article 63 of Law 222/1995, particularly the right to receive a preferred dividend, and which consequently shall have no voting rights. For the effects of these Bylaws, shares of this type shall be referred to as class D shares.

**Article 14. Limitations to shares with preferred dividends and no voting rights:** Government and private shares with preferred dividends and no voting rights must not account for more than fifty percent (50%) of the issued capital.

**Article 15. Form and contents of stock certificates:** Stock certificates that circulate in a non-material manner shall specifically indicate the class they belong to, and shall comply with all applicable requirements of article 401 of the Commercial Code.

**Article 16. Issuance of shares with preferred dividends and no voting rights:** Shares with preferred dividends and no voting rights shall be issued upon instructions from the Shareholder

Meeting, in abidance of the rules approved by the Meeting. Such approval may be delegated to the Board of Directors.

**Article 17. Conversion of shares with preferred dividends and no voting rights:** The holders of both class A and class C ordinary shares may submit to the Shareholders Assembly a request for their conversion into class B or class C shares with preferred dividends and no voting rights, respectively, which may approve such conversion with the vote of fifty one percent (51%) of the shares representing the issued capital.

Such conversion shall become effective as of the next fiscal year from the date of the Shareholder Meeting that approved the conversion, or from the effective date of the administrative act authorizing the corresponding reform of the bylaws, as appropriate. Consequently, the management shall proceed to replace the certificates representing the shares that have changed in nature.

**Article 18. Conversion of shares with preferred dividends and no voting rights in ordinary shares:** In all cases, any conversion of shares with preferred dividends and no voting rights into ordinary shares shall be performed pursuant to the provisions and majorities prescribed in article 63 of Law 222/1995.

**Article 19. Placement of shares:** The Board of Directors of the Company, will issue a set of regulations for the subscription for the issuance and placement of reserved shares, as well as to subsequently issue them to the Company. [The price established in the regulations for subscription of shares shall be the result of a study made in accordance with technically recognized procedures, as is established in article 41 of Law 964/2005 and by an independent investor bank.](#)

Such share issues and placements shall not require prior authorization from any authority, in accordance with article 19, section 10 of Law 142/ 994, but in the event a public offering is to be made to persons other than the users that are to benefit from infrastructure investments, the issue must be registered in the National Registry of Securities and Issuers (RNVE, for the Spanish original).

**Article 20. Preemptive right:** In any new share offering, shareholders shall have a Preemptive right to subscribe a number of shares in proportion to those they own as of the date on which the competent governance body approves the share issuance and placement regulation. To this effect, in the respective share issuance and placement regulations the Board of Directors shall grant each shareholder a term of at least fifteen (15) business days to declare whether such Preemptive right to subscribe shares will be exercised, through the acceptance of the respective offer. Any shares that have not been subscribed based on the Preemptive right shall be placed in accordance with what is set forth in the share issuance and placement regulations.

The share offering notice shall be published in the same media defined in the Company Bylaws for calls to Shareholder Meetings.

**Paragraph:** Pursuant to article 2 of Resolution 001/1996 of the City Council of Bogotá (formerly Council of Santa Fe de Bogotá), to the extent that the proportion between government (51%) and private (49%) shareholders is altered, the public entities shall have the right to subscribe shares in the proportion required to maintain their proportion of total shares so as to preserve the Company's nature.

**Article 22. Residual preemptive right:** The share issuance and placement regulations shall define a residual preemptive right, to be exercised subsequently and subordinated to the preemptive of the Company shareholders, in favor of the Company's active and retired employees, the workers' trade union, employee cooperatives and credit unions, to promote the democratization of stock ownership in the Company, which must be exercised within thirty (30) days from the end of the period for exercising the shareholders' preemptive right, and before offering shares to the public.

**Article 22. Changes in capital:** The Shareholder Meeting may increase or reduce the Company's capital, but any reduction must abide by the requirements set forth in article 145 of the Commercial Code.

**Article 23. Capital increases for investments in infrastructure** Whenever an increase in authorized capital is required for new investments in energy public utilities infrastructure, such increase may be made by decision of the Board of Directors of the Company.

**Article 24. Capitalization:** The Company may increase its authorized capital and/or capitalize special reserves that have been established, as allowed by law and these Bylaws. It may also capitalize net earnings, as well as any premium arising from the sale of subscribed and paid-in shares, converting them into new shares or increasing the value of those that have already been issued. It may also release shares from reserves.

Any increase in authorized capital, bond issuance, or any plan to capitalize Company reserves must be approved by a majority of shares that represents seventy percent (70%) of subscribed and paid-in shares, and must fulfill all required formalities.

[For purposes of the above, the price established in the Regulations for Subscription of Shares shall be the result of a study made in accordance with technically recognized procedures, as is established in article 41 of Law 964/2005 and by an independent investor bank.](#)

**Paragraph:** An exception to the procedure and majority indicated in the previous paragraph is made in the case of application of the provisions of article 23 of these Bylaws.

**Article 25. Shareholders in default:** Any shareholder that is in default in the payment of the shares it has subscribed shall not be entitled to exercise the rights embodied therein. To this effect, the Company shall record all payments made and pending balances.

In the event of any delay in payment of past-due shareholder obligations related to payment of

installments of subscribed shares, the Board of Directors may decide, at its discretion, either to seek payment through collection proceedings, or to sell the subscribed shares through a stockbroker on the account of the defaulted party, or to allocate any amounts received to release the number of shares covered by the installments that were paid, subject to an advance twenty percent (20%) deduction as indemnity for damages that shall be deemed to have been caused.

The shares taken by the Company from defaulted shareholder shall immediately be placed, and shall not be subject to preemptive rights.

**Article 26. Issuance of certificates:** The Company shall issue a macro-certificate, which will be held under the custody of a central securities depository, clearly indicating their class, the rights embodied in each and any limitations to tradability, grouped into numbered and sequential series, signed by the Company's Legal Representative and the Legal, Regulatory and Compliance Vice-president. The contents and features of the certificates shall comply with all current legal requirements.

**Article 27. Provisional certificates:** As long as the value of the shares has not been paid in full, the Company shall issue provisional certificates to its subscribers.

**Article 28. Theft, loss or damage of records or certificates:** Any loss or theft of the evidence or the certificate of deposit with the central securities depository shall have no adverse legal effect for the shareholders. In such an cases, the shareholder may request a new evidence or certificate through its direct depositor.

**Article 29. Disposal of shares:** The shares can be freely traded and shareholders can dispose of them without being subject to the preemptive right, pursuant to applicable regulations of the public securities market.

Shares that have not been paid in full may also be traded, but the subscriber and subsequent acquirers shall be jointly responsible for any unpaid amounts of the shares.

**Article 30. Rules for disposing of shares of government shareholders:** Whenever government shareholders wish to or are required to dispose of the government shares, either ordinary or with preferred dividends and no voting rights, they shall abide by the following rules:

1. In the event that such disposal of shares changes the proportion between government and private capital, in such a way that the 51% government majority is no longer preserved, the number of shares required to maintain such proportion can only be disposed of to a different government entity.
2. In the event a government entity is to transfer shares of any class to private parties, the provisions in Law 226/1995 shall be applied.

**Article 31. Share registry book:** The Company's Legal Vice-presidency shall keep a share



registry book, duly registered at the Chamber of Commerce of the Company's main domicile, in order to record the shares and their respective owners, indicating the number of shares held by each.

It shall also record the certificates issued, including number, registration date, assignments, sales, seizures, lawsuits, pledges as collateral and other encumbrances, limitations of ownership and other legal events.

The Company shall recognize as shareholders those who are named in the registry, with the number of shares recorded and in the conditions described above.

The Company may delegate the bookkeeping of the shareholder registry to a central securities depository, which shall be responsible for managing it and entering all relevant records, including, among others, trades made, encumbrances, litigation and administrative actions. When the shares have been de-materialized, a record in the account and the shares registry shall suffice for a new shareholder to exercise its rights, which may be demonstrated by means of a certificate issued by the central securities depository.

**Article 32. Buyback of own shares:** The Company may buy back its own shares, if the General Shareholders Assembly decides to do so with the favorable vote of a majority of the represented shares.

To this effect, funds taken from pre-tax profits shall be used, and the shares must have been fully released.

As long as the shares remain the property of the Company's, all embodied rights shall be suspended. To dispose of the reacquired shares, the same procedure for the placement of shares held in reserve shall apply.

**Article 33. Shares pledged as collateral:** Any pledge on shares as collateral shall be formalized by including a record in the shareholder registry. Such record shall not grant the creditor the shareholder's rights, except when an express written provision or agreement establishes otherwise, which shall suffice to exercise such rights before the Company.

In the absence of any special agreement, the Company shall recognize all shareholder rights to the shareholder.

**Article 34. Litigation or administrative acts involving shares:** Whenever ownership of shares or dividends is the subject of litigation or administrative actions that imply precautionary seizures, the Company shall withhold the corresponding dividends as of the date when notice is served by the respective authorities to the Company.

**Article 35. Usufruct of shares:** The usufruct of shares grants to the beneficiary all shareholder rights, except the power to dispose of or to encumber them, change their nature or class, or to receive a refund at the time of settlement.

**Article 36. Taxes:** Shareholders shall be responsible for any existing or future taxes their share certificates or titles may be subject to.

**Article 37. Transmittal of shares:** The transmittal of shares as a result of inheritance or bequest shall be credited based on the corresponding certificate; any mutations based on a court ruling or administrative act, with a copy of the appropriately certified legal instrument.

For the effects of recording such mutation, the previous record shall be cancelled, the new shareholder shall be recorded, and the corresponding new certificates shall be issued.

**Article 38. No liability:** The Company shall not be held responsible for the validity of contracts between buyers and sellers of shares. Transfer of ownership shall be accepted or rejected based solely on the fulfillment of formal requirements, or any other requirements it is required to verify by law.

Similarly, the Company shall not be responsible for the validity of transfers or changes in ownership arising from court rulings or administrative acts. In these cases, it will simply comply with the legal ruling or administrative order.

**Article 39. Pending dividend payments:** Payments of pending dividends shall take into consideration applicable legal provisions on this matter.

**Article 40. Non-divisibility of shares:** The shares are non-divisible. Consequently, if for any legal or statutory reason one share belongs to several parties, such parties must assign a joint and single representative to exercise the respective shareholder rights. In the event no agreement is reached, the assignment shall be made through legal channels, as established by law.

**Article 41. Registration of shareholder address:** Shareholders must register their address for receiving Company communications, summons and business information in the central securities depository through their direct depositor. If a shareholder fails to register an address, the default assumed address shall be the office of the Company's Legal Vice-President, to which any notices will be sent.

**Article 42. Shareholder Rights:** Shareholders shall have the rights recognized by Colombian law for the shareholders of a joint stock company (sociedad anónima), in particular the right to deliberate, vote, elect, receive dividends, inspect, receive reimbursement of the balance of their contributions upon settlement, and representation before the Company.

**Paragraph:** In exercising such rights, the limitations and special rights assigned by law to shares with preferred dividends and no voting rights shall be taken into consideration.



## Chapter IV. Direction, management and oversight

### **Article 43. Company Organization:** Direction, management and oversight of the Company

shall be provided by the following main bodies: 1) General Shareholders Assembly, 2) Board of Directors, 3) CEO, 4) Statutory Auditor.

## Chapter V. General Shareholders Assembly

**Article 44. Members:** The members of the General Shareholders Assembly are all the shareholders registered in the shareholder registry, or their representatives or proxies, assembled in a meeting with the quorum required by the bylaws and by law, and in the conditions set forth in said provisions.

**Article 45. Types of meetings:** The General Shareholders Assembly may hold either ordinary or special meetings, which may be presided by any participant, elected by the absolute majority of the shares present at the meeting. Ordinary meetings shall be held at the Company's main headquarters within the first three months of each year at the place, date and time indicated by the Company's CEO or by the Board of Directors in the summons.

Special meetings shall be held by summons from the Board of Directors, the CEO or the Statutory Auditor of the Company. Additionally, any of the above bodies shall summon a meeting of the General Shareholders Assembly when a request to this effect is made by a plural number of shareholders representing at least ten percent (10%) of the issued capital.

The Public Utilities Superintendence may also order a summons to a Meeting in certain cases defined by law.

A special meeting shall be held whenever unforeseen or urgent requirements arise at the Company, at the main headquarters, on the date and time indicated in the summons to the meeting.

Special Meetings shall not decide on matters that have not been included in the agenda, though the meeting may address additional matters with a favorable vote of seventy percent (70%) of the shares represented at the meeting, once the scheduled agenda has been fully covered.

**First Paragraph:** The General Shareholders Assembly shall meet on its own right on the first business day of April, at 10:00 a.m., at the Company's main headquarters, in the event no call to a meeting is made within the first three (3) months of the year.

**Second Paragraph:** Following a study and review of the financial statements, and pursuant to the provisions of the Commercial Code, the Board of Directors may decide, when it deems

it convenient to do so, to establish two accounting cut-off dates in addition to the end-of-year cut-off prescribed by article 75 of these Bylaws, which may be as of the last business day of the months of June and October each year.

If so approved, it shall order the Company's Management to notify the Statutory Auditor to proceed to issue an opinion on said financial statements, and the Board of Directors is hereby authorized to adjust the Statutory Auditor's fees as required for this work. Once the financial statements have been prepared in accordance with legal requirements, a call for an ordinary meeting for the General Shareholders Assembly shall be issued, within three months from the defined cut-off date. The call to the meeting must be made at least thirty (30) common days prior to the date of the meeting, and it must indicate that during the term prior to the meeting the certified and audited financial statements, books and supporting documents shall be available for them to exercise their right of inspection.

**Article 46. Call to meetings:** Calls to ordinary sessions of the Meeting shall be made by the CEO or the Board of Directors of the Company, at least thirty (30) common days prior to the meeting. Calls to extraordinary meetings shall be made at least fifteen (15) common days prior to the meeting.

**First Paragraph:** In all cases, summons to shareholders shall be made by written notice addressed to each shareholders at the address registered in the central securities depository, or by means of an ad published in a newspaper of the Capital District and with widespread circulation throughout the country, and any of the two forms shall be equally valid.

The minutes of the respective meeting shall expressly indicate the manner in which the call to the meeting was made.

**Second Paragraph:** During the summons period, and up to 5 business days prior to the scheduled Meeting, the shareholders shall have the right to request additional information or any clarifications they deem necessary regarding the items on the agenda, the documentation they received or on public information made available by the Company.

**Article 47. Unannounced meetings:** The General Shareholders Assembly may hold meetings with no prior summons and at any location whenever all subscribed shares are represented.

**Article 48. Non-face-to-face meetings:** In the events described in articles 19, 20 and 21 of Law 222/ 1995, the General Shareholders Assembly may validly meet and deliberate in non-face-to-face meetings.

**Article 49. Quorum for deliberation:** The General Shareholders Assembly may validly deliberate with any plural number of persons representing, as a minimum, the absolute majority of subscribed shares.

**Article 50. Special quorum for second calls to meetings and for meetings held in their own right:** If a call to a meeting of the General Shareholders Assembly is made, but it is not held due to insufficient quorum, a second meeting shall be called, which may validly decide with any plural number of shareholders, regardless of the number of shares that are represented.

The second meeting shall be held no later than ten days, and no later than thirty days, from the date scheduled for the first meeting.

Whenever the Meeting holds an ordinary meeting in its own right on the first business day of April, the provisions of the first paragraph shall apply; but if the Company's shares are traded on the stock market, the meeting shall be valid with the presence of one or more shareholders, regardless of the number of shares represented.

**Article 51. Quorum and majorities for decisions:** The decisions of the Shareholders Assembly shall be adopted by a plural number of shareholders representing the absolute majority of the votes present at the meeting, except in cases where the law or the Bylaws require a special majority.

**Paragraph:** In the case of approval of balances, end-of-year financial statements and liquidation accounts, the shares held by Company managers or employees must be deducted for the effects of calculating the required majority, given that such employees are prohibited from voting on such matters.

**Article 52. Special majorities:** Adoption of the decisions listed below shall require approval by the special majorities prescribed herein, except when a different proportion is required by law:

1. Statutory reform: Seventy percent (70%) of the shares present.
2. Placement of ordinary shares not subject to the right of preference: Seventy percent (70%) of the shares present.
3. Reduction of the amount of profits to be distributed to below fifty percent (50%) of the total: Seventy eight percent (78%) of the shares present.
4. Payment of dividends in newly released shares: Eighty percent (80%) of the shares present.

**Paragraph:** With the exception of what is set forth in article 68 of Law 222/95, as long as shares issued by the Company are traded on the public securities market, the special majorities for decisions set forth in these bylaws shall be deemed to be not written.

**Article 53. Non-applicability of restrictions to voting rights:** be no restrictions on voting rights, with the exception of those preferred dividends and no voting rights.

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**Article 54. Binding nature of the decisions:** The decisions adopted that fulfill all legal or bylaw requirements shall be binding for all shareholders, even for dissidents and those who were absent, as long as they are of a general nature.

**Article 55. Withdrawal right.** In the event of exercising the right of withdrawal provided in articles 12 and subsequent of Law 222/1995, or any law that amends, adds, clarifies or revokes it, by a number of shareholders that represents at least five percent (5%) of the outstanding shares of the Company, and if it is not possible to reach an agreement about the price of the shares of the shareholders that exercise the withdrawal right in accordance with the law, the corresponding value of acquisition or reimbursement of the shares will be determined as follows, without prejudice that the shareholder that exercises its withdrawal right opts for the procedure established in the law for such effect: by an investment bank of recognized experience in the national and international market, designated by the Chamber of Commerce of the registered address of the Company. The assessment by the investment banking firm shall be final and mandatory for the parties and the costs of such assessment will be borne by the Company.

**Article 56. Elections and electoral quotient system:** The following rules shall apply to elections and votes of the General Meeting:

1. The secretary shall verify and communicate to participants, before taking any vote, the number of shares represented, which shall be recorded in the respective minutes.
2. The secretary shall provide each voter a voting ticket, authorized with his/her signature, indicating the number of shares the voter represents, and the number of votes the voter will cast.
3. The tally clerks shall count the votes cast based on the voting tickets issued in the manner indicated herein.
4. The electoral quotient system shall apply whenever the vote involves electing two (2) or more persons to a board, special commission or collegiate body, to which effect the number of votes validly cast shall be divided into the positions to be elected.
5. The ballot count will start with the most voted list, followed in descending order by other lists, declaring from each list the number of names that were elected, based on the number of times the quotient fits into the number of votes cast for the ballot.
6. If any vacancies remain without filling, they shall be assigned to the highest residual numbers, also counting the ballots in descending order.
7. In the event of a tie in the residual numbers, the decision shall be made by chance.
8. Blank votes shall only be counted for the effects of calculating the electoral quotient.
9. The same candidate name shall not be allowed to appear twice on the same list.

**Article 57. Shareholder proxies:** Except for any legal restrictions, shareholders may be represented by means of proxies granted in writing and in legal form, indicating the name of the representative, an alternate, if appropriate, and the date or time period of the meeting or meetings for which the proxy is granted.

**Article 58. Minutes:** The book of minutes of the General Shareholders Assembly, duly registered in the mercantile registry, will document the deliberations and decisions of this corporate governance body, and they shall be signed by the CEO and the secretary assigned for the meeting, subject to approval by a committee of two (2) participants elected by the Meeting.

The minutes must fulfill the formal and substantive requirements established in mercantile law, and must be prepared and signed at the end of the meeting. In the event any of those required to sign the minutes refuses to do so, the Statutory Auditor shall sign instead of said person.

**Paragraph:** Copies of the minutes, the balance sheet and income statement shall be forwarded to the Public Utility Services Superintendence and the Financial Superintendence, as long as the company is registered in the National Registry of Securities and Issuers (RNVE, for the Spanish original).

**Article 59. Duties of the General Meeting:** The following are the functions of the General Shareholders Assembly:

1. Study and approve reforms to the bylaws.
2. Freely appoint and remove members of the Board of Directors and the Statutory Auditor, and set their respective remuneration based on the recommendation of the Board of Directors and the studies of the respective committees, and approve the Policy [Nomination, Succession and Remuneration](#) of the Board of Directors.
3. Review, approve or disapprove the end-of-year financial statements, the accounts rendered by management, the reports of the Board of Directors and the CEO on the situation of the business, as well as the report by the Statutory Auditor.
4. Order that appropriate action be taken against managers and the Statutory Auditor.
5. Decide on the distribution of corporate profits, set the dividend amount and the form and terms of payment, in accordance with these Bylaws and the law.
6. Declare the absorption of losses and the establishment of reserves.
7. [Amendments to the share capital, including the issuance of any type of shares, as well as the payment of dividends from shares and the issuance of bonds convertible in shares and](#) decide on increases of corporate capital, without prejudice for the power of the Board of [Directors](#) to increase authorized capital in the cases set forth in Law 142/1994, article 19, section 19.4
8. Authorize the Company's transformation, merger, spin-off or separation of activities in accordance with legal provisions.
9. Oversee fulfillment of the corporate purpose in abidance of these Bylaws.
10. Decide on early dissolution of the Company.
11. Order the buyback of own shares and their subsequent sale.
12. Delegate certain duties in specific special cases to the Board of Directors or the CEO, with the exception of those duties listed in the first paragraph of this article.
13. Approve the rules for issuance and placement of [privileged](#) shares, the manner in which they are to be registered, and decide on the issuance of bonds convertible into shares and any waiver of the right to preference on share placement.

14. Declare issues of bonds and other securities.
15. Exercise any power it is entitled to by the legal nature of the Company or that is assigned to it by law and the bylaws, as well as any that are not assigned to any other corporate governance body.
16. Elect one of the shareholders to preside over the meetings of the General Shareholders Assembly.
17. Approve relevant transactions with related parties, in accordance with the Company's Corporate Governance Code, except in the following circumstances: a) that they are made at fixed general market prices by the party acting as provider of the goods or services, and b) that the transaction is part of the Company's ordinary course of business.
18. The following matters shall be addressed and voted on by the General Shareholders Assembly, only when they have been expressly included in the summons to the meeting: 1) Change in the corporate purpose. 2) Waiver of the right of preference in subscribing shares. 3) Change of the principal domicile. 4) Early dissolution 5) Corporate transformation and 6) Segregation of assets or spin-off.
19. Give an express authorization enabling the company to offer guarantee or security on obligations of third parties or of its shareholders, as long as they are related to fulfilling the corporate purpose.
20. Establish its own Rules.
21. Approve the sale, at any title, prior approval by the Board of Directors, in one or several related transactions, of the assets of the Company that are equal to or greater than fifteen (15%) of the market capitalization of the Company (understood as the result of multiplying the number of outstanding ordinary shares, by the average value of said shares in the Colombian Stock Exchange in the last ten (10) market business days prior to the adoption of the decision), with the exception of the transfer or contribution of assets to an autonomous estate or other vehicles in order to structure the execution of projects in which the Company will not lose control.
22. Approve, with the prior favorable decision of the Board of Directors, the investment proposals, redefinition of existing investments, mergers, creation and/or modification of investment vehicles, finding new partners and strategic partners and structured financing of new deals whose amount exceeds fifteen percent (15%) of the market capitalization of the Company.

**First Paragraph:** The following functions shall be performed exclusively by the General Shareholders Assembly and shall not be subject to delegation.

1. Those listed in sections 2, 7, 18, 21 and 22 of this article.
2. The acquisition, sale or encumbrance of strategic assets which the Board of Directors deems essential for the Company's business, or when such transaction or operation may effectively change the corporate purpose.

**Second Paragraph:** The members of the Board of Directors of Grupo Energía Bogotá S.A ESP shall receive as professional fees an amount equivalent to five (5) legally valid monthly



minimum wages for their participation in each session, for a maximum of two Board sessions within the same month. The Board of Directors Committee members shall receive, for their participation in each meeting, professional fees equivalent to 75% of the current fees for meetings of the Board of Directors, with a maximum of two Committee sessions within the same month.

## Chapter VI. Board of Directors

**Article 60. Members:** The Company shall have a Board of Directors consisting of nine (9) members, elected by the General Shareholders Assembly using the electoral quotient system, of which [four \(4\) of its members](#) must be independent, as defined by law and the Company's Corporate Governance Code.

The members of the Board of Directors, pursuant to article 19, section 16 of Law 142/1994, shall represent shareholdings in a proportional manner.

**First Paragraph:** The CEO of the Company shall attend the meetings of the Board of Directors with a right to be heard but not to vote..

**Second Paragraph:** In any case, the number of members or alternates of the Board of Directors who also have work contracts with the Company shall not be such that they jointly could become a deciding majority at a board meeting exercising their duties.

**Third Paragraph:** [The members of the Board of Directors shall comply with the suitability criteria established in the Nomination, Succession and Remuneration Policy of the Board of Directors.](#)

**Article 61. Responsibilities of the Members of the Board of Directors:** The members of the Board of Directors, upon acceptance of such status, expressly declare that they are qualified to perform the management duties they have been assigned, and that they accept joint and several liability for any actions or omissions that cause damages to the Company, to shareholders and third parties, including ordinary negligence. [The breach of the fiduciary duties of a member of the Board of Directors with respect to the Company, including the unjustified absence to the meetings of the Board of Directors that could have the effect of preventing or blocking the deliberation and decision-making of the Board, shall give rise to exercising the corporate responsibility actions as provided by the Law.](#)

**Article 62. Conflicts of interest:** The members of the Board of Directors shall not have any links of kinship with each other, with the CEO, or with any other senior management employee, up to the fourth degree of kinship, second degree of affinity and first degree of civil relationship. Neither shall members of the board have links of marriage or common-law relationships with each other.

**Paragraph:** Any contravention of the above provisions shall render the appointment of the entire board ineffective, and in such case the previous board or the CEO shall proceed to

summon the General Shareholders Assembly for a new election.

**Article 63. Term:** Members of the Board of Directors shall be appointed to serve for a period of two (2) years, and may be re-elected, without prejudice for the Shareholder Meeting's power to remove them at any time, [abiding to the provisions in the transitory Article 105 of these Bylaws.](#)

**Article 64. Chairman and Vice-Chairman:** The Board of Directors shall appoint a Chairman and a Vice Chairman from among its members. [The Chairman of the Board of Directors shall be one of the independent members, and for its election, at least three \(3\) votes of the independent members and one \(1\) vote of a member nominated by the Capital District of those who are present at the meeting shall be required, a procedure that will be reflected in the Regulations of the Board of Directors.](#)

**Paragraph:** The following are the functions and main duties of the Chairman of the Board of Directors:

1. Ensure that the Board of Directors sets and effectively implements the strategic direction of the Company.
2. Promote governance action at the Company, acting as a liaison between shareholders and the Board of Directors.
3. Plan the operations of the Board of Directors by establishing an annual work plan.
4. Preside over the meetings and moderate debates.
5. Ensure execution of the agreements of the Board of Directors and follow up on its duties and decisions.
6. Oversee the active participation of the members of the Board of Directors.

**Article 65. Meetings:** The Board of Directors shall hold ordinary meetings once a month, and shall hold special meetings whenever they are summoned by the Chairman, by five (5) principal members, by the CEO or by the Statutory Auditor, at the Company's headquarters.

**Article 66. Functions:** The Board of Directors shall have the following duties and functions:

1. Establish its own Rules.
2. Freely appoint and remove the Company's CEO and his/her alternates, as well as set their remuneration and approve the Senior Management Succession Policy.
3. Summon the General Meeting when it deems it convenient, or when requested to do so by a number of [plural](#) shareholders representing [at least ten \(10%\)](#) of subscribed shares.
4. Set the administrative and management policies of the corporate businesses of Grupo Energía Bogotá S.A ESP, such as approving investments, disinvestments and all types of operations that may be considered strategic or that fall within the amount set forth in article 71 of these Bylaws, or that affect strategic assets or liabilities of the Company, as well as

administrative and management policies for the corporate businesses as the parent company of its Business Group.

5. Submit to the Shareholder Meeting, along with the annual financial statements, a reasoned report on the economic and financial position of the Company, with the contents required by law, by these Bylaws and by the Corporate Governance Code, and a proposal for profit distribution.

6. Approve and adopt the rules for issuing, subscribing and placing shares, [except in the case of issuance of privileged shares.](#)

7. Inspect the Company's books, accounts, contracts and documents in general.

8. Order increases in capital in the events set forth in article 19 of Law 142/1994.

9. Approve the Company's Contracting Manual.

10. Oversee compliance with the Law, the Bylaws, the Corporate Governance Code, the orders of the Shareholder Meeting and the commitments acquired by the Company in furthering its corporate purpose.

11. Approve, [amend](#) and monitor the Company's strategic plan, business plan, management objectives, and guidelines for their execution.

12. [Approve the Company's investment policy, prior recommendation from the Finance and Investments Committee of the Company,](#) approve the Company's annual budget, its investment, maintenance and expense, and in general, approve the financial guidelines and policies and investments of the Company, as well as reviewing the financial forecasts of the Company.

13. Decide on leaves of absence, vacations and licenses of the CEO and the Statutory Auditor.

14. Receive, review, approve or disapprove the reports submitted by the Company's CEO on management performance.

15. Oversee adequate provision of the public utility services that comprise the corporate purpose.

16. Order that appropriate action be taken against managers, officials or directors and other Company staff for omissions or harmful acts for the Company.

17. Oversee strict compliance with the Bylaws and the law.

18. Authorize the CEO to delegate certain responsibilities, in accordance with the Corporate Bylaws.

19. Approve in-kind contributions received by the Company in accordance with article 19.7 of Law 142/1994.

20. Approve the personnel policies, the remuneration parameters proposed by the CEO and the annual personnel budget.

21. Perform any duties delegated to it by the General Shareholders Assembly.

22. Approve the governance model of Grupo Energía Bogotá S.A ESP, the Corporate Governance Policy and specific measures on Company governance, conduct and information, in order to ensure that the rights of those who invest in its shares or any other securities are protected, as well as adequately manage their matters and public information on performance, and submit to the General Shareholders Assembly, jointly with the CEO, a report on the above matters.

23. Ensure the effective compliance with the requirements established by securities market regulators.
24. Ensure that the rights of its shareholders and other investors are respected, in accordance with parameters set by securities market regulators.
25. Approve, amend and update the Corporate Governance Code submitted by the CEO, which shall compile all the rules and systems required by current regulations, and ensure effective compliance.
26. Address any claims submitted by shareholders or investors regarding application of the Corporate Governance Code.
27. Any other duty that is not assigned to any other Company manager.
28. Submit for approval of the General Meeting a report explaining the terms in which transactions or operations are to be performed and which may result in dilution of shareholdings. The aforementioned report shall be prepared by a qualified external consultant.
29. Approve the Business Group Agreement to be entered into by Grupo Energía Bogotá S.A ESP and its subsidiaries, and any amendments thereof.
30. Make decisions based on a group policy, taking into consideration the interests of the Company and its subsidiaries.
31. Establish any Committees it deems necessary to adequately comply with the law and its duties, and delegate to them any duties that it deems necessary, such as approval of their internal rules.
32. Submit for approval by the General Shareholders Assembly a [Nomination, Succession and Remuneration](#) Policy for the Board of Directors.
33. Propose to the General Shareholders Assembly the engagement of the Statutory Auditor, following a study of its experience and required human and technical resources, as well as a proposal of remuneration for such work.
34. Review and approve [the operations carried out by the Company with affiliated parties defined in the international accounting standards – IAS that are in excess of the amount established in the Regulations of the Board of Directors. The operation will require additional approval by the General Shareholders Assembly upon the occurrence of any of the circumstances indicated in section 17 of article 59 of these Bylaws, in the conditions established by the Regulations of the Board of Directors, if it is relevant and if the following circumstances are not met: a\) they are conducted at fixed market prices of general nature for those who act as provider of the corresponding good or service and b\) they are operations of within the ordinary course of business of the Company.](#)
35. [Without prejudice of the powers granted in these Bylaws to the General Shareholders Assembly](#), authorize the CEO to enter into contracts, acts and legal businesses of amounts greater than the equivalent in local currency of seventy thousand (70,000) legally valid monthly minimum wages.
36. Perform an annual performance evaluation of itself as a collegiate body, of its Committees, and of its individual members.
37. Approve and monitor adequate internal control systems and risk policies, and periodically monitor the main risks the Company is exposed to, including those taken on its off-balance-sheet operations.
38. Propose to the General Shareholders Assembly an Own Share Buyback Policy.

39. Establish or acquire stakes of interest in special-purpose entities or entities with domiciles in countries or territories that are considered tax havens, as well as other transactions or operations of a similar nature.
40. Appoint and remove the Group's General Auditor, as well as appoint the Compliance Officer.
41. Approve the investment proposals, redefine the existing investments, mergers, creation and/or amendments to the investment vehicles, finding new partners and strategic partners, and structured financing of new deals whose amount is greater than seventy thousand (70.000) minimum monthly legal current salaries.
42. Approve the sale, transfer or disposal at any title, of one or several related transactions, of the Company's assets whose amount is greater than five percent (5%) or below fifteen (15%) of the Market Capitalization of the Company, and present to the General Shareholders Assembly, the sale at any title, prior approval by the Board of Directors, in one or several related transactions, of the Company's assets that are equal to or greater than fifteen percent (15%) of the Market Capitalization.

**First Paragraph:** Notwithstanding that the Board may, for its performance, rely on the efforts of the Committees, the Board of Directors shall not delegate to management the functions listed in the following sub-sections of this article: 1, 2, 4, 6, 8, 9, 10, 11, 12, 22, 25, 29, 30, 31, 32, 34, 35, 36, 37, 38, 39, 40, 41 and 42.

**Second Paragraph:** Board of Directors or Committee meetings of GEB and its affiliates may be jointly held as required, though this shall not entail any transfer to GEB of the responsibilities of the Boards of Directors and Committees of its subsidiaries.

**Article 67. Quorum and Special Majorities:** The Board may validly deliberate with the presence of five (5) of its members, and shall decide with the favorable vote of the majority of members present at the meeting.

The following decisions shall only be adopted at the meetings of the Board of Directors in which at least seven (7) members are present and their approval shall require the affirmative vote of at least six (6) of the present members:

1. The sale, transfer or disposal at any title, of one or several related transactions, of the Company's assets, whose amount is greater than five percent (5%) or below fifteen percent (15%) of the market capitalization, with the exception of the transfer of assets to autonomous estates or other vehicles in order to structure the execution of projects in which the Company will not lose control.
2. Operations carried out by the Company with affiliated parties defined in the international accounting standards – IAS that are in excess of the amount established in the Regulations of the Board of Directors.
3. Investment proposals, redefinition of existing investments, mergers, creation and/or modification of investment vehicles, finding new partners and strategic partners and structured financing of new deals whose amount exceeds five percent (5%) of the market capitalization.

4. [The approval and amendment of the Company's Strategic Plan, business plan, management goals and guidelines for its execution.](#)
5. [The appointment of the CEO of the Company.](#)
6. [The approval or amendment of the Regulations of the Board of Directors.](#)

**Article 68. Minutes:** The deliberations and decisions of the meetings shall be documented in minutes, which shall fulfill the same formal and substantive requirements of those of the Shareholder Meeting, and shall be included in the corresponding book and signed by the Chairman and the secretary of the meeting.

## Chapter VII: CEO of the Company

**Article 69. Appointment and removal:** [The CEO of the Company shall be responsible for directing the Administration and Legal Representation of the Company, who shall be elected by the Board of Directors.](#)

**First Paragraph:** The CEO shall have three alternates (first, second and third alternate) to replace him or her during any temporary or absolute absence, in the order in which they are listed.

**Second Paragraph:** The Company's legal representation for judicial and administrative matters before the Judicial and Executive branches of the Government; the Office of the Public Prosecutor; the Office of National Administrative Attorney General and the fiscal control entities, may be exercised by attorneys appointed for such purpose by the Board of Directors for one-year periods, and the Board shall be entitled to remove them at any time.

Such power of attorney shall grant broad and sufficient powers including, among others, the power to legally represent the Company in any judicial, extra-judicial or administrative act, including, but not limited to, cross-examinations, acting in constitutional actions and conciliation hearings.

**Third Paragraph:** The appointment of the CEO and his/her alternates, as well as the legal representatives for judicial matters, must be registered in the mercantile registry.

**Fourth Paragraph:** [The CEO of the Company shall be elected pursuant to the following selection and appointment process:](#)

1. [In any event when the position is vacant or the Board of Directors has decided to replace the CEO, an ad-hoc committee of the Board of Directors will be created which shall be integrated by three \(3\) independent members who will have the support of an executive recruiting company \(head hunter\) internationally recognized and with experience in recruiting executives for listed companies, which shall present to the ad-hoc committee a list of at least seven \(7\) candidates who meet the requirements and conditions of years](#)



of experience, experience in the relevant sector, experience in similar positions and an academic profile that shall be defined by the ad-hoc committee;

2. The ad-hoc committee shall elect with the favorable vote of the simple majority of its members, from the candidates presented by the head hunter, at least three (3) candidate who shall be submitted for consideration by the Board of Directors; and
3. The CEO of the Company shall be elected from the candidates proposed by the ad-hoc committee according to the procedure and the terms established in the Regulations of the Board of Directors, at a meeting of the Board of Directors in which at least seven (7) members are present and its approval shall require the affirmative vote of at least six (6).

Fifth paragraph: The removal of the CEO of the Company shall require a quorum of at least 7 of the 9 members of the Board of Directors.

#### **Article 70. Functions:**

The following are the functions of the CEO:

1. Manage the Company and represent it for legal and extra-legal effects.
2. Summon the Board of Directors and the General Shareholders Assembly in accordance with the Bylaws and the law.
3. Execute the decisions of the General Meeting and the Board of Directors.
4. Appoint representatives, give them instructions, set their professional fees, and delegate powers to them.
5. Enter into any contracts or legal businesses required to further the Company's corporate purpose.
6. Delegate all or some of his/her powers and duties to direct reports, subject to authorization from the Board of Directors and in abidance of any spending limits set by the Board.
7. Manage the Company's equity, its fixed and chattel assets, its infrastructure and its credits and debits.
8. Undertake actions of all type to preserve the rights and interests of the Company before the shareholders, authorities, users and third parties.
9. Design and implement development plans, annual action plans and annual investment, maintenance and expense programs jointly with the Board of Directors.
10. Comply with the provisions of Laws 142 and 143/1994 on management programs.
11. Report jointly with the Board of Directors to the General Shareholders Assembly on the evolution of the corporate purpose and fulfillment of the Company's plans, goals and programs, submitting verified accounts on performance at the end of his/her term in office and whenever the latter requires it.
12. Exercise the appointing power in the Company; design and approve staffing levels; propose the salary structure, and manage personnel, subject to the annual budget limit approved by the Board of Directors.
13. Comply and ensure compliance with the Bylaws, the Corporate Governance Code, the law and binding commitments for which the Company is responsible.
14. Design jointly with the Board of Directors service level policies.

15. Report to the Board of Directors and the Shareholder Meeting on any aspects related to the evolution of the corporate purpose which they consider relevant or useful.
16. Make available to shareholders, with the time in advance required by law, the inventories, balances, accounts, books, papers and documents which, according to law, these Bylaws and the Corporate Governance Code are subject to their inspection, as well as a reasoned report on the Company's businesses, a profit distribution proposal duly approved by the Board of Directors, and information and performance indicators on fulfillment of goals, action plans and agreements.
17. Implement any controls required to execute the guidelines set by the Shareholder Meeting, the Board of Directors and his/her own decisions.
18. Establish, direct and control the Company's internal control system pursuant to articles 46 through 50 of Law 142/1994.
19. Submit the Company's annual budget and financing projects for approval by the Board of Directors.
20. Appoint the Company's Legal, Regulatory and Compliance Vice-President.
21. Any others consistent with the nature of the position and the provisions of law and the Bylaws.
22. Submit to the Board of Directors, and ensure continuous compliance of specific measures regarding governance of Grupo Energía Bogotá S.A ESP, its conduct and information, in order to ensure that the rights of investors in its shares and any other securities are respected, that their matters are adequately managed and that public information is provided on performance.
23. Ensure that the rights of shareholders and investors in other securities are respected, in accordance with parameters set by securities market regulators, and submit to the General Shareholders Assembly, jointly with the Board of Directors, a performance report in connection with the Corporate Governance Code and other Company internal governance rules.
24. Provide shareholders and investors timely, complete and accurate information on its financial statements and its corporate and management performance, without prejudice for the provisions of articles 23 and 48 of Law 222/1995.
25. Compile in a Corporate Governance Code, and submit it to approval by the Board of Directors, all regulations and systems required by law and competent authorities, and continuously maintain it and make it available for queries by investors.
26. Announce, in a newspaper with national circulation, the adoption of the Corporate Governance Code and any amendments or supplements thereof, indicating the means through which the public may have access to it.
27. Undertake all actions required to connect the Company on line with the central securities depository where the securities issued by Grupo Energía Bogotá S.A ESP have been deposited, or reach an agreement with said depository to carry the registry of nominative securities on its behalf.

**Paragraph:** In performing his/her duties, he/she may enter into all types of legal businesses, acts and contracts that are held to be included in the Company's corporate purpose, and shall be responsible for any acts or omissions pursuant to the terms established by law.

**Article 71. Transaction limits:** The CEO has the power to act and commit the Company, without the express authorization of any other corporate body, for an amount in local currency equivalent to seventy thousand (70.000) legally valid monthly minimum wages.

### **VIII. Statutory Auditor**

**Article 72. Statutory Auditor:** The Company shall have a Statutory Auditor, with his/her respective alternate, appointed by the General Shareholders Assembly for a term of two (2) years, the same term as the Board of Directors, but he/she may be removed at any time, and may be reelected in the manner prescribed in these Bylaws. The alternate shall substitute the principal in the event of any temporary or permanent absence.

**First Paragraph:** The Statutory Auditor and his/her alternate may be either individuals or legal entities, and shall be public accountants subject to the incompatibilities, disabilities, prohibitions and responsibilities established by law.

**Second Paragraph:** If the Statutory Auditor is an individual who is not associated with a firm, he/she shall not be allowed to remain in office for more than five (5) years. On the other hand, if the Statutory Auditor is a Legal Entity, the maximum contractual period shall be ten (10) consecutive years, at the end of which the firm must be replaced, and in all cases the personnel assigned to the Company must be replaced as a minimum every five (5) years.

**Third Paragraph:** The Company shall not elect as Statutory Auditor anyone who: 1. Is a shareholder of the Company or a partner of a company in which it has an interest. 2. Is linked by marriage or kinship up to the fourth (4th) degree of consanguinity, second (2nd) degree of affinity, or first (1st) degree of civil relationship, or who is a co-partner with Company managers in any limited liability or similar type of company. 3. Has another position at the Company or at its subsidiaries. 4. Has incurred in any other case of legal disability or incompatibility. 5. Has received revenues from the Company and/or its affiliates that represent twenty five percent (25%) or more of his/her income in the latest year.

### **Article 73. Functions:**

The following are functions of the Statutory Auditor:

1. Verify that corporate operations abide by the law, the Bylaws, the decisions of the Shareholders Assembly and of the Board of Directors.
2. Report to corporate management bodies any irregularities found in Company operations.
3. Assist authorities in performing inspection and oversight by providing relevant information.
4. Submit a report on the work performed at least ten (10) days prior to the Shareholders Assembly.
5. Submit reports to fiscal control bodies as required by Law 142/1994, article 27, section and Law 42/1993, article 24.

6. Verify correct application of accounting principles at the Company, adequate conservation and preparation of the minutes of the Shareholders Assembly and Board of Directors, and adequate conservation of commercial books, papers and documents.
7. Inspect the Company's assets and properties, and provide instruction on means for their preservation, safety and maintenance.
8. Issue opinions on the Company's balance sheets and financial statements.
9. Summon the General Shareholders Assembly and the Board of Directors, whenever he deems it necessary.
10. Fulfill legal requirements, exercise the powers set forth in the Bylaws and carry out the activities instructed by the General Shareholders Assembly, in accordance to law.
11. Verify that management fulfills the specific duties mandated by oversight bodies, particularly in connection with the duties of information and of the Corporate Governance Code.
12. Report to Company governance bodies, shareholders, investors and authorities any relevant findings that he considers such parties should be aware of.
13. Review any claims made related to breach of shareholder and investor rights, and the results of such investigations, forward them to the Board of Directors and report them to the Shareholders Assembly.

#### **Chapter IX. Secretary and duties**

**Article 74. Appointment and functions:** The Company shall have a Legal, Regulatory and Compliance Vice-President who shall act as Secretary of the meetings of the General Shareholders Assembly and the Board of Directors, who shall be responsible for the formal functions of the Company, for carrying the books and records required by law and the bylaws, for communicating summons to meetings of governance bodies, for attesting to internal acts and documents, as well as fulfilling the duties assigned to him/her by the Board of Directors and the CEO.

The Legal, Regulatory and Compliance Vice-President shall be appointed by the CEO.

#### **Chapter X. Balance sheets, legal reserve and profit distributions**

**Article 75. Inventory and balance sheet:** As of each cut-off date, a balance sheet of the business for the respective period shall be prepared. The documents shall be prepared in accordance with the law, accounting standards and the Bylaws, to be submitted to the General Shareholders Assembly.

The balance sheet, inventories, books and other supporting documents of the reports shall be made available at the CEO's office, at least 30 common days prior to the scheduled Meeting, so they may be inspected by shareholders.

**Paragraph:** In the event the Company decides to have more than one cut-off date per year for its financial statements, the provisions set forth in paragraph 2 of article 45 of these Bylaws shall apply.

**Article 76. Approval of the balance sheet:** The balance sheet shall be submitted for approval by the General Shareholders Assembly by the Board of Directors and the CEO, along with the other documents listed in article 446 of the Commercial Code, in these Bylaws and in the Corporate Governance Code.

Within thirty (30) days from the meeting, the CEO shall forward to the Public Utility Services Superintendence a copy of the balance sheet, using an official form to this effect, and of its explanatory attachments, together with the minutes indicating their review and approval.

**Article 77. Legal reserve:** A legal reserve must be established for the equivalent of fifty percent (50%) of issued capital, to be established through the allocation of ten percent (10%) of net income from each period.

Once the reserve reaches the above limit, it is no longer mandatory to perform additional allocations of net income, but if it drops below such level, new allocations shall be made until said limit is once again restored.

**Article 78. Occasional reserves:** The General Shareholders Assembly may establish or create occasional reserves, as provided by Law, as long as they have a specific purpose.

The Meeting may order the establishment of the reserve mentioned in paragraph 2 of article 17 of Law 142/1994.

**Article 79. Profit distributions:** Profits shall be distributed among shareholders, subject to approval by the General Meeting, pursuant to regulations of the Commercial Code and law, after having set aside the legal reserves, any occasional reserve and a provision for tax payment.

As a minimum, fifty percent (50%) of the net profits of each period shall be distributed as dividends, or of any remaining profits after covering losses from prior periods.

If the balances of the legal and occasional reserves account for more than one hundred percent (100%) of issued capital, the percentage of profits to be distributed by the Company shall be at least seventy percent (70%). However, the General Shareholders Assembly, with the favorable vote of seventy eight percent (78%) of the shares present at the meeting, may decide to pay out a lower percentage, or to make no profit distribution at all.

The profits must be justified based on a reliable balance sheet, and their distribution shall be proportional to the amount paid in on the nominal price of the shares. Dividend payments shall be made in cash, on the date defined by the General Shareholders Assembly upon declaring the dividends, to those who have the status of shareholder at the time each payment is due.

**Article 80. Preferred dividend rights:** The obligation of payment of preferred dividends on the different types of shares with preferred dividends and no voting rights shall be taken into

account for the calculation of dividend payments, given that the preferred shares have greater prevalence than ordinary shares, particularly as prescribed by article 63 of Law 222/1995.

## **Chapter XI. Dissolution and liquidation of the Company.**

**Article 81. Causes for dissolution:** The Company will dissolve because of:

1. The impossibility of fulfilling the corporate purpose, the termination thereof or the extinction of the essential matter that determines its business.
2. Falling below the minimum number of shareholders required by law.
3. Decision by a competent authority based on causes expressly stipulated by law.
4. Net equity falling below fifty percent (50%) of issued capital, due to losses during the period.
5. Concentration of all shares in a single shareholder.
6. Decision of the Shareholders Assembly, with the favorable vote of seventy percent (70%) of shares present at the meeting.

**First Paragraph:** Whenever dissolution is declared by the Shareholders Assembly or arises for the causes set forth in article 220 of the Commercial Code, the CEO and management must take all steps required to maintain the continuity of the public utility service and to inform shareholders of the determining circumstances, in the terms of article 19, section 13 of Law 142/1994.

**Second Paragraph:** It shall be prohibited to conceal from third parties the circumstances that determine the status of dissolution.

**Third Paragraph:** The status of dissolution shall be communicated to the competent authorities for the effects of article 61 of Law 142/1994.

**Article 82. Winding-up:** Once the Company is dissolved for any of the causes prescribed by the Bylaws or by law, it shall be immediately liquidated and it shall make no new transactions to further its corporate purpose. Its legal capacity shall be limited to performing the acts involved in the liquidation process.

The winding-up shall be carried out in accordance with mercantile law, and the Meeting may authorize by a majority of the votes present the distribution of any amounts remaining for shareholders through the distribution of payments in kind.

**Article 83. Liquidator:** The winding-up shall be carried out by the liquidator appointed or contracted by the Public Utility Services Superintendence, who will take over and perform his duties under his sole responsibility, pursuant to article 123 of Law 142/1994.

Until the Superintendence appoints the liquidator, and until the liquidator is legally registered in accordance with article 227 of the Commercial Code, the CEO shall carry out his duties, and in the absence of the CEO, his/her alternates shall do so in the established order.



**Article 84. Term for the liquidator:** The term shall be defined by the Public Utility Services Superintendence. As long as he remains in office, he must abide by the orders of the General Shareholders Assembly that are compatible with the law.

During the liquidation, all shareholder rights must be respected, particularly the rights to inspection and oversight in the terms established by law, these Bylaws and the Corporate Governance Code.

**Article 85. Duties of the liquidator:** The liquidator, as set forth in article 123 of Law 142/1994, shall abide by the rules and shall perform the duties assigned to liquidators of financial institutions, pursuant to article 295 of Decree 663/1993 and articles 232 and 238 of the Commercial Code.

## **Chapter XII. Personnel rules (regime)**

**Article 86. Personnel regime:** The legal employment relationship of all Company personnel is ruled by the regulations set forth in article 41 of Law 142/1994.

**Article 87. Selection of personnel:** The Board of Directors, based on a proposal by the CEO, shall adopt rules regarding selection, contracting and management of personnel employed by the Company.

## **Chapter XIII. Arbitration to resolve contractual disputes**

**Article 88. Arbitration:** Except for any disputes that by express legal provision must be resolved through the ordinary jurisdiction, any dispute between shareholders or between shareholders and the Company or its Board of Directors, as long as the Company is in existence and during its liquidation period, may be submitted to an arbitration process, by means of a tribunal comprised by three (3) arbitrators jointly appointed by the parties, or otherwise by the Center for Arbitration and Reconciliation of the Chamber of Commerce of Bogotá, which shall rule by law.

The tribunal shall operate according to regulations on this matter. The tribunal shall operate in Bogotá D.C., at the offices of the Arbitration and Conciliation Center of the Chamber of

Commerce in Bogotá. The arbitrators' decisions shall be subject to appeals by means of a motion to overturn the ruling, and/or by means of a motion for extraordinary review, in the cases and according to the procedures foreseen by Law.

**Article 89. Resolution of contractual disputes:** The Company shall specify in its mercantile legal relationships the forms for extra-judicial resolution of disputes, as provided by law.

## **Chapter XIV. Audit Committee.**

**Article 90. Members:** The Company shall have an Audit Committee appointed by the Board of Directors, which shall include all independent Board members. The CEO of the Company shall attend meetings in the capacity of guest.

At least one of the independent members of the Board of Directors must be an expert on financial matters.

The Statutory Auditor of the Company shall attend the meetings with speaking but no voting rights.

The Chairman of the Committee shall be an independent member, and its secretary shall be the Secretary of the Board of Directors of the Company, who shall prepare minutes documenting the Committee's decisions, as required by law.

**Article 91. Meetings:** The Audit Committee shall meet at least once every three (3) months, or as required by the Company's interests, upon summons of the Committee Chairman.

The decisions of the Committee shall be made by simple majority and shall be documented in minutes.

The members of this Committee shall receive professional fees for each meeting they attend, equivalent to seventy five percent (75%) of the professional fees currently in effect for meetings of the Board of Directors.

### **Article 92. Functions:**

The Audit Committee shall have the following functions:

Supervise fulfillment of the internal auditing program, which must take into consideration the business's risks and fully evaluate all Company areas.

1. Ensure that the financial information is prepared, presented and disclosed in accordance with legal requirements.
2. Review the end-of-year financial statements before submitting them to the consideration of the Board of Directors and the General Shareholders Assembly.
3. Retain independent specialists for special cases in which it deems them necessary, in accordance with the Company's Contracting Statute.
4. Issue an opinion, by means of a written report, on planned transactions to be undertaken with the related parties, to ensure they are made on an arm's length basis and that they respect the precept of equal treatment for all shareholders.

5. Define mechanisms to consolidate the information of the Company's governance bodies, for its presentation to the Board of Directors.
6. Others as assigned by the Board of Directors

#### **Chapter XV. Miscellaneous**

**Article 93. Prohibitions:** The Company shall not offer security or guarantees for obligations of third parties or of its shareholders, except with express approval of the General Shareholders Assembly, as long as it is related to fulfilling the corporate purpose and in abidance of the rules and limits set forth in these Bylaws.

**Article 94. Acts and contracts:** The Company's contracting regime is that of private law, pursuant to Law 142/1994, as set forth in article 81 and article 76 of Law 143/1994, with the exception of the provisions of article 31 of Law 142/1994.

The Company also takes on for all effects the prerogatives contained and listed in article 33 of Law 142/1994.

**Article 95. Disabilities and incompatibilities:** Employees shall be subject to the legal regime of disabilities and incompatibilities for contracting with the Company as expressly provided for by law.

**Article 96. Technical standards:** The Company and its managers shall follow the technical standards in effect for the electricity sector in performance of all its activities.

**Article 97. Conflicts of Interest:** The Corporate Governance Code and other internal rules shall regulate the principles, standards and procedures to apply in the event of cases of conflicts of interest.

**Article 98. On Information:** All persons connected with the Company shall exercise extreme care in handling information marked as confidential, especially in matters that relate to its competitive advantage, corporate strategy, and competition, prices and campaigns. With the exception of confidential information, or any information that may put the Company's business at risk or affect the rights of third parties, the Company shall make available general information in accordance with the methodology and periodicity established by the Board of Directors and the applicable securities market rules, in order to provide shareholders and other investors timely and accurate information for their investment decisions.

**Paragraph:** The criteria, means and periodicity for disclosing information shall be established in the Corporate Governance Code.

**Article 99. Specialized Audits:** Shareholders representing at least five percent (5%) of subscribed shares, and investors representing at least twenty five percent (25%) of bonds outstanding, may request the CEO to perform specialized audits, the cost of which shall be on the account of the shareholders or investors who requested the audit. The request for the specialized audit must be made in writing, indicating the reasons for requesting it, the facts

and operations to be audited, the duration of the audit, and indicating three (3) firms of recognized reputation and track record that would be able to perform the audit. When the percentage required to request a specialized audit is made up by a plural number of shareholders, the request shall include the name of the appointed representative to coordinate the entire process. Within ten (10) business days the Board of Directors shall reply to the request, indicating which of the submitted firms was selected to perform the audit, and the start date of the audit. If the Board of Directors refuses to perform a specialized audit, it must justify the reasons for such refusal.

If the specialized audit is performed, its results shall be initially submitted to the CEO. Such results shall be forwarded to the Board of Directors, and within the following fifteen (15) days, they shall be presented to the shareholders or investors who requested the special audit. In the event any unlawful act is found, the Board of Directors and/or the CEO shall forward the case to the appropriate oversight and control, legal or investigation body.

**Article 100. Compliance with Circular Letter 028/2014:** The Company, its management and employees are under the obligation of complying with the guidelines the Company has voluntarily adopted regarding corporate governance, according to what is set forth in External Circular Letter 28/2014 of the Financial Superintendence of Colombia, or any provisions that amend, complement, revoke or substitute it.

## **Chapter XVI. Branch**

**Article 101 Establishment:** Without prejudice for what is set forth in articles 3 and 66 of these Bylaws, a trade Branch shall be created, which will be in charge of the electric energy transmission business of Grupo Energía Bogotá S.A. ESP (the “Branch”), the name and logo of which are to be adopted by the Board of Directors of the Company.

**Article 102. Domicile:** The domicile of the Branch shall be the city of Bogotá, Capital District.

**Article 103. Start of operations of the Branch:** The Branch will begin to operate once its field of action has been approved, the duties of the Branch managers have been assigned and the corresponding corporate governance rules have been established, and in any case once the Board of Directors has verified fulfillment of all operating, administrative and organizational requirements to this effect.

Following authorization by the Board of Directors, the Company, through its legal representatives, shall register the Branch in the mercantile registry. To this end, the Company’s legal representatives shall have all required powers.

## **Chapter XVII. Transitory**

**Article 104. Application of the obligation to change the Statutory Auditor:** Article 100 of the Bylaws commits the Company to abiding by the guidelines it has voluntarily adopted regarding corporate governance. According to Circular Letter 28/2014 of the Superintendency

of Finance of Colombia, the obligation of changing the statutory auditing firm at the end of the maximum contractual period, as set forth in the second paragraph of article 72, approved in the reform of the bylaws dated March 31, 2016, shall become effective no later than at the end of the upcoming legal and statutory term of the statutory auditor.

Article 105. Only for the purposes of the Ordinary Shareholders Assembly of the year 2019, the members of the Board of Directors shall be divided in three (3) types: (i) non-independent members: are those members of the Board of Directors that do not meet the independence criteria established in the law, the bylaws and other corporate documents; (ii) independent members: are those members of the Board of Directors that meet the requirements established in the law, the bylaws and other corporate documents to be considered as independent; (iii) independent member appointed in accordance with Section 5.04 and 5.05 of the Shareholders Agreement, as long as it remains valid.

In line with this transitory article, the non-independent members shall be elected for a two (2) year period from the date of their appointment. Independent members shall be elected for a three (3) year period as of the date of their appointments and the independent member shall be appointed for a one (1) year period as of the date of his/her appointment in accordance with Sections 5.04 and 5.05 of the Shareholders Agreement.

The above-referred term shall be counted only from the date in which the Ordinary Shareholders Assembly of the year 2019 takes place. In the Shareholders Assemblies that are to be held after March 2019 in which the members of the Board of Directors are elected, the directors shall be appointed with the purpose of succeeding those whose period has expired, as previously stated, for two-year periods.

The above is not in contradiction with the possible need of removing one, several or all of the members of the Board of Directors, in accordance with the provisions in section 4 of article 420 of the Commercial Code.

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