CONSOLIDATED FINANCIAL STATEMENTS
Codensa S.A. E.S.P. and its Subsidiaries

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CONSOLIDATED FINANCIAL STATEMENTS

Codensa S.A. E.S.P. and its Subsidiaries

As of and for the year ended December 31, 2021

(With comparative figures as of and for the year ended December 31, 2020)

With the Independent Auditor's Report.

KPMG S.A.S.
Calle 90 No. 19C - 74
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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Codensa S.A. E.S.P.:

Opinion

I have audited the consolidated financial statements of Codensa S.A. E.S.P. (the Group), which comprise the consolidated statement of financial position as of December 31, 2021, the consolidated statements of profit or loss and other comprehensive income, cash flows and changes in equity for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In my opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2021, and of its consolidated financial performance and its consolidated cash flows for the year then ended, in accordance with International Financial Reporting Standards as adopted in Colombia, applied uniformly with the previous year.

Basis for opinion

I conducted my audit in accordance with International Standards on Auditing accepted in Colombia (ISA). My responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of my report. I am independent of the Group, in accordance with the Code of Ethics for Accounting Professionals issued by the International Ethics Standards Board for Accountants (IESBA) included in the Information Assurance Standards accepted in Colombia together with the ethical requirements that are relevant to our audit of the consolidated financial statements established in Colombia and I have fulfilled my ethical responsibilities in accordance with these requirements and the aforementioned IESBA Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming my opinion thereon I do not provide a separate opinion on these matters.

Estimated revenue from sale of energy delivered and not billed (See Note 2.4 to the consolidated financial statements)

Key Audit Matter	How it was addressed in the audit
Codensa S.A. E.S.P. has established a procedure for the recognition of estimated revenues at the close of each month, associated with the sale of energy delivered and not billed in the regulated market, which is billed in the following month, according to the billing cycles established. As of 31 December 2021, the estimated unbilled revenues recognized amount to $351,429 million. I considered the estimation of the revenue from the sale of energy delivered and not billed as a key audit issue, due to the significance of the variables incorporated in the determination of this revenue, especially with respect to: a) the amount of energy estimated based on the reading of the previous month's cycles, the seasonal factor and the days pending billing, and b) the prices established according to the voltage level and socioeconomic stratum.	My audit procedures to evaluate the estimated revenue from the sale of delivered and unbilled energy included, among others, the following: 1. Involvement of professionals with experience and knowledge in the evaluation of information technology, who assisted me in the evaluation of the design, implementation and operating effectiveness of automatic internal controls established by the Company for the determination of the estimate of unbilled revenues at the end of the month. This included the evaluation of certain controls associated with historical quantities and prices of energy consumed, such as: 1) review, approval and inclusion of the billing schedule in the commercial system; 2) independent recalculations on tariffs and their inclusion in the commercial system, in accordance with the prices established by CREG by voltage levels and socioeconomic stratum; 3) interfaces between the systems that capture meter readings (TPL) to the commercial system; 4) calculation and review of the seasonal factor; 5) preparation, review, recording and comparison of estimated versus actual revenue; and 6) accesses to make changes in the commercial system. 2.. Comparison of the accuracy of the estimated revenue recognized at year-end versus the actual billing issued in January of the following year and follow-up on the Company's explanation of possible deviations. 3. Month-to-month comparison of tariffs by socioeconomic stratum to determine possible significant variations, and follow-up on the Company's explanation of possible deviations. 4. For a selection of bills issued during the year, I performed a verification of the invoiced prices, actual consumption and related collection.

Other Matters

The consolidated financial statements as of and for the year ended December 31, 2020 are presented exclusively for comparison purposes, they were audited by another public accountant, member of KPMG S.A.S. who in his report dated February 25, 2021, expressed an unqualified opinion on them.

Responsibilities of Management and Those Charged with the Group's Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards accepted in Colombia. This responsibility includes devising, implementing and maintaining such internal control as management deems necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable under the circumstances.

In preparing the consolidated financial statements, Management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting, unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISA, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the Management's use of the going concern basis of accounting and based on the

audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- I obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the Group's audit. I remain solely responsible for my audit opinion.

I communicate with those charged with the Group's governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during our audit.

I also provide those charged with corporate governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. I describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Sandra Marcela Barragán Cellamén
Independent Auditor of Codensa S.A. E.S.P.
T.P. 177728 - T
Member of KPMG S.A.S.

February 24, 2022

Codensa S.A. E.S.P. and its Subsidiaries
Consolidated Statement of Financial Position
(Comparative figures as of 31 December 2020)

(Thousands of pesos)

	Note	As of 31 December 2021	As of 31 December 2020
Assets			
Current Assets:			
Net cash and cash equivalents	**4**	$ 381.350.611	$ 490.315.106
Net other current financial assets	**5**	252.338.724	3.620.989
Net other current non-financial assets	**6**	26.323.806	33.533.985
Net commercial accounts receivable and other receivables	**7**	1.020.995.963	913.032.969
Net current accounts receivable from related entities	**8**	21.470.048	26.355.793
Net inventories	**9**	216.851.553	249.518.386
Assets held for sale	**10**	2.117.940	-
Total current assets		**1.921.448.645**	**1.716.377.228**
Non-current assets:			
Net other financial assets	**5**	26.858.842	6.602
Net other non-financial assets	**6**	86.818.261	84.435.316
Net commercial accounts receivable and other receivables	**7**	66.144.683	101.090.676
Net intangible assets other than capital gains	**11**	409.315.646	355.015.545
Net Property, plant and equipment	**12**	6.769.571.309	6.169.542.679
Deferred tax assets	**13**	15.622.964	38.329.073
Total non-current assets		**7.374.331.705**	**6.748.419.891**
Total assets		**$ 9.295.780.350**	**$ 8.464.797.119**
Liabilities and equity			
Current liabilities:			
Financial liabilities	**14**	916.281.961	663.606.761
Commercial accounts payable and other payables	**15**	1.135.305.710	1.032.755.942
Accounts payable to related entities	**8**	63.499.211	185.011.975
Provisions	**16**	43.611.716	37.914.085
Taxes payable	**17**	71.570.087	137.653.666
Provisions for employee benefits	**18**	67.462.509	70.266.164
Other non-financial liabilities	**29**	101.600.314	91.414.121
Total current liabilities		**2.399.331.508**	**2.218.622.714**
Non-current liabilities:			
Financial liabilities	**14**	3.342.560.898	2.476.606.801
Provisions	**16**	39.925.779	56.589.585
Net deferred tax liabilities	**13**	11.906.783	-
Provisions for employee benefits	**18**	250.820.507	305.919.692
Other non-financial liabilities	**19**	-	9.649.479
Total non-current liabilities		**3.645.213.967**	**2.848.765.557**
Total liabilities		**$ 6.044.545.475**	**$ 5.067.388.271**

Codensa S.A. E.S.P. and its Subsidiaries
Consolidated Statement of Financial Position
(Comparative figures as of 31 December 2020)

(Thousands of pesos)

	Note		As of 31 December 2021		As of 31 December 2020
Equity					
Issued capital	**20**	$	13.487.545	$	13.487.545
Issue premiums			190.553.196		190.553.196
Other reserves			216.405.347		224.060.846
Other comprehensive income			(49.937.953)		(99.651.745)
Net income			982.387.086		842.530.417
Retained earnings			400.534.082		728.626.214
Retained losses			(37.859.236)		(37.862.372)
Retained earnings due to transition to CFRS			1.799.515.559		1.799.515.498
Equity effect business combination			(263.850.751)		(263.850.751)
Retained earnings			2.880.726.740		3.068.959.006
Total equity			**3.251.234.875**		**3.397.408.848**
Total liabilities and equity		**$**	**9.295.780.350**	**$**	**8.464.797.119**

The accompanying notes are an integral part of the Consolidated Financial Statements.

The undersigned Legal Representative and Accountant certify that we have previously verified the affirmations contained in these consolidated financial statements and that they have been faithfully taken from the accounting books of the Group.

Francesco Bertoli
Legal Representative

Luz Dary Sarmiento Quintero
Public Accountant
Professional Card 65450–T

Sandra Marcela Barragán Cellamén
Independent Auditor
Professional Card 177728-T
Member of KPMG S.A.S.
(Refer to my report dated 24 February 2022)

Codensa S.A. E.S.P. and Subsidiaries
Consolidated Income Statement, by Nature
(With comparative figures for the year ended 31 December 2020)

(Thousands of pesos, except earnings per share)

	Note		For the year ended 31 December 2021		For the year ended 31 December 2020
Income from ordinary activities	21	$	6.557.053.330	$	5.658.745.537
Other operating income	21		53.376.115		55.035.992
Total income from ordinary activities and other operating income			**6.610.429.445**		**5.713.781.529**
Provisioning and services	22		(3.963.627.731)		(3.273.125.463)
Contribution margin			**2.646.801.714**		**2.440.656.066**
Other work by the entity and capitalized			107.624.073		97.651.801
Personnel expenses	23		(252.635.442)		(285.270.918)
Other fixed operating expenses	24		(375.664.377)		(371.535.326)
Gross operating profit			**2.126.125.968**		**1.881.501.623**
Depreciations and amortizations	25		(465.123.614)		(426.750.902)
Financial and non-financial impairment losses	25		(46.622.777)		(62.814.991)
Operating profit			**1.614.379.577**		**1.391.935.730**
Financial revenues			41.696.403		33.936.930
Financial expenses			(242.555.766)		(206.520.875)
Net exchange difference			(8.245.429)		(5.604.499)
Net financial earnings	26		**(209.104.792)**		**(178.188.444)**
Earnings from other investments	27		97		257
Earnings from sale and disposal of assets	28		(9.373.865)		(9.651.366)
Earnings before taxes			**1.395.901.017**		**1.204.096.177**
Income tax expense	29		(413.513.931)		(361.565.760)
Net income		**$**	**982.387.086**	**$**	**842.530.417**
Basic and diluted earnings per share					
Basic and diluted earnings per share in on-going operations	30	$	7.224.59	$	6.195,80
Weighted average number of outstanding common shares			**134.875.450**		**134.875.450**

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Codensa S.A. E.S.P. and Subsidiaries
Consolidated Statement of Comprehensive Income
(With comparative figures for the year ended 31 December 2020)

(Thousands of pesos)

	Note	For the year ended 31 December 2021	For the year ended 31 December 2020
Net income		**$ 982.387.086**	**$ 842.530.417**
Components of other comprehensive income not reclassified to earnings before taxes			
Gain (Loss) on new measurements of defined benefit plans		53.068.971	(6.933.428)
Gain on new measurements of financial instruments measured at fair value through OCI		3.766.712	-
Other comprehensive income not reclassified to earnings before taxes		**56.835.683**	**(6.933.428)**
Components of other comprehensive income reclassified to earnings before taxes			
Gains on cash flow hedges		19.011.239	54.503
Other comprehensive income reclassified to earnings before taxes		19.011.239	54.503
Income tax relative to components of other comprehensive income not reclassified to net income			
Effect of taxes on new measurements of defined benefit plans		(18.160.847)	124.050
Total income tax relative to components of other comprehensive income not reclassified to net income		**(18.160.847)**	**124.050**
Income tax relative to components of other comprehensive income reclassified to net income			
Effect of taxes on cash flow hedges	**21**	(7.972.283)	(17.441)
Total income tax relative to components of other comprehensive income reclassified to net income		(7.972.283)	(17.441)
Total other comprehensive income	**32**	**49.713.792**	**(6.772.316)**
Total comprehensive income		**$ 1.032.100.878**	**$ 835.758.101**

The accompanying notes are an integral part of the Consolidated Financial Statements.

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Codensa S.A. E.S.P. and its Subsidiaries
Consolidated Statement of Changes in Equity
(With comparative figures for the year ended 31 December 2020)

(Thousands of pesos)

			Reserves			Other comprehensive income					
	Issued capital	Issue premium	Legal reserve	Occasional reserve	Total reserves	Cash flow hedges	Gains and losses on new measurements of financial instruments	Gains and losses due to defined benefit plans	Total other comprehensive income	Accumulated earnings and profits	Total equity
Initial equity as of 01-01-2020	**$ 13.487.545**	**$ 190.553.196**	**$ 26.454.481**	**$ 202.298.711**	**$ 228.753.192**	**$ (37.062)**	**$ (28.741)**	**$ (92.813.626)**	**$(92.879.429)**	**$ 2.802.358.619**	**$ 3.142.273.123**
Changes in equity											
Comprehensive income											
Net income	-	-	-	-	-	-	-	-	-	842.530.417	**842.530.417**
Other comprehensive income (Note 32)	-	-	-	-	-	37.062	-	(6.809.378)	(6.772.316)	-	**(6.772.316)**
Comprehensive income		**-**	**-**	**-**	**-**	**37.062**	**-**	**(6.809.378)**	**(6.772.316)**	**842.530.417**	**835.758.101**
Dividends declared	-	-	-	-	-	-	-	-	-	(580.622.376)	**(580.622.376)**
Increases (decreases) due to other changes, equity (Note 21)	-	-	-	(4.692.346)	(4.692.346)	-	-	-	-	4.692.346	**-**
Total increase (decrease) in equity	**-**	**-**	**-**	**(4.692.346)**	**(4.692.346)**	**37.062**	**-**	**(6.809.378)**	**(6.772.316)**	**266.600.387**	**255.135.725**
Final equity as of 31-12-2020	**$ 13.487.545**	**$ 190.553.196**	**$ 26.454.481**	**$ 197.606.365**	**$ 224.060.846**	**-**	**(28.741)**	**(99.623.004)**	**(99.651.745)**	**$ 3.068.959.006**	**3.397.408.848**
Changes in equity											
Comprehensive income											
Net income	-	-	-	-	-	-	-	-	-	982.387.086	**982.387.086**
Other comprehensive income (Note 32)	-	-	-	-	-	14.805.668	-	34.908.124	49.713.792	-	**49.713.792**
Comprehensive income		**-**	**-**	**-**	**-**	**14.805.668**	**-**	**34.908.124**	**49.713.792**	**982.387.086**	**1.032.100.878**
Dividends declared	-	-	-	-	-	-	-	-	-	(1.178.274.851)	**(1.178.274.851)**
Increases (decreases) due to other changes, equity (Note 21)	-	-	-	(7.655.499)	(7.655.499)	-	-	-	-	7.655.499	**-**
Total increase (decrease) in equity	**-**	**-**	**-**	**(7.655.499)**	**(7.655.499)**	**14.805.668**	**-**	**34.908.124**	**49.713.792**	**(188.232.266)**	**(146.173.973)**
Final equity as of 31-12-2021	**$ 13.487.545**	**$ 190.553.196**	**$ 26.454.481**	**$ 189.950.866**	**$ 216.405.347**	**$ 14.805.668**	**$ (28.741)**	**$ (64.714.880)**	**$ (49.937.953)**	**$ 2.880.726.740**	**$ 3.251.234.875**

The accompanying notes are an integral part of the Consolidated Financial Statements.

The undersigned Legal Representative and Accountant certify that we have previously verified the affirmations contained in these consolidated financial statements and that they have been faithfully taken from the accounting books of the Group.

Francesco Bertoli
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(Refer to my report dated 24 February 2022)

Codensa S.A. E.S.P. and its Subsidiaries
Consolidated Statement of Cash Flows, Direct Method
(With comparative figures for the year ended 31 December 2020)

(Thousands of pesos)

	For the year ended December 31, 2021	For the year ended December 31, 2020
Cash flows from operating activities:		
Types of collections by operating activity		
Collections from sales of goods and services	$ 6.136.637.126	$ 5.370.895.397
Collections from royalties, fees, commissions and other revenues from ordinary activities	99.634.714	112.316.607
Collections from premiums and benefits, annuities and other benefits from policies written	-	3.725.354
Other collections from operating activities	2.249.604.485	1.770.867.680
Types of cash payments from operating activities		
Payments to vendors for supply of goods and services	(4.261.068.750)	(3.710.425.563)
Payments of operating leases	(528.948)	(560.597)
Payments to and on behalf of employees	(183.454.445)	(161.741.175)
Payments of bonuses and compensations, annuities and other benefits of subscribed policies	(9.195.034)	(5.101.188)
Other payments for operating activities	(1.981.290.543)	(1.439.353.940)
Reimbursed income tax (paid)	(427.367.503)	(402.388.197)
Other cash outflows	(82.853.344)	(81.505.268)
Net cash flows from operating activities	**$ 1.540.117.758**	**$ 1.456.729.110**
Cash flows used in investment activities:		
Cash flows used to obtain control of subsidiaries or other businesses	(7.840.000)	-
Other charges from the sale of equity or debt instruments of other entities	20.000.000	-
Other payments to acquire equity or debt instruments of other entities	(20.002.000)	-
Loans to related entities	(45.000.000)	-
Purchase of property, plant and equipment and intangibles	(1.155.362.715)	(1.394.882.302)
Payments from futures, forwards, option and swap contracts	(5.744.063)	-
Collections from futures, forwards, option and swap contracts	-	79.728
Receivables from related entities	45.000.000	-
Interest received	6.330.577	10.048.496
Other cash outflows	(6.376.988)	(12.804)
Net cash flows used in investment activities	**$ (1.168.995.189)**	**$ (1.384.766.882)**
Cash flows used in financing activities:		
Proceeds from issuance of bonds	-	500.000.000
Proceeds from long-term loans	1.220.536.000	214.818.000
Proceeds from short-term loans	450.000.000	397.500.110
Loans from related entities	-	80.000.000
Dividends paid	(1.320.816.733)	(543.695.547)
Bank interest paid	(38.520.819)	(14.477.814)
Bond interest paid	(146.978.908)	(132.799.125)
Interest paid on operating leases (IFRS 16)	(5.641.098)	(5.014.669)
Loan payments to related entities	-	(1.678.656)
Bank loan payments	(436.275.631)	(124.601.081)
Bond loan payments	(185.000.000)	(90.000.000)
Payments of finance lease liabilities	(626.721)	(3.812.854)
Payments of lease liabilities (IFRS 16)	(16.763.154)	(11.150.444)
Payments of loans to related entities	-	(172.658.471)
Net cash flows provided by (used in) financing activities	**$ (480.087.064)**	**$ 92.429.449**
Net increase (decrease) in cash and cash equivalents	**(108.964.495)**	**164.391.677**
Cash and cash equivalents initial balance	490.315.106	325.923.429
Cash and cash equivalents final balance	**$ 381.350.611**	**$ 490.315.106**

The accompanying notes are an integral part of the Consolidated Financial Statements.

The undersigned Legal Representative and Accountant certify that we have previously verified the affirmations contained in these consolidated financial statements and that they have been faithfully taken from the accounting books of the Group.

Francesco Bertoli
Legal Representative

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Contents

1. Overview

1.1. Economic entity

Codensa S.A. E.S.P. is a public limited company in accordance with the provisions of Act 142/1994 and 143/1994. The Company has an indefinite duration.

Codensa S.A. E.S.P. was organized through public deed No. 4610 of the 36th Notary of Bogota D.C. on 23 October 1997 and registered with the Chamber of Commerce on the same date with No. 00607668, with contributions from the distribution and marketing assets of the Group Energía Bogotá S.A. E.S.P. (formerly Empresa de Energía de Bogotá S.A. E.S.P.), holding 51.32% of shares, and cash contributions of other investors holding 48.48% of shares (See Note 20).

Codensa S.A. E.S.P. is of Colombian origin, with seat and main headquarters located at Carrera 11 No. 82-76 Piso 4, in the city of Bogotá D.C.

Codensa S.A. E.S.P. is a subsidiary of Enel Américas S.A., entity controlled by Enel S.P.A. (hereinafter Enel).

The situation of the Corporate Group registered in the trade register of the Bogota Chamber of Commerce was updated by registration No. 02702440 of book IX, on 5 May 2021, in the sense of indicating that the foreign company Enel SPA (parent) communicates that it exercises direct control over the company Enel Américas S.A. (subsidiary) and through it exercises indirect control over the companies Emgesa S.A. ESP, Codensa S.A. ESP, Enel Green Power Colombia S.A.S. ESP and over the foreign companies Energía y Servicios South America SPA and ESSA 2 SPA (subsidiaries); in turn, Enel SPA exercises indirect control over the Enel Colombia Foundation through Emgesa S.A. ESP and Codensa S.A. ESP, while Enel SPA exercises indirect control over the company EGP Fotovoltaica La Loma S.A.S. (in liquidation), Guayepo Solar S.A.S.; Atlántico Photovoltaic S.A.S. and Latamsolar Fotovoltaica Fundación S.A.S. through Enel Green Power Colombia S.A.S.; in turn Enel SPA exercises indirect control over Inversora Codensa S.A.S. through Codensa S.A. ESP; in turn, Enel SPA exercises indirect control over the companies Usme ZE S.A.S. and Fontibón ZE S.A.S. through Bogotá ZE S.A.S., which in turn is controlled by Codensa S.A. ESP. The update of the registration of the Corporate Group is in progress at the Bogota Chamber of Commerce.

Corporate Purpose – Codensa S.A. E.S.P. is engaged in the distribution and traditional and/or digital commercialization of electric energy, as well as the execution of all related, connected, complementary and related activities to the distribution and commercialization of energy. Codensa S.A. E.S.P. may also manage and operate other Public Utility Companies, enter into and execute special management contracts with other Public Utility Companies and sell or provide goods or services to other economic agents inside and outside the country related to public utilities.

In addition to the above, Codensa S.A. E.S.P.may develop the following business lines such as, Comprehensive management of the public lighting service; Energy efficiencies, which includes, special lighting, development of smart and sustainable cities and buildings, home automation, technology substitution; Massive electric mobility, public or private; Provision of advisory services, auditing, consulting, studies, information analysis, data processing of any kind; Marketing of all kinds of own and / or third-party products, such as but not limited to insurance, subscriptions, maintenance services for facilities and equipment; Comprehensive assistance services such as medical, funeral, home and pets.

In the development of all these lines of business, Codensa SA. E.S.P. may finance, provide, manage, operate, implement and supervise projects, execute works, deliver goods and services in any way, commercialize, maintain and, in general, develop any activity that is involved in the production chain of said goods or services, the above for the benefit of its customers and third parties, inside or outside the country.

In development of the aforementioned object, the company may promote and found establishments or agencies in Colombia or abroad; acquire by any title all kinds of movable or immovable property, lease it, transfer it, encumber it and give it as collateral; exploit trademarks, trade names, patents, inventions or any other intangible asset; draw, accept, endorse, collect and pay all kinds of securities, negotiable instruments, shares, executive titles and others; participate in public and private tenders; give to, or receive from, its shareholders, parents, subsidiaries, and third parties mutual money; enter into insurance, transportation, participation accounts, contracts of any kind with banking and / or financial entities, and in general enter into all acts and civil or commercial contracts necessary for the fulfillment of its corporate purpose.

It may additionally participate with financial entities as a banking and insurance correspondent; carry out support activities for Postal Service Operators duly authorized and registered by the Ministry of Information and Communication Technologies, for the benefit of their customers and third parties.

Codensa S.A. E.S.P. may develop any of the activities provided for in this corporate purpose directly or as a partner or shareholder in other mercantile companies, especially, but not limited to, financial entities that provide traditional and / or digital banking services, other public service companies, or through any type of business collaboration contract, inside or outside the country. Additionally, it may participate as a partner or shareholder in other commercial companies with any corporate purpose, with prior authorization from the Board of Directors regardless of the amount of the investment.

Additionally, in the exercise of its corporate purpose, among others, Codensa S.A. E.S.P. offers financing services for goods and services to customers, including the "Crédito Fácil Codensa" line, subscriptions and insurance, part of which were transferred to Banco Colpatria Red Multibanca Colpatria S.A. as of 27 November 2009.

The General Shareholders' Meeting of Codensa S.A. E.S.P., in its extraordinary session No. 72 held on 17 September 2019, approved the entry by Codensa S.A. E.S.P. into a new line of business consisting of the incorporation of a commercial financing entity to continue exploiting jointly with Scotiabank Colpatria S.A. the product "Crédito Fácil Codensa". In the same meeting, the modification of the corporate purpose of Codensa S.A. E.S.P. was approved in order to satisfactorily advance its participation in the new Commercial Financing Company and; in turn to develop complementary activities; one of them related to the e-commerce business to advance business with customers through different digital platforms and strengthen the positioning of Codensa S.A. E.S.P. in terms of marketing and mass placement of insurance policies as an insurance correspondent.

Codensa S.A. E.S.P., in its capacity as issuer of securities, submitted the aforementioned reform of the corporate purpose to the approval of the Bondholders' Meeting of each of the current issues, which was held on 4 March 2020 and in which the aforementioned statutory reform was approved.

On 13 May 2020, the reform of the bylaws, consisting in the modification of the corporate purpose of Codensa S.A. E.S.P., was executed in a public deed, and on 25 August 2020, public deed No. 1005 of 13 May 2020 of the Eleventh (11th) Notary Public of Bogota was registered in the Bogota Chamber of Commerce, whereby the reform of article 5 (Corporate purpose) of the bylaws was notarized.

The General Shareholders' Meeting of Codensa S.A. E.S.P., in its extraordinary session No. 74 held on 29 July 2020, approved the entry of a new line of business referred to the financing of Public Electric Mobility Projects.

The General Shareholders' Meeting of Codensa S.A. E.S.P., in its extraordinary session No. 75 held on 1 October 2020, approved the entry of new business lines. In the same session, the modification of the corporate purpose (1) of Codensa S.A. E.S.P. was approved in order to describe the Business Lines currently developed by Codensa S.A. E.S.P. and the Lines that were approved in the same session.

Codensa S.A. E.S.P., in its capacity as issuer of securities, had to also submit for approval of the Bondholders' Meeting said modification of the corporate purpose, which was approved as follows:

- On 16 February 2021, the second call of the Bondholders' Meeting was held, in which the modification of the corporate purpose of Codensa S.A. E.S.P. was approved by the 7 issues present and represented in said meeting.
- On 2 March 2021, the third Bondholders' Meeting was held and approved by the eleventh issue present and represented at said meeting.

Therefore, the modification of the corporate purpose has been perfected by the favorable vote of the eight current issues under the Program for the Issuance and Placement of Ordinary Bonds and Commercial Papers of Codensa S.A. E.S.P. (the current corporate purpose is shown above).

On 14 May 2021, the amendment to the bylaws, consisting of the modification of the corporate purpose of Codensa S.A. E.S.P., was executed in a public deed, and on 28 May 2021, public deed No. 1637 of 14 May 2021 of the Eleventh (11th) Notary Public of Bogota was registered in the Bogota Chamber of Commerce whereby the amendment of article 5 (Corporate purpose) of the bylaws was notarized.

The General Shareholders' Meeting of Codensa S.A. E.S.P., in its extraordinary session No. 77 held on 27 July 2021, approved the merger commitment between the companies Emgesa S.A. ESP (absorbing company), Codensa S.A. ESP, Enel Green Power Colombia S.A.S.S. ESP and ESSA2 SpA (absorbed companies).

Codensa S.A. E.S.P., in its capacity as issuer of securities, had to submit for approval of the bondholders' meeting the approval of the merger commitment, which was approved as follows:

On 7 September2021, the first Bondholders' Meeting was held, in which the merger commitment between the companies Emgesa S.A. ESP (absorbing), Codensa S.A. ESP, Enel Green Power Colombia S.A.S. ESP and ESSA2 SpA (absorbed) was approved unanimously by the Bondholders present.

Due to the foregoing and in order to execute the merger between the companies Emgesa S.A. ESP (absorbing company), Codensa S.A. ESP, Enel Green Power Colombia S.A.S. ESP and ESSA2 SpA (absorbed companies), it is necessary to have the authorization of the Superintendence of Companies, which is currently being processed.

Codensa S.A. E.S.P. is the controlling company and has a 100% shareholding in the following companies:

Inversora Codensa S.A.S., is a commercial corporation, incorporated on 17 October 2007, initially named Inversora Codensa Ltda. U. By means of Minutes No. 4 of the Shareholders' Meeting of 1 July 2009, Inversora Codensa Ltda. U, which had been dissolved and not liquidated, is reconstituted to continue its corporate purpose as Inversora Codensa S.A.S.

The company has an indefinite term of duration.

Corporate purpose - Inversora Codensa S.A.S. Its objective is to invest in activities of home public energy services, especially the acquisition of shares in any public service company whose main purpose is the home public service of electric energy in accordance with the definition established in Act 142 of 1994.

On 1 July 2009, by private document registered on 15 August 2009 under No. 01319972 of Book IX, the Sociedad Inversora Codensa Ltda. U. that was dissolved and not liquidated, is reconstituted to continue its corporate purpose in the Sociedad Inversora Codensa S.A.S.

Its commercial strategies include participating in the share transfer process approved by the National Government of electricity companies.

Enel X Colombia S.A.S, is a simplified joint-stock company, incorporated 17 April 2018, registered with the Bogota Chamber of Commerce under number 02332222 of Book IX.

The company has an indefinite term of duration.

Corporate purpose - Enel X Colombia S.A.S. Its main purpose, among others, is to execute public lighting projects for the development of modernizations, administrations, operation and maintenance, expansions, remote management, inventory survey, photometric designs, auditing, among others; under the different modalities of contracting with the state as concessions individually or jointly, forming strategic alliances.

The authorized capital is 20,000 million Colombian pesos divided into 20,000,000 ordinary shares with a nominal value of $ 1,000 each, where Codensa S.A E.S.P. It has a 100% stake in the subscribed capital that amounts to $ 5,186,737.

On 12 February 2021, the company Enel X Colombia S.A.S. was capitalized in accordance with Act No.5, acquiring 186,737 shares at a par value of $1,000 and a share placement premium of $18,486,963 was paid for a total investment of $18,673,700.

Codensa S.A. E.S.P. is the controlling company and has direct and indirect participation in the following companies:

Bogotá ZE S.A.S,., is a commercial corporation, incorporated on 20 October 2020, registered in the Chamber of Commerce of Bogota on 22 October of the same year with private document number 02627823 of the bookBook IX.

The company has an indefinite term of duration. Codensa S.A. E.S.P. owns 62.99% of the shares and Enel X Colombia S.A.S. owns 37.1%.

Corporate purpose - Bogotá ZE S.A.S. Its main purpose is any act related to electric and sustainable mobility in Colombia and abroad, in the same way, it may participate in public or private selection processes and incorporate or participate in companies.

The authorized capital is 1,000 million Colombian pesos divided into 1,000,000,000 ordinary shares with a nominal value of $1 each, where Enel X Colombia S.A.S. It has a 100% stake in the subscribed capital amounting to $1 million.

Usme ZE S.A.S., is a simplified stock company, incorporated on 18 January 2021, registered in the Chamber of Commerce of Bogotá on 20 January of the same year, under number 02653495 of Book IX.

The company has a term of duration until 18 January 2041. It is owned as shareholder by Bogotá ZE S.A.S. in a percentage equivalent to 100%.

Corporate purpose - Usme ZE S.A.S.'s main purpose is to develop any lawful activity in the country. In particular, i) to subscribe and execute the concession contract(s) object of the abbreviated selection process No. TMSA- SAM- 14- 2020 of Transmilenio S.A.; ii) to subscribe and execute any concession contract in Colombia and abroad; iii) to carry out any acts related to electric and sustainable mobility in Colombia and abroad; iv) to carry out any activity related to public transportation in Colombia and abroad.

Fontibón ZE S.A.S., is a simplified joint stock company, incorporated on 18 January 2021, registered in the Chamber of Commerce of Bogotá on 20 January of the same year, under number 02653477 of Book IX.

The company has a term of duration until the 18 January 2041. Participated as shareholder by Bogotá ZE SAS. in a percentage equivalent to 100%.

Corporate purpose - The main purpose of Fontibón ZE S.A.S. is to develop any lawful activity in the country. In particular, i) to subscribe and execute the concession contract(s) object of the abbreviated selection process No. TMSA- SAM- 14- 2020 of Transmilenio S.A.; ii) to subscribe and execute any concession contract in Colombia and abroad; iii) to carry out any acts related to electric and sustainable mobility in Colombia and abroad; iv) to carry out any activity related to public transportation in Colombia and abroad.

1.2. Corporate Cooperation Agreements

Codensa S.A. E.S.P. and Scotiabank Colpatria S.A. have entered into an Open Book business collaboration agreement with the aim of providing financial products and services to users of the public energy service in the residential and commercial categories, which is in force from 1 November 2019, and the end date of the agreement shall be when all the procedures for the constitution of a financing company "NewCo" are completed and the portfolio is transferred to the new company, as established in the Investment Framework Agreement signed on 31 October 2019, between said parties.

On 12 February 2021, Resolution 0054 of January 26, 2021 of the Financial Superintendence of Colombia, which authorized in association with Scotiabank Colpatria S.A. and other shareholders, the incorporation of Crédito Fácil Codensa S.A. Compañía de Financiamiento, the company was registered before the Chamber of Commerce of Bogota on 31 March 2021, this process has been notified to the Financial Superintendence of Colombia.

On 10 December 2021, the first capitalization corresponding to 50% of the total capital contribution agreed between the Parties was made. Additionally, the delivery of the provisional certificates of the Shares and the registration in NewCo's share registry book, and accreditation of the Initial Capital Contribution has been made. Thus, the first closing established in "Section 3.03 First Closing" of the Investment Framework Agreement is consummated.

1.3. Mapfre Seguros Agreement

On 22 June 2021 the contract with Mapfre Colombia Vida Seguros S.A, Mapfre Seguros Generales de Colombia S.A and Mapfre Servicios Exequiales S.A.S ended, Codensa S.A. E.S.P and its subsidiaries will continue with the billing and collection activities only with respect to the products that are in force, under the terms of the commercial offer.

1.4. Legal and Regulatory Framework

For the implementation of the new framework stipulated by the Constitution, the Household Public Utilities Act (Act 142/1994) and the Electric Act (Act 143/1994) were issued, which defined the criteria and policies that are to govern the provision of household utilities in the country, as well as the procedures and mechanisms for their regulation, control and monitoring.

The Electric Act makes the constitutional approach viable, regulates power generation, transmission, distribution and marketing activities, creates the market and competition environment, and strengthens the sector and the State's intervention. Taking into account the characteristics of each activity or business, as general guidelines for the development of such regulatory framework, it established the creation and implementation of rules that provide for free competition of power generation and marketing activities; while the guidelines for transmission and distribution focused on treating these activities as monopolies, seeking in any event competition conditions wherever possible.

The main institution in the electric energy sector is the Ministry of Mines and Energy, which, through the Mining and Energy Planning Unit (UPME), prepares the National Energy Plan and the Generation-Transmission Expansion Plan. The Commission for the Regulation of Energy and Gas (CREG) and the Superintendence of Household Public Utilities (SSPD) are responsible respectively for regulating and auditing the companies in the sector; furthermore, the Superintendence of Industry and Trade is the national authority that governs competition protection issues.

The electricity sector is based on the fact that trading companies and large consumers can negotiate electrical energy by means of bilateral agreements and/or Long-Term Contracting Auction.

In addition, the sector agents can negotiate energy through a short-term market known as the spot market, which operates freely depending on conditions of supply and demand.

In January 2017, the Energy and Gas Regulatory Commission - CREG approved the unification of markets of Codensa S.A. E.S.P and Empresa de Energía de Cundinamarca - EEC, whereby a single regulated tariff is applied as of that date for users of the entire market today served by Codensa S.A. E.S.P.

In accordance with the above, the integrated market rates of Codensa S.A. E.S.P plus EEC were calculated and published on 20 January 2017, by the regulations in force at the time the application of this new rate in the invoice began on 7 February 2017.

The Energy and Gas Regulatory Commission - CREG defines the remuneration methodology for the electricity distribution activity. Distribution charges are reviewed every five years and are updated monthly according to the Producer Price Index (IPP).

The distribution charges of CREG Resolution 097 of 2008, which were published by CREG in October 2009, were in force for Codensa S.A. E.S.P. until June 2020.

The current methodology of regulated distribution revenues and charges of Resolution CREG 015 of 2018 began in 2013 with the publication of the bases of the remuneration methodology proposed by CREG in Resolution 043 of 2013. Said bases were complemented with the development of the Purposes and Guidelines for the Remuneration of the Distribution Activity for the period 2015-2019 contained in Resolution CREG 079 of 2014.

The Regulation Commission issued CREG Resolution 095 of 2015, which defines the methodology for calculating the regulated remuneration rate (WACC) for electricity distribution and transmission activities, as well as for the distribution and transportation of natural gas, which will be in force for the distribution activity until the end of the regulatory period of Resolution CREG 015 of 2018. Subsequently, the published methodology of Resolution CREG 004 of 2021 will be applied.

In February 2018, the Regulation Commission published CREG Resolution 015 of 2018, which gave a final decision on the Distribution Remuneration Methodology for the new rate period (2018-2023), and determines the remuneration of the existing asset base, as well as the presentation of investment plans, the remuneration of operation and maintenance expenses, and defines the paths of improvement of losses and quality of service.

Subsequently, as a result of the comments sent by the agents to CREG resolution 015 of 2018, CREG resolutions 085 of 2018, 151 of 2018 and 036 of 2019 were issued, which clarify and correct some provisions of the first resolution, including the retroactive adjustment factor, the revision of the investment plan and the application of the quality scheme.

Resolution 036 of 15 April 2019, mentions that an adjustment factor will be applied that compensates (or reduces) the difference in income between the current distribution rate and the new approved rate, calculated from April of the first year until the date of approval of new charges.

In May 2019, the Ministry of Mines and Energy published Resolution 40459 of 2019, this new Ministry resolution reviews the public policy guidelines on Advanced Metering Infrastructures (AMI).

In July 2019, the National government issued Act 1964 of 2019, which aims to generate schemes to promote the use of electric vehicles and zero emissions, in order to contribute to sustainable mobility and the reduction of polluting emissions and greenhouse gas.

In July 2019, the Commission issued CREG Resolution 079 of 2019, which seeks not to change the contracting level between vertically integrated companies and/or in a situation of control, until the CREG approves the final path of maximum own contracting.

In August 2019, the CREG issued CREG Resolution 098 of 2019, which establishes the mechanisms to incorporate storage systems in order to mitigate inconveniences caused by the lack or insufficiency of energy transport networks in the National Interconnected System

In September 2019, the Superintendence of Household Public Utilities issued Resolution 20191000035615, which regulates the collection of the $ 4/kWh surcharge on energy service from residential users of socioeconomic strata 4, 5 and 6 and commercial, industrial and non-regulated users. The resources will be contributed to the Business Fund of the Superintendence to support business intervention processes.

In October 2019, the Commission published CREG Resolution 129 of 2019, which establishes the transfer formula in the regulated user energy purchasing component for prices of the contracting mechanism of contracts resulting from the auction under Resolution 40590 of 2019 of the Ministry of Mines and Energy.

In October 2019, the Commission published CREG Resolution 130 of 2019, which defines the principles, behaviours and procedures that retail marketers must follow when entering into energy contracts for the regulated market.

In October 2019, the CREG issued Resolution CREG 142 of 2019, which establishes the transfer formula in the regulated user energy purchasing component for prices of the complementary mechanism contracts.

In December 2019, the Commission published the draft of CREG Resolution 155 of 2019, which contains the conceptual bases for the compensation of the electrical energy sale activity.

In December 2019, the Commission published CREG Resolution 198 of 2019, whereby the application of subsidies to users of socioeconomic strata 1 and 2 is extended.

In December 2019, the CREG published CREG Resolution 199 of 2019, whereby some provisions of CREG Resolution 015 of 2018 on the new compensation methodology for the distribution activity are amended.

On 20 December 2019, the CREG approved CREG Resolution 189 of 2019, being notified to Codensa S.A. E.S.P. on 8 January 2020, and which approves the variables necessary to calculate the income and charges associated with the electric power distribution activity for the market served by Codensa S.A. E.S.P.. On 15 January 2020, Codensa S.A. E.S.P. filed with the CREG an appeal for reversal against the resolution..

On 17 March 2020, the National Government issued Decree 417 of 2020 where it declares the state of economic, social and ecological emergency throughout the national territory for a term of thirty (30) days, in order to ward off the serious calamity public that affects the country because of the new coronavirus COVID-19.

On 22 March 2020, through Decree 457 of 2020, the mandatory preventive isolation of the inhabitants of the Republic of Colombia was ordered from zero hours (00:00 hours) on 25 March 2020 until zero hours (00:00 hours). hours) on 13 April 2020.

CREG issued CREG Resolutions 050/2020 and 052/2020 by which it suspends the procedural terms of the administrative actions of the Energy and Gas Regulation Commission - CREG. Resolution 052/20 modified the time established in Resolution 050/20, leaving said suspension definitively as of 24 March 2020 and until 12 April 2020 inclusive.

In particular, it is noted that this resolution suspends until 12 April the action of CREG in responding to the appeal for reconsideration filed by Codensa S.A. E.S.P. on CREG Resolution 189/19 regarding charges and income from the distribution activity.

Regulations issued in the second quarter of 2020 due to COVID-19:

- New Regulations for the Declaration of the state of economic emergency and adoption of new measures: Decree 417, Decree 637, Decree 798, Resolutions 131 and 132
- Mandatory preventive isolation, Decree 457, 531, 593, 636 and 749.
- Resolution MME 517. Deferred payments Stratum 1 and 2; Business credit line; voluntary contributions and transfers, subsidies without reconciliation.
- CREG Resolution 058, 108, and 104: They adopt transitory measures for the payment of the Wholesale Market invoices.
- CREG Resolution 056 and 061, Cir. CREG 036 and CREG Resolution 107: Financing options in the wholesale market
- CREG Resolution 043: Transitory rules on the limitation of supply and withdrawal from the market.
- Decree 581, New Line of Credit - Findeter
- Decree D.C 123 and Resolution 157: Mayor assumes a benefit of 10% of energy consumption to strata 1, 2, 3 and 4.
- Resolution. MME 40130, Mechanism of voluntary contribution of users strata 4, 5 and 6, and commercial and industrial users.

On 24 June 2020, the Commission issued CREG Resolution 122 of 2020, which definitively approves the distribution charges for Codensa S.A. E.S.P. In its approval, the Commission resolves the appeal for reconsideration filed by Codensa S.A. E.S.P. on CREG Resolution 189 of 2019.

In sum, the Commission, in its final approval, corrects the asset base, incorporates additional events in the calculation of quality indicators, and retroactive application of service quality incentives. The application in the rate started on July 2020.

Regulations issued in the third quarter of 2020 due to COVID-19:

- Decree 1168 of 2020 of the National Government that terminates the Mandatory Isolation by Selective Isolation, promoting the reactivation of economic and social life. As of September 1, 2020.
- Decree 1076 of 2020 of the National Government. Mandatory isolation, conditions, mobility and opening of economic sectors in municipalities. Valid until August 31, 2020.
- Resolution 152 grace period for the collection of the first payment of each invoice is made 4 months later. Rate option until November, growth less than 0.6% until January 2021.
- Given that the emergency extension has been established until November 30, the rate applicable to subsistence consumption for strata 1 and 2 must continue to consider the lowest variation between the CPI and Cu.

On August 20, 2020, the Superintendency of Public Services issued Resolution 20201000033335 - Special Contribution and Additional Contribution Business Fund Rate, the value was paid in September and will be transferred to the rate in October, the value to be recognized is the corresponding to the commercialization activity and is transferred in twelfths until the end of the year.

Regulations issued in the fourth quarter of 2020 due to COVID-19:

- Resolution SSPD 20201000057265 Report on cash flow information and technical report on a weekly basis and added a financial information report on a monthly basis.
- Findeter issued External Circular No. 14 of 2020, by means of which it announces the conditions of the rediscount credits with compensated rate provided for in Decree 798 of 2020 destined to finance the deferred ones that the public service companies -ESPs offered to users strata 3 and 4, and users of strata 1 and 2, the latter for the values in their energy billing that exceeded subsistence consumption.

The Constitutional Court declared article 313 of Act 1955 of 2019 unenforceable, through ruling C-504, which indicates that the agents collecting the surcharge must refrain from billing, collecting and collecting the surcharge in those immediately following billing periods as of December 3, 2020. The portfolio cannot be canceled and the collection procedures must be carried out in order to be transferred to the business fund.

The Constitutional Court declared article 18 of Act 1955 of 2019 unenforceable, by means of sentence C-484, which implies that, as of the year 2021, the contribution will be settled again for both the CREG and the Superintendence of Household Utilities as they were done before In other words, this implies a decrease in both contributions.

On 14 January, the Commission published CREG Resolution 003 of 2021, extending the application of subsidies to stratum 1 and 2 users.

The Ministry of Mines issued Resolution 32005, whereby resources are distributed for the payment of lower tariffs corresponding to the 2020 deficit. This payment was made in January 2021.

On 29 December the CREG published CREG Resolution 235 of 2020 which sets the special contribution tariff for 2020 (Codensa S.A. E.S.P filed an appeal against the liquidation of this contribution, to date it has not been resolved therefore it has not been paid) and established an advance payment for the year 2021 at 60% of the value liquidated for the year 2020, this payment was made at the end of January 2021.

According to Res SSPD 20201000062385 established the payment of the advance payment of the contribution corresponding to 60% of the liquidated value of the year 2019, this payment was made at the end of January 2021.

On 8 January 2021, the Commission published CREG Resolution 240 of 2020, modified the methodology for calculating the transactional equity considering the financial information that is prepared under the current regulatory technical frameworks.

In May 2021, the CREG published CREG Resolution 069 of 2021, which resolved in favor of the CREG the appeal against the liquidation of the special contribution for 2020, a term of one month was established to pay and in June this payment was made.

In May 2021, the Commission issued Draft CREG Resolution 037 of 2021, which contains the proposal of the new remuneration methodology for the Public Lighting service.

In June 2021, through CREG Resolution 068 of 2021, the CREG approved the modification of Codensa S.A. E.S.P.'s Investment Plan.

On 3 June 2021, the Ministry of Mines issued Resolution 40172, which establishes the maximum tariff increase for remuneration of projects to expand coverage, which shall not be higher than 1% of the distribution charge.

On 16 June 2021, the Commission published CREG Resolution 075 of 2021. The resolution dictates provisions and procedures for the allocation of transportation capacity to the SIN as requested by the MME in the public policy guidelines for the connection established in MME resolution 40311 of 2021.

On 10 July 2021, Act 2099 was issued, dictating provisions for the energy transition, the dynamization of the energy market, the economic reactivation of the country and other provisions. It addresses issues related to tax benefits for investment in the field of energy production with non-conventional energy sources and efficient energy management, promotion of green and blue hydrogen, rationalization of procedures in the execution of infrastructure projects for the provision of public electric energy service, electric mobility and smart and institutional metering.

On 8 August 2021, the Superintendence of Residential Public Utilities issued the Resolution establishing the amount of the tariff of the special contribution for the year 2021, to which the providers of domiciliary public services and/or those who develop complementary activities to such services, as defined in Acts 142 and 143 of 1994, are subject to. An appeal for reconsideration and, in subsidy, appeal was filed against this Resolution.

In November 2021, the Superintendence of Residential Public Utilities through Resolution 20215000666545 resolved the appeal of the appeal presented to the special contribution 2021 confirmed the value to be paid by Condesa issued in August 2021.

In September 2021, the Ministry of Mines and Energy published the Primer with the actions of the energy transformation mission route.

On 4 November 2021, the Commission issued CREG Resolution 148 of 2021 which established the connection and operation of solar photovoltaic and wind power plants in the SDL with net effective capacity or maximum declared power equal to or greater than 5 MW.

On 22 November 2021, the Commission published Resolution CREG 174 of 2021 by which it regulated the operational and commercial aspects to allow the integration of small-scale self-generation and distributed generation to the National Interconnected System (SIN). It also regulated aspects of the connection procedure for large-scale self-generators with maximum declared power of less than 5 MW and totally repealed Resolution CREG 030 of 2018 which regulated the matter.

On 21 December 2021, the Energy and Gas Regulatory Commission issued Resolution CREG 215 of 2021, which modifies the rate of return for the electric power distribution activity, approved in Resolution CREG 016 of 2018, which will be 12.09% as of 2022.

On 29 December 2021, The Mining and Energy Planning Unit - UPME published resolution 528 of 2021 through which it established the procedure for the processing of requests for connection to the National Interconnected System - SIN and the provisions on the allocation of transport capacity to class 1 projects and how to define the general parameters of the One-Stop Shop.

On 29 December 2021, through Resolution 647 of 2021, the National Spectrum Agency - ANE updated the National Table of Frequency Band Allocation where the 169 MHz frequency band is added for the implementation of telemetry communications, wireless telecontrol and the implementation of advanced metering infrastructure networks.

On 27 December 2021, the CREG, through Resolution 213 of 2021, published the percentage of the special contribution (1% of the Commission's expenses) to be paid by electric power, natural gas and liquefied petroleum gas (LPG) service providers.

On 14 December 2021, the Superintendence of Residential Public Utilities published Resolution 20211000811175, which establishes the collection of a first payment for the Special Contribution for the year 2022.

During 2021, the Ministry of Mines and Energy has published Resolutions No. 00012, 00146, 0354, 00587 and 410296 of 2021 ordering the payment of subsidies to Codensa S.A. E.S.P. the conditions and limitations set forth in this contract and in the bidding specifications of the selection process.

2. Bases for Presentation

Codensa S.A. E.S.P. and its subsidiaries present their general purpose consolidated financial statements in Colombian pesos and the values have been rounded up to the nearest thousand (COP $000), except as otherwise indicated.

The consolidated financial statements include comparative information corresponding to the previous period.

The accounting principles used in its preparation are those described below:

2.1. Accounting Principles

The General Purpose Consolidated Financial Statements of the Group as of December 31, 2021, have been prepared in accordance with the Accounting and Financial Information Standards accepted in Colombia (NCIF), established in Act 1314 of 2009, regulated by Decree Sole Regulation 2420 of 2015, modified by Decrees 2496 of 2015, 2131 of 2016, 2170 of 2017, 2483 of 2018, 2270 of 2019, 1432 of 2020 and 938 of 2021. The NCIF applicable in 2021 are based on the International Financial Reporting Standards (IFRS), along with their interpretations, issued by the International Accounting Standards Board (IASB); The basic standards correspond to those officially translated into Spanish and issued by the IASB in the second half of 2020.

Codensa S.A. E.S.P. and its subsidiaries apply to these consolidated financial statements the following exception contemplated in Title 4 Special Regimes of Chapter 1 of Decree 2420 of 2015:

The determination of post-employment benefits for future retirement or disability pensions will be carried out in accordance with the requirements of IAS 19, however, it requires the disclosure of the calculation of pension liabilities in accordance with the parameters established in Decree 1625 of 2016, articles 1.2.1.18.46 et seq., and, in the case of partial pension commutations, in accordance with the provisions of item 5 of article 2.2.8.8.31 of Decree 1833 of 2016, reporting the variables used and the differences with the calculation made in the terms of the technical framework under CFRS.

Codensa S.A. E.S.P. and its subsidiaries belong to Group 1 according to the definitions of Decrees 2784 of 28 December 2012 and 3024 of 27 December 2013, according to which the Group issued the first comparative financial statements under CFRS as of 31 December 2015.

The general purpose consolidated financial statements have been prepared following the going concern principle through the application of the cost method, with the exception, according to the CFRS, of the assets and liabilities registered at fair value.

The preparation of the consolidated financial statements in accordance with the CFRS requires the use of certain critical accounting estimates. It also requires Management to apply its judgment in the process of applying the accounting policies.

2.2. Accrual Basis of Accounting

The Group prepares its consolidated financial statements using the accrual basis of accounting, except for cash flow information.

2.3. New Accounting and Financial Reporting Standards Accepted in Colombia with effective application after 1 January 2023

Decree 938 of 2021 updated the technical frameworks of the Accounting and Financial Reporting Standards accepted in Colombia mainly incorporating amendments to the standards that had already been compiled by Decrees 2270 of 2019 and 1432 of 2020, which considered the regulations incorporated by Decrees 2420 and 2496 of 2015, 2131 of 2016, 2170 of 2017 and 2483 of 2019.

Amendment to IAS 1 Presentation of Financial Statements – Classification of liabilities as current or non-current

The amendments issued in January 2020 clarify the criteria for classifying liabilities as current or non-current, based on the rights that exist at the end of the reporting period. The classification is not affected by the expectations of the entity or the events after the date of the report. The changes also clarify what the "settlement" of a liability refers to in terms of the standard. The Group does not expect significant impacts from this amendment; in any case, it is evaluating the impact that they could have on the financial statements.

Amendment to IAS 16 Property, Plant and Equipment – Proceeds before Intended Use

The amendment published in May 2020 prohibits the deduction of the cost of an item of property, plant and equipment from any amount arising from the sale of items produced while taking that asset to the place and conditions necessary for it to operate in the manner provided by Management. Instead, an entity would recognize the amounts of those sales in profit or loss. The Group does not expect significant impacts from this modification; in any case, it is evaluating the impact that they could have on the financial statements.

Amendments to IFRS 3 Business Combinations – Reference to the Conceptual Framework

The amendment published in May 2020 addressed 3 modifications to the standard in order to: update the references to the Conceptual Framework; add an exception for the recognition of contingent liabilities and liabilities within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets and IFRIC 21 Liens; and confirm that contingent assets should not be recognized on the acquisition date. The Group does not expect significant impacts from this modification; in any case, it is evaluating the impact that they could have on the financial statements.

Amendment to IAS 37 Provisions, Contingent Liabilities and Contingent Assets – Cost of fulfilling a contract

The purpose of this amendment, which was also published in May 2020, is to specify the costs that an entity includes when determining the "performance cost" of a contract for the purpose of evaluating whether a contract is onerous; clarifies that the direct costs of fulfilling a contract include both the incremental costs of fulfilling a contract and an allocation of other costs that are directly related to the fulfillment of the contract. Before recognizing a separate provision for an onerous contract, for an onerous contract, the entity must recognize impairment losses on the assets used to fulfill the contract. The Group does not expect significant impacts from this modification; in any case, it is evaluating the impact that they could have on the financial statements.

Interest Rate Benchmark Reform

After the financial crisis, the reform and replacement of interest rate benchmarks such as GBP LIBOR and other interbank rates (IBORs) has become a priority for global regulators. There is currently uncertainty about the precise timing and nature of these changes. To transition from existing contracts and agreements that reference LIBOR, adjustments for term differences and credit differences may be necessary to allow the two benchmark rates to be economically equivalent in transition.

The amendments made to IFRS 9 Financial Instruments, IAS 39 Financial Instruments: Recognition and Measurement and IFRS 7 Financial Instruments: Disclosures provide certain alternatives in relation to the benchmark interest rate reform. The alternatives relate to hedge accounting and have the effect that the reforms generally should not bring hedge accounting to an end. However, any hedging ineffectiveness must continue to be recorded in the income statement. Given the pervasive nature of hedges involving interbank rate-based contracts (IBORs), the alternatives will affect companies across all industries.

Accounting policies related to hedge accounting should be updated to reflect the alternatives. Fair value disclosures may also be affected due to transfers between levels of the fair value hierarchy as markets become more or less liquid.

The Group does not expect significant impacts from this modification; in any case, it is evaluating the impact that they could have on the financial statements.

Annual improvements to IFRS Standards 2019–2021 cycle

The following improvements were completed in May 2021:

• IFRS 9 Financial Instruments: clarifies which commissions should be included in the 10% test for derecognition of financial liabilities.

• IFRS 16 Leases: modifies illustrative example 13 of the standard to eliminate the illustration of lessor payments related to improvements to leased assets, to eliminate any confusion about the treatment of lease incentives.

• IFRS 1 First-time Adoption of International Financial Reporting Standards: allows entities that have measured their assets and liabilities at the book value recorded in their parent's accounting, also measure accumulated translation differences using the amounts reported by the matrix. This amendment will also apply to associates and joint ventures with some conditions.

• IAS 41 Agriculture: eliminates the requirement that entities exclude tax cash flows when measuring fair value under IAS 41.

The Group expects no significant impacts from this modification; in any case, it is evaluating the impact that they could have on the financial statements.

Conceptual framework

The IASB has issued a revised Conceptual Framework to be used in standard setting decisions with immediate effect. Key changes include:

• Increasing the importance of management in the objective of financial reporting;

• Restore prudence as a component of neutrality;

• Define a reporting entity, which can be a legal entity or a part of an entity;

• Review the definitions of an asset and a liability;

• Eliminate the probability threshold for recognition and add guidelines on derecognition;

• Add guidelines on different measurement bases, and

• Indicate that profit or loss is the main performance indicator and that, in principle, income and expenses in other comprehensive income should be recycled when this improves the relevance or faithful representation of the financial statements.

No changes will be made to any of the current accounting standards. However, entities that rely on the Framework to determine their accounting policies for transactions, events or conditions that are not otherwise addressed in the accounting standards will be required to apply the revised Framework as of January 1, 2021. These entities will need to consider whether their accounting policies continue to be appropriate under the revised Framework.

2.4. Relevant Estimates and Accounting Criteria

In the preparation of the Financial Statements, specific estimates have been used by the Group's Management, the business units, and the supporting areas to quantify some assets, liabilities, revenues, expenses and commitments registered therein.

The estimates basically refer to:

- Hypotheses used in actuarial calculation of liabilities and obligations with the employees, such as discount rates, mortality rates, salary increases, etc. (See Note 3.1.13)
- The useful life of intangible assets and property, plant and equipment. (See Notes 3.1.7 and 3.1.6)
- The hypotheses used for the calculation of the fair value of the financial instruments. (See Notes 3.1.1.2 and 3.1.1.3).
- The expected credit loss from commercial accounts receivable and other financial assets (See Note 3.1.9 (b))
- Revenues for energy delivered and not invoiced at the end of the year derived from the provision of the energy service as the consumption reading is pending in each of the billing cycles, which are estimated by applying elements of judgment for their determination.
- Revenues from construction contracts are recognized in accordance with the progress of costs incurred, applying the recourse method.
- Variations in income from rate changes, according to regulatory updates.
- Specific magnitudes of the electric system, including those corresponding to other companies, such as production, customer billing, power consumed, etc., which allow to estimate the global liquidation of the electric system that will be materialized in the respective final liquidations, pending billing on the issue date of the consolidated Financial Statements and that could affect the balances of assets, liabilities, revenues and costs registered therein.
- Probability of occurrence and amount of uncertain or contingent liabilities. (See Note 3.1.11)
- Future disbursements for restorations and dismantling, as well as the discount rates to be used. (See Note 3.1.8).
- Tax results, which will be declared to the respective tax authorities in the future, which have served as basis for recording the various balances related to income taxes in the current Financial Statements. (See Notes 3.1.12).

These judgments and estimates have been made relying on the best information available on the issue date of these consolidated Financial Statements. It is possible that future events will force their change, either upwards or downwards, in future periods, which would be done prospectively, recognising the effects of changes in the judgment or estimates in the respective future Financial Statements.

2.5. Subsidiaries

Subsidiaries are considered to be those companies controlled by Codensa S.A. E.S.P. directly or indirectly. Control is exercised if, and only if, the following elements are present: i) power over the subsidiary, ii) exposure, or right, to variable returns of these companies, and iii) ability to use power to influence the amount of these returns.

Codensa S.A. E.S.P. has power over its subsidiaries when it owns the majority of the substantive voting rights, or without this situation occurring, it has rights that give it the current ability to direct its relevant activities, that is, activities that significantly affect the returns of the company. subsidiary.

Codensa S.A. E.S.P. will reassess whether or not it has control in a subsidiary company if the facts and circumstances indicate that there have been changes in one or more of the elements of control mentioned above.

2.6. Associates and Joint arrangements

An associate is an entity over which Codensa S.A. E.S.P. has significant influence on financial and operating policy decisions, without having control or joint control.

Joint arrangements are those entities in which Codensa S.A. E.S.P. exercises control through the arrangement and jointly with third parties, i.e., when decisions on their relevant activities require the unanimous consent of the parties that share control. Joint arrangements are classified into:

Joint venture is an entity that the company controls jointly with other participants, where they maintain a contractual agreement that establishes joint control over the relevant activities of the entity. The parties have rights to the net assets of the entity. As of the date of acquisition, the excess of the acquisition cost over the net fair value of identifiable assets, liabilities and contingent liabilities assumed by the associate or joint venture is recognized as goodwill. Goodwill is included in the book value of the investment, is not amortized and is individually tested for impairment.

Joint operation: Arrangement whereby the parties exercising joint control are entitled to the assets and liabilities with respect to the liabilities related to the arrangement.

Un opA joint operator will recognize in relation to its interest in a joint operation: (a) its assets, including its interest in jointly held assets; (b) its liabilities, including its share of the liabilities incurred jointly; (c) its ordinary revenues from the sale of its interest in the proceeds of the joint operation; (d) its share of revenues from ordinary activities arising from the sale of the product of the joint operation; and (e) its expenses, including its share of expenses incurred jointly.

As of the issue date of the financial statements, the Group has no investments in associates and has not registered any goodwill generated on investments in associates and joint ventures or joint arrangements.

2.7. Investments accounted for using the equity method

The interests that the Group holds in joint ventures and associates are recorded following the equity method.

According to the equity method, the investment in an associate or joint venture is initially recorded at cost. From the date of acquisition, the investment in the statement of financial position is recorded by the proportion of its total equity that represents the Group's share in its capital, once adjusted, as the case may be, the effect of the transactions carried out with the Group, plus the capital gains that have been generated in the acquisition of the company. If the resulting amount is negative, the participation is left at zero in the statement of financial position, unless there is a present obligation (whether legal or implicit) on the part of the Group to replenish the equity situation of the company, in which case, the corresponding provision is recorded.

The capital gains relating to the associate or joint venture are included in the book value of the investment and are not amortized and no individual impairment test is performed.

The dividends received from these companies are recorded reducing the value of the investment and the results obtained by them, which correspond to the Group according to its interest, are recorded in the item "Interest in gain (loss) of associates accounted for by the equity method".

As of the issue date of the financial statements, the Group has no investments in joint ventures or associates.

2.8. Principles of consolidation and business combinations

Subsidiaries are consolidated by integrating all their assets, liabilities, revenues, expenses and cash flows into the consolidated financial statements once the corresponding adjustments and eliminations of intra-Group transactions have been made.

The comprehensive income of subsidiaries are included in the consolidated statement of comprehensive income from the date when the Parent Company obtains control of the subsidiary until the date on which it loses control over it.

The consolidation of the operations of Codensa S.A. E.S.P. Parent Company and of the subsidiaries has been carried out following these basic principles:

(1) (1) At the date of taking control, the assets acquired and liabilities assumed from the subsidiary are recorded at fair value, except for certain assets and liabilities that are recorded following the valuation principles established in other CFRS. If the fair value of the consideration transferred plus the fair value of any non-controlling interest exceeds the fair value of the net assets acquired from the subsidiary, this difference is recorded as capital gains. In the case of a low-priced purchase, the resulting gain is recorded with a credit to profit or loss, after reassessing whether all the acquired assets and assumed liabilities have been correctly identified and reviewing the procedures used to measure the fair value of these amounts.

For each business combination, the company chooses if it values the non-controlling interests of the acquiree at fair value or by the proportional part of the net identifiable assets of the acquiree.

If it is not possible to determine the fair value of all assets acquired and liabilities assumed at the acquisition date, the company will report the provisional values recorded. During the measurement period, which will not exceed one year from the date of acquisition, the recognized provisional values will be retrospectively adjusted and additional assets or liabilities will be recognized to reflect new information obtained on events and circumstances that existed on the date of acquisition, but that were not known by management at that time.

In the case of business combinations carried out in stages, at the acquisition date, the share previously held in the equity of the acquired company is measured at fair value and the resulting gain or loss, if any, is recognized in the year's profit or loss.

(2) The value of the shareholding of the non-controlling shareholders in the equity and in the comprehensive results of the subsidiaries is shown, respectively, in the headings "Total equity: Non-controlling interests in the consolidated statement of financial position and "Gain (loss) attributable to non-controlling interests" and "Comprehensive income attributable to non-controlling interests" in the consolidated comprehensive income statement.

(3) Consolidated companies have the Colombian peso as their functional currency, therefore there is no conversion of foreign currency.

(4) Balances and transactions between the consolidated companies have been eliminated in their entirety in the consolidation process.

(5) Changes in interest in the subsidiaries that do not result in a loss of control are recorded as equity transactions, the carrying amount of the control and non-controlling interest being adjusted to reflect the changes in its relative shares in the subsidiary. The difference that may exist, between the value by which the non-controlling interests are adjusted and the fair value of the consideration paid or received, is directly recognized in the Equity attributable to the owners of the parent company.

(6) Business combinations under common control are recorded using the "pooling of interests" method as reference. Under this method, the assets and liabilities involved in the transaction are reflected at the same book value in which they were registered in the parent company, the foregoing without prejudice to the possible need to make accounting adjustments to homogenize the accounting policies of the companies involved.

Any difference between the assets and liabilities contributed to the consolidation and the consideration given is recorded directly in equity as to debit or credit to other reserves. The company does not apply a retrospective registration of business combinations under common control.

(7) When control over a subsidiary is lost, the assets and liabilities of the subsidiary, any related non-controlling interest and other components of equity are derecognized. Any resulting gain or loss is recognized in profit or loss. If any interest in the former subsidiary is retained and it is accounted for using the equity method, the gain or loss arising from the new measurement at fair value is recognized in profit or loss only to the extent of the interest in the new associate. ; If the interest that is retained is accounted for in accordance with IFRS 9, the part of the gain or loss is fully recognized in profit or loss.

3. Accounting Policies

3.1. Accounting Policies Applicable to General Purpose Consolidated Financial Statements

The main accounting policies applied when preparing the accompanying general purpose consolidated financial statements are the following:

3.1.1. Financial Instruments

3.1.1.1. Cash and Cash Equivalents

This item in the Financial Statement includes cash, bank balances, term deposits and other short-term investments less than or equal to 90 days after the date of investment, with high liquidity rapidly realized in cash and which have a low risk of change in value.

3.1.1.2. Financial Assets

The Group classifies its financial assets in the following measurement categories: measured at fair value and measured at amortized cost. The classification depends on whether the financial asset is a debt or equity instrument.

3.1.1.2.1 Debt Instrument

Financial assets are classified at amortized cost and fair value.

(a) Financial Assets at Amortized Cost

A financial asset is classified as measured at "amortized cost" only if it meets the following criteria: the purpose of the business model of the Group is to keep the asset to obtain contractual cash flows, and the contractual terms give rise, on specified dates, to receiving cash flows that are only principal and interest payments on the unpaid balance.

The nature of the derivatives implicit in a debt investment is taken into account to determine whether the cash flows of the investment are only principal and interest payments on the unpaid balance and, in such event, these are not accounted for separately.

(b) Financial assets at fair value through other comprehensive income

The financial assets held for the collection of contractual cash flows and for selling assets, where the cash flows of the assets represent only payments of principal and interest, and which are not designated at fair value through profit or loss, are measured at fair value through other comprehensive income. The movements in the book value are taken through other comprehensive income, except for the recognition of gains or losses due to impairment, interest revenues and exchange gains and losses in the amortized cost of the instrument, which are recognized through profit or loss. When the financial asset is derecognized, the accumulated gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss. Interest revenues from these financial assets are included in "interest revenues" using the effective interest rate method.

(c) Financial assets at fair value through profit or loss

Assets that do not meet the requirements for amortized cost or fair value through other comprehensive income are measured at fair value through profit or loss. A loss or gain on a debt instrument that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognized in the income statement for the period in which it arises, unless it arises from debt instruments that were designated at fair value or that are not held for trading. Interest revenues from these financial assets are included in "interest revenues" using the effective interest rate method.

3.1.1.2.2 Equity Instrument

All equity instruments are measured at fair value. Equity instruments held to negotiate are measured at fair value through profit or loss. For other equity instruments, the Group can make an irrevocable election in the initial recognition to recognize changes in fair value through other comprehensive income in equity.

3.1.1.2.3 Derivative Financial Instruments and Hedging Activities

Derivatives are recognized at their fair value on the date the contract is executed and are constantly revised at fair value.

If derivative financial instruments are not qualified for recognition through the hedging accounting treatment, they are registered at fair value through profit or loss. Any change in the fair value of the derivatives is immediately recognized in profit or loss as "other gains / losses, net". If they are designated for hedging, the method to recognize the gain or loss from the changes in the fair value of the derivatives depends on the nature of the risk and the item being hedged.

The Group designates certain derivatives as:

(a) Fair value hedging of recognized assets or liabilities (fair value hedges);

(b) Hedging of a particular risk associated with a recognized asset or liability or a highly probable expected transaction (cash flow hedges); or

(c) Hedging of net investments in an overseas operation (net investment hedges).

The Group documents, at the beginning of the hedging, the relationship of the hedging instruments and the hedged items, as well as their objectives and risk management strategy supporting the hedging transactions. The Group also documents its assessment, both at the beginning of the hedge and periodically, on whether the derivatives used in the hedging transactions are highly effective to compensate for the changes in fair values or cash flows of the hedged items.

The total fair value of the derivatives used as hedging is classified as non-current asset or liability when the maturity of the remaining hedged item is greater than 12 months, and classified as current asset or liability when the maturity of the remaining hedged item is less than 12 months. The derivatives that are used for hedging or that are held for negotiation are classified as current assets or liabilities.

(a) Fair value hedging

Changes in fair value of derivatives designated and qualified as fair value hedges are registered in the income statement, and the gain or loss of the hedged item attributable to the hedged risk adjust the book value of the hedged item and is recognized in profit or loss.

The gain or loss related to the cash portion of the derivatives is recognized in the income statement as "financial expenses", as well as the non-cash portion, which is also recognized in the income statement but as "other gains/(losses), net".

If the hedging no longer meets the criteria to be recognized through the hedging accounting criteria, the adjustment of the book value of the hedged item is amortized in profit or less using the effective interest method in the remaining period until its maturity.

As of the date of these financial statements the Group has no fair value hedges.

(b) Cash flow hedging

The cash portion of the changes in fair value of the derivatives designated and qualified as cash flow hedges are recognized through other comprehensive income. The gain or loss relative to the non-cash portion is recognized immediately in the income statement as "other gains/ (losses), net".

The amounts accrued in net equity are registered in the income statement for the periods on which the hedged item affects them (for example, when the projected hedged sale occurs). However, when the foreseen hedged transaction results in the recognition of a non-financial asset, the gains or losses previously recognized in equity are transferred from equity and included as part of the initial cost of the asset. The capitalized amounts are finally recognized in the cost of sales when the products are sold, if dealing with inventory, or in the depreciation, if dealing with property, plant and equipment.

When a hedging instrument expires or is sold, or when it no longer meets the criteria to be recognized through the hedging accounting treatment, any gain or loss accrued in equity on that date is kept in equity and recognized when the projected transaction affects the income statement. When no projected transaction is expected, the accrued gain or loss in equity is transferred immediately to the income statement as "other gains/(losses), net."

(c) Hedges of a Net Investment in a Foreign Operation

Net investment hedges of operations abroad are accounted for in a similar manner as the cash flow hedges. Any gain or loss of the hedging instrument related to the cash portion of the hedging is recognized through other comprehensive income. The gain or loss related to the non-cash portion of the hedging is immediately recognized in the income statement as "other gains / (losses), net".

Accrued gains and losses in equity are transferred to the income statement when the operation is sold or partially written-off.

As of the date of these financial statements, the Group has no net investment hedges abroad.

3.1.1.3. Financial liabilities

Financial liabilities are classified as subsequently measured at amortized cost, except for financial liabilities at fair value through profit or loss; this classification applies to the derivatives constituted to cover obligations that reflect the strategy that the Group has to cover the market risks associated with the interest rate or the exchange rate.

3.1.1.3.1 Debts (Financial Obligations and Bonds)

Debts are initially recognized at fair value, net of costs incurred in the transaction. Debts are subsequently registered at their amortized cost; Any difference between the funds received (net of the costs of the transaction) and the redemption value is recognized in the income statement during the loan period using the effective interest method.

The costs incurred to obtain the debt are recognized as transactions to the extent that it is likely that the debt will be received in whole or in part. In such case, the fees are deferred until the loan is received. If there is no evidence of the likelihood that part or all of the debt will be received, the fees are capitalized as prepaid costs paid for services to obtain liquidity and are amortized in the respective loan period. If the costs incurred are immaterial, they may be recorded in income at the time of issuance of the securities.

Loans are classified in current liabilities, unless the Group has the unconditional right of deferring the payment of the obligation at least 12 months from the date of the balance sheet.

The costs of general and specific assets are directly attributable to the acquisition, construction or production of suitable assets, which are those required to be substantially used for the expected use or are they added to the cost of said assets until the assets are substantially prepared for their use or sale. Revenues from investments obtained in the temporary investment of resources obtained from specific debts that have not yet been invested on qualified assets are deducted from the costs of interest susceptible of capitalization. All other debt costs are recognized in the income statement in the period in which they are incurred.

3.1.1.4. Financial Assets and Financial Liabilities with Related Parties

Loans and debts with related parties are initially recognized at the fair value of the transaction plus the directly attributable transaction costs. After the initial recognition, these loans and debts are measured at their amortized cost, using the effective interest method. The amortization of the interest rate is recognized in the income statement as revenues or financial costs or as other operating revenues or expenses, depending on the nature of the asset or liability that generates it.

3.1.1.5. Commercial Accounts Payable

Commercial accounts payable are payment obligations for goods or services that have been acquired from vendors in the ordinary course of business. Accounts payable are classified as current liabilities if the payment is to be made within a one-year term or less. If the payment is to be made over a period greater than one year, these are then presented as non-current liabilities.

Commercial accounts payable are initially recognized at fair value and subsequently at amortized cost using the effective interest method.

3.1.1.6. Recognition and Measurement

Conventional purchases and sales of financial assets are recognized on the date of negotiation, which is the date when the Group undertakes to purchase or sell the asset. Financial assets are written-off when the right to receive cash flows have expired or have been transferred and the Group has substantially transferred all risks and benefits inherent to the property.

In the initial recognition, the Group measures financial assets at fair value; however, in the case of a financial asset that is not measured at fair value through profit or loss, the transaction costs directly attributable to the acquisition of the financial asset will affect the value of the asset. The financial asset transaction costs that are measured at their fair value through profit or loss are directly accounted for in the profit and loss account.

The gain or loss in a debt instrument that is subsequently measured at its fair value and which is not part of a hedging operation is recognized in profit or loss and presented in the income statement as "other gains/(losses) - net" in the period in which they are accrued.

The gain or loss in a debt instrument that is subsequently measured at its amortized cost and which is not part of a hedging operation is recognized in profit or loss of the period when the financial asset is written-off or impaired through the amortization process using the effective interest method.

Subsequently, the Group measures all equity instruments at fair value. When Management has opted for presenting unrealized and realized fair value gains or losses, and losses in equity instruments in other comprehensive income, such fair value gains and losses cannot be registered in profit or loss. Dividends from equity instruments are recognized in profit or loss, provided they represent a return on investment.

The Group must reclassify all affected debt instruments if, and only if, its business model for management of financial assets changes.

3.1.1.7. Offsetting of Financial Instruments

Financial assets and liabilities are offset and their net value is presented in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and Management has the intention of liquidating the net amount or realization of the asset and pay for liabilities simultaneously.

3.1.1.8. Fair Values of Investments

The fair values of investments with stock prices are based on their current listed price. If the market for a financial instrument is not active or the instrument is not listed in the stock exchange, the Group establishes its fair value using appropriate valuation techniques depending on the situations.

These techniques include the use of values observed in recent transactions performed under the terms of free competition, reference to other instruments that are substantially similar, analysis of discounted cash flows and models of options making the best possible use of market information and relying as reasonably possible on in-house specific data.

3.1.2. Inventories

The stock in inventories includes goods for sale or internal consumption which the risks and benefits of the property have been acquired; this classification includes materials such as those managed in warehouses of the Group's logistics operator.

The inventories are shown in the current asset of the financial statements, even if accounted for after 12 months, insofar as it is considered that they belonged to the ordinary operating cycle.

The cost of inventories consists of the purchase cost and all costs that are directly or indirectly attributable to the inventory, for example: transport, customs duties, insurance, non-recoverable indirect taxes, etc. and net of discounts, bonuses and premiums of a commercial nature.

The cost is measured in accordance with the weighted average method, which considers the units of an article purchased on different dates and with costs as part of a set in which individual purchases are no longer identifiable but all of them are equally available.

The weighted average cost must include additional charges, for example: sea freight cost, customs duties, insurance etc., chargeable and acquired during the period.

The cost of inventories may not be recoverable if inventories are damaged, partially or totally obsolete, or in some cases due to low turnover.

Obsolete materials are understood as those not expected to be sold or used during the Group's ordinary operating cycle, such as scrap and technologically outdated materials. Surplus at a stock level that can be considered reasonable, in accordance with the regular use expected in the ordinary operating cycle, are considered of slow movement. Obsolete and slow movement inventories have the possibility of being used or realized, which in some cases represent their cost as scrap sales.

Inventory items that are used in maintenance affect the Group's results.

3.1.3. Non-current Assets Held for Sale and Discontinued Activities

The Group classifies as non-current assets those held for sale of property, plant and equipment, intangibles, investments in associates, joined ventures and groups subject to disposal (group of assets that will be sold together with their associated liabilities), relative to which on the closing date of the statement of financial position active processes for their sale have started and it is estimated that such sale is highly likely.

These assets or groups subject to disposal are accounted for at the lowest value of either the book value or the fair value, less costs until the sale, and are no longer amortized or depreciated from the moment they are classified as non-current assets held for sale.

Non-current assets held for sale and the components of groups subject to disposal classified as held for sale are presented in the statement of financial position as follows: Assets on a single line item that reads "Non-current assets or group of assets for disposal, classified as held for sale" and liabilities also on a single line item that reads "Liabilities included in groups of assets for disposal, classified as held for sale."

In turn, the Group considers discontinued activities the significant and separable business lines that have been sold or have been disposed of by different means, or that meet the conditions to be classified as held for sale, including, in each case, other assets that together with the business line are part of the same sales plan. In addition, discontinued activities are also those entities acquired exclusively for resale purposes.

Gains or losses after taxes of discontinued activities are presented on a single line item of other comprehensive income called "gain (loss) of discontinued operations".

3.1.4. Business Combination

In a business combination, the Group records at fair value the assets acquired and liabilities assumed by the subsidiary at the date of control, except for certain assets and liabilities that are recorded in accordance with the measurement principles established in other IFRS. If the fair value of the transferred consideration plus the fair value of any non-controlling interest exceeds the fair value of the subsidiary's net assets acquired, this difference is recorded as goodwill. In the event of a low-priced purchase, the resulting gain is recorded with a credit to profit or loss, after reassessing whether all assets acquired and liabilities assumed have been correctly identified and reviewing procedures used to measure the fair value of these amounts.

For each business combination, the Group chooses whether to measure the non-controlling interests of the acquired company at fair value or at the proportional part of the identifiable net assets of the acquired company. If it is impossible to determine the fair value of all assets acquired and liabilities assumed on the date of acquisition, the company will report the provisional values recorded. During the measurement period, which will not exceed one year from the date of acquisition, the recognized provisional values will be adjusted retrospectively and additional assets or liabilities will also be recognized to reflect new information obtained on facts and circumstances that existed at such date but were not known to Management at that time. In the case of business combinations conducted in stages, at the date of acquisition, a fair value is measured of the interest previously held in the equity of the acquired company and the resulting gain or loss, if any, is recognized in profit or loss.

Acquisition costs incurred are charged to expenses and are presented in administrative expenses in the income statement.

As of the date of these financial statements, the Group has no business combinations.

3.1.5. Intangible Assets

Intangible assets are recognized initially for their cost of acquisition or production and, subsequently, are valued at net cost of the respective cumulative amortization and impairment losses that, in each case, have been incurred.

Intangible assets are amortized linearly throughout their life, from the moment when they are in usable condition. The Group evaluates in the initial recognition whether the useful life of the intangible assets is defined or indefinite and the amortization period, which is reviewed at the end of each year.

The criteria for recognizing impairment losses of these assets and, in each case, the recovery of impairment losses registered in previous years are explained in the asset value impairment policy.

(a) Research and Development Expenses

The Group applies the policy of recording as intangible assets in the statement of financial position the cost of projects in their development phase, provided that their technical viability and economic profitability are reasonably assured.

Research costs are recognized directly in profit or loss.

(b) Other Intangible Assets

These assets correspond mainly to IT software, right of way and easements. Their accounting recognition is done initially at the cost of acquisition or production and are subsequently measured at net cost of the respective cumulative amortization and impairment losses that, in each case, have been incurred.

Average remaining useful life for amortization:

	Years of estimated useful life	
Item	**As of December 2021**	**As of December 2020**
Development costs	8	7
Licenses	3	3
Easements	41	33
Software	5	4

The gain or loss on derecognition of an intangible asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized as other gains (losses) in the statement of income.

3.1.6. Property, Plant and Equipment

Property, plant and equipment are initially recognized by their cost of acquisition and are subsequently valued at the net cost of their corresponding accumulated depreciation and impairment losses.

In addition, at the price paid for the acquisition of each item, the cost also includes, where appropriate, the following items:

- The costs of general and specific interests are directly attributable to the acquisition, construction or production of suitable assets, which are those required for a given substantial time before they are ready for the expected use or are they added to the cost of said assets until the time the assets are substantially ready for their intended use or sale. The Group defines substantial period as a term exceeding twelve months. The interest rate used corresponds to the specific financing or, if unavailable, the average financing rate of the company making the investment.
- Personnel expenses related directly to constructions in progress.
- Future disbursements that the Group will have to make with respect to the closing of its facilities are incorporated into the asset value for the updated value, recognizing from an accounting standpoint the respective provision for dismantling or restoration. The Group annually reviews its estimates on the aforementioned future disbursements, increasing or decreasing the asset value based on the results of said estimation. (See Note 16).
- Future disbursements for environmental commitments for new projects, as well as discount rates to be used.
- Components of property, plant and equipment are the spare parts that meet the recognition characteristics; These spare parts are not part of that material inventory.

Constructions in progress are transferred to assets in operation once the trial period ends, i.e., when they are available for use, after which their depreciation begins.

The costs for expansion, modernizing or improvement representing an increase in productivity, capability, efficiency or extension of useful life are capitalized as greater cost of the respective assets.

The substitutions or renovations of complete items that increase the useful life of a good, or its economic capacity, are registered as the greater value of the respective goods, taking the substituted or renewed items out of the accounting.

Periodical maintenance, conservation and repair disbursements are registered directly in the income statement as costs in the corresponding period.

Based on the process of the impairment testing, the Group considers that the book value of the assets does not exceed their recoverable value thereof.

Property, plant and equipment, in this case net of its residual value, is depreciated distributing linearly the cost of the variable components during their estimated useful life, which constitutes the time during which the Group expects to use them. The estimated useful life and residual value are revised periodically and, if applicable, adjusted prospectively. The Group did not consider significant the residual value of its fixed assets.

Land is not depreciated because it has an indefinite useful life, except when it is related to a right-of-use asset, in which case it is depreciated over the term of the lease.

The average remaining useful lives used for depreciation are:

Types of property, plant and equipment	Estimated years of useful life range 2021	Estimated years of useful life range 2020
Buildings	33	40
Distribution plants and equipment		
Substations	29	29
High voltage network	28	30
Low and medium voltage network	27	26
Metering and tele-control equipment	13	20
Finance leases		
Fixed installations and others (Vehicles)	0	2
IFRS 16 right-of-use assets (*)		
Fixed and other installations	20	18
Vehicles	4	4
Furniture	7	7
Fixed installations and accessories	8	8
Computer equipment	6	5

(*) In accordance with IFRS 16, the useful life is estimated based on the term of the contracts.

In 2014, the opening of electrical assets such as substations, lines and networks in the accounting system was made, and the remaining average useful life was modified, and was applied as of 1 January 2015.

The change in useful life corresponds to the average of each category, which may vary from one year to the next due to the effect of fully depreciated assets.

Land is not depreciated because it has an indefinite useful life, except when it is related to a right-of-use asset, in which case it is depreciated over the term of the lease.

The excess of the tax depreciation over the accounting depreciation generates a tax effect that is registered as a deferred tax liability.

The gains or losses arising from sales or withdrawals of goods under property, plant and equipment are recognized as other gains (losses) in the comprehensive income, and are calculated by deducting from the sum received from the sale, the net accounting value of the asset and the respective sale costs.

3.1.7. Asset Impairment

(a) Non-financial Assets (Except Inventories and Deferred Tax Assets)

Throughout the period, and essentially on the closing date, an assessment is performed to determine whether there are indications that an asset could have been subject to impairment loss. Should there be any sign, an estimate is made of the recoverable value of said asset to determine, where applicable, the value of the impairment. If dealing with identifiable assets not generating cash flows independently, the recoverability is estimated for the Cash-Generating Unit (CGU) to which the asset belongs, understanding as such the smaller group of identifiable assets generating independent cash inflows.

In the Group, all the assets operate in a comprehensive manner and the independent cash flows by component cannot be considered; Therefore, the Group in its entirety is taken as the CGU Cash Generating Unit.

The recoverable value is the greater of the fair value less the cost required for its sale and the value in use, the latter being the current value of estimated future cash flows. To calculate the recovery value of property, plant and equipment, capital gain, and intangible assets, the value in use is the criterion used by the Group in nearly every case.

To estimate the value in use, the Group prepares the projections of cash flows before taxes based on the most recent budget available. These budgets incorporate the best estimates of the Management regarding revenues and costs of the Cash-Generating Units, using sector projections, past experience and future expectations.

These projections generally cover the estimate cash flows for coming years by applying reasonable growth rates. These flows are deducted to calculate its current value at a rate before taxes, which reflects the business capital costs. This calculation takes into account the current cost of money and risk premiums generally used among business analysts.

In the event the recoverable value of the CGU is less than the net book value of the asset, the respective provision for the impairment loss is registered for the difference, debited to the item "Impairment loss" in the income statement. Said provision is allocated, first, to the added value of the CGU, if any, and then to the other assets that make it up, by prorating on the basis of the accounting value of each of them, with a cap of their fair value less the sales cost, or its use value, with no possibility of a negative value.

Impairment losses recognized in an asset in previous years are reversed when there is a change in the estimates of the recoverable amount, increasing the value of the asset, crediting profit or loss with the cap of the book value that the asset would have had should the accounting adjustment not be made. With respect to capital gain, accounting adjustments that could have been made are not reversible.

(b) Financial Assets

The Group determined the expected credit loss on all its debt securities, loans and accounts receivables, either for 12 months or for the useful life of the assets, recognizing the impairment in advance from the first day and not waiting for an event that indicates the impairment of the financial asset.

The expected credit loss will be determined periodically applying the models defined by the group as follows:

Simplified collective model

It is applied in general for the commercial portfolio of Codensa S.A. E:S.P. considering the following categories:

- Residential
- Commercial
- Industrial
- Official
- Public Lighting and
- Other businesses (VAPS)

The model is based on statistical information from three years, from which it determines the percentages of expected credit loss for each maturity range, multiplying the Probability of Default by the Loss Given Default. These percentages are applied to the balances of the invoiced and estimated commercial portfolio.

Simplified individual model

This model is applied to the commercial portfolio for customers that, due to their characteristics, require individual analysis. In addition, this model considers the category of tolls that is adjusted to this methodology by the low number of customers that comprise it.

The expected credit loss is calculated on the balance of the invoiced and estimated portfolio for each counterparty, multiplying it by following variables.

Probability of Default (PD): Can be provided by an external provider, if available, or by evaluating the financial statements of the counterparty. In case of not having a specific PD by the aforementioned mechanisms, according to the group guidelines, the country rating minus three notches will be used. If there are indications of impairment, they will be reflected in this variable, reaching one hundred percent where appropriate.

Loss Given Default (LGD): The percentage of loss that would be generated if the breach materializes. It is calculated by the difference with the estimated recovery rate. In case of not having a specific LGD, in accordance with the group guidelines, the Basel II model will be used.

General collective model

Under this model, all other financial assets other than commercial accounts receivable, which are within the scope of IFRS 9, are evaluated. This model groups the counterparties into four categories defined by the group:

- Public administrations
- Institutional counterparties
- Loans to employees
- Other assets

The expected credit loss is calculated on the balance of each category multiplying it by the following variables:

Probability of Default (PD): It is determined in accordance with the group guidelines for each category, considering the Group's rating, the financial entity and the country, in some cases deducting three notches afterwards. If there are indications of impairment, they will be reflected in this variable, reaching one hundred percent where appropriate.

Loss Given Default (LGD): The percentage of loss that would be generated if the breach materializes. It is calculated by the difference with the estimated recovery rate. In case of not having a specific LGD, in accordance with the group guidelines, the Basel II model will be used.

3.1.8. Leases

La NIIF 16 - arrendamientos establece criterios específicos para el arrendador y el arrendatario.

Arrendatario

IFRS 16 Leases became effective as of January 1, 2019. In its application, the Company evaluates the nature of the transactions that take the legal form of a lease. The standard provides specific criteria for the lessor and the lessee.

A contract contains a lease if it conveys the right to control the use of the identified asset, in exchange for consideration. Therefore, the following parameters establish the conveyance of control:

- There must be an identified asset in the lease.
- The lessee must have the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use.
- The lessee has the right to direct the use of the identified asset throughout the period of use. This is determined if:
    - The lessee has the right to operate the identified asset throughout the period of use without the supplier having the right to change those operating instructions, or
    - The lessee has designed the identified asset in a way that predetermines how and for what purpose the asset will be used throughout the period of use.

If the parameters mentioned above are not met, the contracts will not constitute a lease under the parameters established in IFRS 16.

If a finance lease is set up, the lessee must recognize the right-of-use assets and finance lease liabilities at the beginning of the contract.

The standard includes two recognition exemptions for lessees:

- Leases for which the underlying asset is of low value, and
- Short-term leases (i.e., leases with a lease term of 12 months or less)

In this case, they are recognized in profit or loss, and there is no place for right-of-use assets or lease liabilities.

The lease liability is measured at the present value of the non-cancellable payments during the term agreed in the contract; discounted using the interest rate implicit in the lease, or the incremental borrowing rate on the start date. Subsequently, lessees are required to remeasure the lease liability when certain events occur (for example, a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine the payments). The amount of the remeasurement of the lease liability will be recognized as an adjustment to the right-of-use asset.

The right-of-use asset is initially recognized at the commencement date and measured at cost, consisting of: i) The lease liability, which is the present value of the non-cancellable lease payments, discounted using the interest rate implicit in the lease, or the incremental interest rate on the commencement date, ii) the lease payments made at or before the commencement date, less any lease incentives received, iii) the initial direct costs incurred by the lessee and iv) an estimate of the costs to be incurred by the lessee for dismantling or restoring the asset.

Interest expense must be recognized separately from the lease liability and depreciation expense from the right-of-use asset. Lessees are also required to remeasure the lease liability when certain events occur (for example, a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine the Payments). The amount of the new measurement of the lease liability will be recognized as an adjustment to the asset for the right of use, except for the considerations that can be recognized directly in profit or loss.

Lessor

The lessor classifies leases either as operating or finance lease. They are classified as finance lease when substantially all of the risk and rewards incidental to ownership of the underlying asset have been transferred. If the risk and rewards of the underlying asset are not transferred they will be classified as operating lease.

Finance Lease

At the beginning of the contract, the lessor recognizes the leased assets and presents them as an account receivable for a value equal to the net investment of the lease.

When the lessor is a manufacturer or dealer, revenue is recognized as the fair value of the underlying asset discounted using a market rate of interest. In addition, cost of sale is recognized as the cost, or carrying amount if different, of the underlying asset.

Operating Lease

Lessor recognizes revenue from lease payments of underlying assets on a straight-line basis.

The underlying assets subject to lease are reflected in the statement of financial position according to the nature of the underlying assets.

3.1.9. Contingent Provisions, Liabilities and Assets

Obligations existing at the date of the financial statements arising as a result of past events that could give rise to a probable loss for the Group, the amount and timing of which are uncertain, are recorded in the statement of financial position as provisions at the present value of the most probable amount that the Group expects to have to disburse to settle the obligation.

The provisions are quantified considering the best information available on the issue date of the financial statements, related to the consequences of the event, including their cost to be re-evaluated at the subsequent accounting closing.

As part of the provisions, the Group includes the best estimates on risk of civil, labor and fiscal lawsuits; therefore, it is not expected that additional liabilities will be derived therefrom other than those registered. Given the characteristics of the risks covered by these provisions, it is not possible to determine certain payment dates for the estimated obligation. When assessing the probability, the available evidence should be considered, as well as case law and legal evaluation.

The risks of civil, labor and fiscal lawsuits that are considered contingent are disclosed in the notes to the financial statements. (See Note 16).

A contingent asset is caused by the occurrence, or non-occurrence, of one or more uncertain events in the future, which are not fully controlled by the company. The likely occurrence of benefits is disclosed and, if the realization of revenues is almost certain, recognized in the financial statements.

Contingent liabilities are obligations arising from past events, the existence of which is subject to the occurrence or non-occurrence of future events that are not wholly under the Company's control, or present obligations arising from past events, the amount of which cannot be reliably estimated or it is not likely that an outflow of resources will occur for its cancellation. Contingent liabilities are not recorded in the financial statements but are disclosed in notes thereto, except those that are individually included in the purchase price report, made in a business combination, the fair value of which can be reliably determined.

The Group will refrain from recognizing any contingent asset.

3.1.10. Taxes

Includes the cost of generally mandatory taxes in favor of the State and payable by the Group on account of private calculations that are determined on the taxable basis of the fiscal year, in accordance with tax regulations of national and territorial order governing the locations where the Group operates.

3.1.10.1. Income Tax and Deferred Tax

The income tax expense for the period includes income tax and deferred tax, resulting from the application of the type of levy on the period's taxable base, after applying the deductions that are fiscally permitted, plus the variation of assets and liabilities for deferred taxes and tax credits. Differences between the book value of assets and liabilities and their tax base generate the balance of deferred tax assets or liabilities, which are estimated using the tax rates expected to be valid when assets and liabilities are realized, considering for such purpose the rates that at the end of the reporting period have been approved or for which the approval process is close to an end.

The provision for income tax is calculated at the rate effective as of year end, under the accrual method of accounting, and is determined based on the commercial profit adjusted according to current tax regulations in order to properly connect the revenues of the period with their respective costs and expenses, registering the amount of the estimated liabilities.

Deferred tax assets are recognized as a result of all deductible temporary differences, losses and tax credits not used, to the extent that it is likely that there will be future tax gains sufficient to recover deductions for temporary differences and to make tax credits effective, except if the deferred tax relative to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that:

(a) is not a business combination, and

(b)) at the time it was realized, it did not affect either the accounting guarantee or the tax gain (loss).

With respect to deductible temporary differences related to investment in subsidiaries, associates and joint ventures, deferred tax assets are recognized only if it is likely that the temporary differences will revert in the foreseeable future and if there are tax gains against which the temporary differences can be used.

Deferred tax liabilities are recognized for all temporary differences, except for those derived from the initial recognition of capital gain and those whose origin is from the valuation of investment in subsidiaries, associates and joint ventures, where the Group can control their reversion and it is likely that there will be no reversions in a foreseeable future.

The current tax and the variations in deferred tax assets or liabilities are registered in profit or loss or in Total Equity lines in the statement of financial position, according to where the gains or losses that give rise to them have been registered.

The discounts that can be applied to the amount determined as current tax liability are charged to profit or loss as a "Income tax expense", except if there are doubts about tax realization, in which case they are not recognized until their effective materialization, or if they correspond to specific tax incentives, which will then be registered as grants.

For each accounting close, the registered deferred tax assets and liabilities are reviewed in order to prove that they are in force, making timely corrections thereon in accordance with the results of the aforementioned analysis.

Income tax is presented net, after deducting early payments made and withholdings in favor.

Deferred tax assets and liabilities are presented net in the statement of financial position if there is a legal right to offset current tax assets against current tax liabilities, and only if such deferred taxes are related to income taxes corresponding to the same tax authority.

3.1.10.2. Industry and Trade Tax

In applying of article 86 of Act 2010 of 2019, the Group recognized as an expense for the year all the industry and commerce tax caused in the year, the amount that can be attributed as a tax discount is treated as a non-deductible expense in the determination of the Income tax in the year, the tax discount applied decreases the value of the current income tax expense for the period; On the balances that could be applied as a tax discount for the following year, a deferred tax asset was recognized.

3.1.11. Employee Benefits

(a) Pensions

The Group has commitments related to pensions, both for defined provision and defined contribution, which are managed basically through pension plans. For the defined provision plans, the company registers the expenses corresponding to these commitments based on the accrual criterion throughout the employees' working life; as of the presentation date of the financial statements, there are actuarial studies calculated with the projected unit credit method; costs for past services corresponding to variations in benefits are recognized immediately and the commitments for defined provision plans represent the current value of obligations accrued. The Group does not have assets affected by these plans.

(b) Other Obligations Subsequent to the Workplace Relationship

The Group grants to its employees retired with pension, educational, electric energy and health benefits. The right to these benefits depends usually on the employee having worked until the age of retirement. The costs expected for such benefits are accrued during the employment term, using a methodology similar to that of the defined benefits plans. Actuarial losses and gains arise from adjustments based on experience and changes in actuarial assumptions, and are debited or credited to other comprehensive income in the period they occur. These obligations are measured annually or as required by the parent company, by qualified independent actuaries.

The retroactivity of severance pay, considered as post-employment benefits, is paid to employees belonging to the labor regime previous to Act 50/1990 and who decided not to benefit from the regime change, calculating this social benefit for the whole time worked, based on the last earned salary. In the latter case, only a reduced number of employees and actuarial gains and losses derived from adjustments from experience and changes in actuarial assumptions are debited or credited to other comprehensive income.

The Group implements voluntary retirement plans that, among their benefits, contemplate temporary annuities for those employees who take advantage of them and who lack the time stipulated in the plan to be entitled to an old age pension. The benefit consists of the payment of a temporary annuity for the time established in the act according to the guidelines of the plan, the value of the annuity will be paid on the average salary of each employee at the date of retirement. These payments will be made through the resources placed by the Group in a private fund account and assigned to each employee who joined the plan; it is treated as a post-employment benefit since it is the Group's responsibility to provide the additional resources required to the fund to cover this obligation or to receive the reimbursement in case of surplus.

The obligation for the defined benefits is calculated by independent actuaries using the projected unit credit method.

(c) Long-term Benefits

The Group recognizes its active employees with benefits associated to their time of service, such as five-year periods. The costs expected for such benefits are accrued during employment, using a methodology similar to that used for the defined benefit plans.

The actuarial gains or losses arising from adjustments for experience and changes in actuarial assumptions are debited to or credited to profit or less of the period in which they occur. These obligations are measured annually or as required by the parent company, by qualified independent actuaries.

(d) Benefits of Employee Loans

The Group grants its employees loans at below-market rates, and therefore their present value is calculated discounting future flows at market rates, recognizing as early paid benefit the difference between the market rate and the rate granted, through accounts receivable. The benefit is amortized during the term of the loan as the higher value of personnel expenses, and the accounts receivable are updated at the amortized cost, reflecting its financial effect on the income statement.

3.1.12. Fair Value Estimate

The fair value of an asset or liability is defined as the price that would be received for selling an asset or paid for transferring a liability in an arranged transaction among market participants on the date of measurement.

The measurement at fair value supposes that the transaction for selling an asset or transferring a liability takes place in the main market, i.e., the market with the greatest volume and level of activity for the asset or liability. In absence of a main market, the transaction is supposed to take place in the most beneficial market to which the entity has access, i.e., the market that maximizes the price that would be received for selling the asset or that minimizes the price that would be paid for transferring the liability.

To determine the fair value, the Group uses the measurement techniques that are appropriate for the situation and on which there is sufficient data to make the measurement, maximizing the use of relevant observable input data and minimizing the use of non-observable input data.

Considering the hierarchy of input data used in the measurement techniques, the assets and liabilities measured at fair value can be classified into the following levels:

Leve 1: Quoted price (not adjusted) in an active market for identical assets and liabilities

Leve 2: Input data other than quoted prices that are included in level 1 and which are evident for assets or liabilities, whether directly (i.e., as price) or indirectly (i.e., derived from price). The methods and hypotheses used to determine level 2 of fair values, by type of financial assets or financial liabilities, take into account the estimated future cash flows, deducted with the zero-coupon curves of the type of interest of each currency. All the described measurements are carried out through external tools such as "Bloomberg".

Leve 3: Input data for assets or liabilities that are not based on observable market information (non-observable inputs).

When measuring fair value, the Group takes into account the characteristics of the asset or liability, particularly:

- Para For non-financial assets, a measurement of the fair value takes into account the capacity of the market participant to generate economic benefits by using the asset at its highest and best use, or through its sale to other market participants who want to use the asset at its highest and best use.
- For liabilities and equity instruments, the fair value supposes that the liability will not be liquidated and that the equity instrument will not be cancelled or otherwise extinguished on the measurement date. The fair value of the liability reflects the effect of the default risk, i.e., the risk of an entity failing to meet an obligation, which includes, but is not limited to, the Group's own credit risk.
- With respect to financial assets and financial liabilities with offset positions in market risk or credit risk of the counterpart, fair value is measured on a net base, consistent with the way in which market participants could set the price of net risk exposure on the measurement date.

3.1.13. Functional Currency and Presentation Currency

The line items included in the financial statements are expressed using the currency of the main economic environment where the entity operates (Colombian pesos).

The financial statements are presented in "Colombian pesos", which, in turn, is the Group's functional currency and presentation currency. Its figures are expressed in thousands of Colombian pesos, except for the net profit per share and the representative exchange rate, which are expressed in Colombian pesos, while the foreign currency (for example dollars, euros, sterling pounds, etc.) are expressed in units.

3.1.14. Functional Currency and Presentation Currency

The Group's operations in any currency other than its functional currency are registered at the type of exchange rates in force at the time of the transaction. Throughout the year, the differences arising between the type of exchange booked and that in force on the date of collection or payment are registered as exchange differences in the income statement..

3.1.15. Classification of Balance as Current and Non-current

The Group presents in its financial statements the assets and liabilities as current and non-current, after excluding the assets and liabilities available for sale. Assets are classified as current, as the intent is to realize, sell or use them during the Group's ordinary operating cycle or within the 12 months following the reporting period, all other assets are classified as non-current. Current liabilities are those the Group expects to liquidate during the ordinary operating cycle or within the 12 months following the report, all other assets being classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities in all events.

3.1.16. Recognition of Revenues

The Group applies a recognition model for revenue from contracts with customers based on 5 stages:

Step 1: Identify the contract(s) with a customer.

Step 2: Identify performance obligations in the contract.

Step 3: Determine the transaction price.

Step 4: Allocate the transaction price to the performance obligations in the contract.

Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation.

The recognition model for revenue from contracts with customers contemplates the following:

(a) Portfolio approach:

In order to identify the goods and/or services promised in contracts with customers, the Group applies the practical solution that allows them to be grouped into "Categories or Clusters" when they have similar characteristics in the contractual terms and conditions.

These categories are determined using the following types: a) type of goods or services offered; b) market typology; or c) Type of customer.

(b) Contracts with multiple goods and/or services:

A contract is established with multiple goods and services when the Group identifies several performance obligations in the transfer of goods and/or services offered to customers, and these are satisfied independently.

(c) Fulfilment of performance obligations:

The fulfilment of the performance obligations according to the transfer pattern of the control of the goods and/or services undertaken with the customers is carried out:

- Over time.
- On a point in time.

Performance obligations are met over time when:

- The customer simultaneously consumes the benefits provided by the performance of the entity as the Group performs them.
- The Group's performance creates or improves an asset that the customer controls as it is created or improved.
- The Group's performance creates or improves an asset with an alternative use for it. The Group has the enforceable right to pay the performance it has completed to date.

Revenue is recognized in accordance with the measurement of fulfilment of performance obligations.

The measurement of fulfilment of performance obligations over time is done through two types of methods:

- Product Methods: They are made based on direct measurements of the goods and/or services undertaken with customers.
- Resource Methods: They are made in relation to the total expected resources.

(d) Variable considerations:

If the consideration promised in a contract includes a variable amount, the Group will estimate the amount of the consideration to which it will be entitled in exchange for the transfer of goods and/or services undertaken with customers. Where applicable, the value of the considerations will be presented net of the payment to customers.

(e) Contracts with amendments:

These are configured when there are changes in the scope or price approved by the parties, which create new rights and obligations required in the contract in exchange for the goods and services offered to customers.

(f) Consideration as Principal or Agent:

When a third party is involved in providing goods and/or services to a customer, the Group must determine if the commitment to fulfil the performance obligations is their responsibility or that of a third party. In the event that the Group controls the goods and/or services undertaken with customers and satisfies the performance obligations by itself, it acts as principal. Otherwise, it acts as agent.

When the Group controls and satisfies performance obligations with customers, it acts as principal and recognizes as revenue the gross amount of the consideration to which it expects to be entitled to in exchange for the transferred goods and/or services. When a third party is in charge of the control and satisfaction of performance obligations, the Group acts as agent and recognizes the revenue for the net amount of the consideration it is entitled to.

Contract costs:

An asset may be recognized for the costs of obtaining or fulfilling a contract.

Contract Assets and Liabilities:

The Group will recognize a contractual asset and a contractual liability to the extent that the following circumstances arise in the supply of goods and services:

- Contract asset: It is presented as the right that the Group has to a consideration in exchange for the supply of goods and/or services transferred to customers, when that right is conditioned by something other than the passage of time.
- Contract liability: Corresponds to the obligation of the Group to transfer goods and/or services to customers for which the Group has received a consideration from customers.

3.1.17. Financial income and costs

Interest income (expense) is recorded considering the effective interest rate applicable to the principal pending amortization during the corresponding accrual period.

3.1.18. Recognition of costs and expenses

The Group recognizes its costs and expenses to the extent that economic events occur in such a way that they are recorded systematically in the corresponding accounting period, independent of the flow of monetary or financial resources. Expenses are made up of disbursements that do not qualify to be recorded as a cost or as an investment.

The costs include purchases of energy, personnel costs or third parties directly related to the sale or provision of services, maintenance of assets, transmission system costs, depreciation, amortization, among others.

The expenses include taxes, public services, among others. All of them incurred for the processes responsible for the sale or provision of services.

Investments include costs directly related to the formation or acquisition of an asset that requires a substantial period of time to put it in conditions of use and sale.

Personnel costs directly related to the construction of projects, interest costs of the debt to finance projects and overhaul costs that increase the useful life of existing assets, among others, are capitalized as constructions in progress.

3.1.19. Capital Stock

Common shares, with or without preferred dividend, are classified under equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction of the amount received net of taxes.

3.1.20. Reserves

Registered as reserves are the appropriations authorized by the General Shareholders' Meeting, through profit or loss, to comply with legal provisions or to cover expansion plans or financing needs.

The legal provisions that contemplate the establishment of reserves applicable to the Group is the following:

- The Code of Commerce requires the Group to appropriate 10% of its annual net profits determined as legal reserve to local accounting standards until the balance of such reserve is equivalent to 50% of the subscribed capital. The mandatory legal reserve cannot be distributed before the Group's liquidation, but it can be used to absorb or reduce annual net losses. The balance of the reserve exceeding 50% of the subscribed capital are freely available for shareholders.
- Up to 2016, article 130 of the Tax Code, which sets out the appropriation of net profits at 70% of the higher value of tax depreciation over accounting depreciation, calculated pursuant to local accounting standards. This article was repealed by Act 1819 of 2016 in article 376. Therefore, as of 2017, this reserve is not appropriated, but reserves from previous years are maintained.

3.1.21. Earnings per Share

The basic earnings per share is calculated as the quotient between the net gain of the period attributable to Group shareholders and the average weighted number of ordinary outstanding shares in said period, after making the appropriation for preferred dividends corresponding to the number of shares as of year-end.

3.1.22. Distribution of Dividends

Commercial laws in Colombia stipulate that, once making the appropriations for legal reserve, statutory reserve or other reserves and tax payments, the remainder will be distributed among the shareholders, in accordance with the share distribution project presented by the Group's Management and approved by the General Shareholders' Meeting. The dividend payment will be made in cash on the dates set out by the General Shareholders' Meeting to those qualifying as shareholders at the time the payments are payable.

When it is necessary to absorb losses, these will be covered with reserves specially designated for such purpose or otherwise with the legal reserve. Reserves whose purpose is to absorb specific losses cannot be used to cover others, except if so decided by the General Shareholders' Meeting.

As of the year-end closing, the amount of the obligation with the shareholders is determined net of the provisional dividends approved in the course of the period, and it is accounted for under the line item "commercial accounts payable and other payables" and under "accounts payable to related entities", as applicable, through total equity. Provisional and definitive dividends are registered as the lower value of "total equity" at the time of its approval by the competent body, which in first instance is the Board of Directors of Codensa S.A. E.S.P., while in the second instance is the General Shareholders' Meeting's responsibility.

3.1.23. Operating Segments

An operating segment is a component of an entity:

(a) that develops business activities from which it may derive ordinary activity revenues and expenses in expenses (including revenues from ordinary activities and expenses for transactions with other components of the same entity);

(b) whose operating results are reviewed by the maximum operations decision-making authority, to decide on resources that are to be allocated to the segment and to evaluate their performance; and

(c) over which there is differentiated financial information.

The Group, for all purposes, in accordance with IFRS 8 guidelines, has only one operating segment associated with the energy business; given that, although the Group records operations in investments and other services related to the energy business, these are not representative; therefore, it is considered a single segment.

4. Net Cash and Cash Equivalents

		As of 31 December 2021		As of 31 December 2020
Bank balance	$	357.946.959	$	365.040.796
Other cash and cash equivalents, net (1)		23.403.632		65.273.855
Short-term deposits		-		60.000.000
Cash on hand		20		455
	$	**381.350.611**	**$**	**490.315.106**

The detail of cash and equivalent in pesos by currency type presented above is the following:

		As of 31 December 2021		As of 31 December 2020
Colombian Pesos	$	377.630.828	$	486.528.299
U.S. Dollars		3.719.783		3.786.807
	$	**381.350.611**	**$**	**490.315.106**

Balances denominated in foreign currency are expressed in Colombian pesos at the representative exchange rates as of 31 December 2021 and 31 December 2020 of $3,981.16 and $3,432.50 per US $1, respectively.

(1) Corresponds to collective portfolios within the framework of the usual treasury operations with these entities, in order to channel resources from collections and use them to manage the Group's short-term liquidity.

Entity		As of 31 December 2021	EA Rate		As of 31 December 2020	EA Rate
Credicorp Capital	$	12.975.183	2,55%	$	17.388.278	2,26%
BBVA Fiduciaria		8.957.190	3,57%		130.330	1,97%
Fiduciaria Occidente		463.071	3,98%		7.302.226	1,75%
Alianza Fiduciaria		312.004	2,92%		21.575.291	1,88%

Entity	As of 31 December 2021	EA Rate	As of 31 December 2020	EA Rate
Corredores Asociados	381.485	2,36%	18.870.055	1,32%
Valores Bancolombia	329.051	3,34%	20.801	1,09%
Fiduciaria Corficolombiana	1.295	3,15%	1.289	1,25%
Fiduciaria Bogotá 248	-	0,20%	3.233	0,20%
	$ 23.419.279		**$ 65.291.503**	

As of December 31, 2021 and 2020, there are no restrictions or limitations on the cash reflected in the consolidated Financial Statements.

Cash and cash equivalents are held with banks and financial institutions, which are rated between the AA + and AAA ranges, according to the rating agencies.

The impairment of the value of cash and cash equivalents has been measured on an expected loss basis of 12 months and reflects the short-term maturities of the exposures, the Group considers that its cash and cash equivalents have a low credit risk with based on external credit ratings of counterparties.

As of 31 December 2021 and 2020 the amount of the provision for impairment of cash and cash equivalents is $15,647 and $17,648, respectively.

The following table details the changes in liabilities arising from financing activities, including those changes that represent cash flows and changes that do not represent cash flows, as of 31 December 2021:

		Cash Flow		Changes other than cash		
	Balance as of 1 January 2021	Proceeds from loans	Payment of loans and interest	Interest accrued	Lease agreements	Balance as of 31 December 2021
Bonds	$ 2.412.455.529	$ -	$ (331.978.908)	$ 151.847.625	$ -	$ 2.232.324.246
Bank loans and obligations	665.897.264	1.670.536.000	(474.796.450)	35.592.984	-	1.897.229.798
Lease liabilities	61.860.769	-	(23.030.973)	-	89.426.953	128.256.749
Derivative instruments	-	-	-	1.032.066	-	1.032.066
Total liabilities from financing activities	**$ 3.140.213.562**	**$ 1.670.536.000**	**$ (829.806.331)**	**$ 188.472.675**	**$ 89.426.953**	**$ 4.258.842.859**

As of 31 December 2020 the movements are as follows:

		Cash Flow		Changes other than cash		
	Balance as of 1 January 2021	Proceeds from loans	Payment of loans and interest	Interest accrued	Lease agreements	Balance as of 31 December 2021
Bank loans and obligations	$ 2.003.417.478	$ 500.000.000	$ (222.799.125)	$ 131.837.176	$ -	$ 2.412.455.529
Bonds	160.250.289	612.318.110	(139.078.895)	32.407.760	-	665.897.264
Lease liabilities	28.498.057	-	(19.977.967)	-	53.340.679	61.860.769
Total liabilities from financing activities	**$ 2.192.165.824**	**$ 1.112.318.110**	**$ (381.855.987)**	**$164.244.936**	**$ 53.340.679**	**$ 3.140.213.562**

5. Net Other Financial Assets

	As of 31 December 2021		As of 31 December 2020	
	Current	Non-current	Current	Non-current
Service concession contracts - Amortized cost (1)	$ 238.325.217	$ -	$ -	$ -
Trust funds (2)	9.173.741	-	760.992	-

	As of 31 December 2021		As of 31 December 2020	
	Current	Non-current	Current	Non-current
Hedging derivative instruments (3)	3.766.712	19.011.240	-	-
Liens (4)	1.534.828	-	2.872.886	-
Impairment of other assets	(461.774)	-	(12.889)	-
Financial investments - unlisted or illiquid companies (5)	-	7.847.602	-	6.602
	$ 252.338.724	**$ 26.858.842**	**$ 3.620.989**	**$ 6.602**

(1) As of 31 December 2021 corresponds to the consideration for the obligations arising from the service concession contracts signed with Transporte del Tercer Milenio - Transmilenio S.A. (TMSA), the value recognized to date corresponds to civil and electrical works and the fleet of buses of the Fontibón and Usme bus yard. (TMSA), the value recognized to date corresponds to the civil and electrical works and the fleet of buses of the Fontibón and Usme yard, and other costs that the concessionaires have recognized under IFRIC 12.

(2) As of 31 December 2021, corresponds to the Free Standing Trust Funds that were constituted with Fiduciaria Corficolombiana S.A. on February 23, 2021 for the administration of the resources of the construction projects of the Usme and Fontibón bus depots for $6,263,280; to the FAER project trust for the construction of electric networks in rural areas of the national interconnected system for $1,480,714 and to the ZOMAC investment trust for the payment of income tax for $1,429,747.

(3) (3) As of 31 December 2021, Codensa S.A E.S.P. has constituted nineteen (19) forward contracts which cover the exchange rate effects for the COSENIT project in stages I and II. This project refers in its first stage to the construction of 9 photovoltaic plants at national level of 25MW for the substitution of conventional energy, and in the second stage, the construction of 4 more photovoltaic plants is contemplated under the same reference. These contracts were subscribed with Banco Itaú S.A. (6), Scotiabank Colpatria S.A. (3) and Banco de Bogotá S.A. (3). (3) and Banco de Bogotá S.A. (10).

On 14 May 2021 a SWAP contract was entered into on the loan acquired with Scotiabank Colpatria S.A. for $400,000,000 with a maturity of 5 years, interest rate IBR 3M + 0.75%, quarterly interest payment and bullet amortization.

Derivative type	Underlying	Risk factor	Bank	Maturity	Notional value	Currency	Fixed rate	Current	Non-current
Forward	Capex	Exchange rate	Scotiabank Colpatria S.A.	21/02/2022	3.554.110	USD	3.709,46	1.085.344	-
Forward	Capex	Exchange rate	Scotiabank Colpatria S.A.	4/03/2022	2.750.277	USD	3.712,63	845.571	-
Forward	Capex	Exchange rate	Itaú CorpBanca Colombia S.A.	19/05/2022	356.957	USD	3.742,52	106.657	-
Forward	Capex	Exchange rate	Itaú CorpBanca Colombia S.A.	19/04/2022	774.361	USD	3.732,44	227.903	-
Forward	Capex	Exchange rate	Itaú CorpBanca Colombia S.A.	19/01/2022	422.191	USD	3.705,89	119.013	-
Forward	Capex	Exchange rate	Banco de Bogotá S.A.	4/01/2022	51.846	USD	3.788,32	9.970	-
Forward	Capex	Exchange rate	Banco de Bogotá S.A.	23/02/2022	300.946	USD	3.802,18	60.353	-
Forward	Capex	Exchange rate	Banco de Bogotá S.A.	4/03/2022	1.929.346	USD	3.804,80	391.261	-
Forward	Capex	Exchange rate	Banco de Bogotá S.A.	13/04/2022	85.685	USD	3.817,63	17.912	-
Forward	Capex	Exchange rate	Banco de Bogotá S.A.	18/05/2022	532.877	USD	3.829,77	113.062	-
Forward	Capex	Exchange rate	Banco de Bogotá S.A.	10/06/2022	1.199.590	USD	3.838,72	259.226	-
Forward	Capex	Exchange rate	Banco de Bogotá S.A.	15/07/2022	203.931	USD	3.853,46	44.752	-
Forward	Capex	Exchange rate	Banco de Bogotá S.A.	22/08/2022	54.315	USD	3.869,48	12.074	-
Forward	Capex	Exchange rate	Banco de Bogotá S.A.	20/09/2022	67.977	USD	3.884,00	15.184	-
Forward	Capex	Exchange rate	Itaú CorpBanca Colombia S.A.	19/03/2022	417.357	USD	3.733,99	116.982	-
Forward	Capex	Exchange rate	Itaú CorpBanca Colombia S.A.	19/03/2022	139.731	USD	3.733,93	39.174	-
Forward	Capex	Exchange rate	Scotiabank Colpatria S.A.	19/03/2022	55.325	USD	3.725,53	16.670	-
Forward	Capex	Exchange rate	Itaú CorpBanca Colombia S.A.	4/03/2022	973.977	USD	3.736,03	264.287	-
Forward	Capex	Exchange rate	Banco de Bogotá S.A.	4/03/2022	117.690	USD	3.826,70	21.317	-
Swap	Interest rate hedging	Interest	Scotiabank Colpatria S.A.	14/05/2026	400.000.000	COP	IBR 3M + 0.75%	-	19.011.240
		Total, valuation						**3.766.712**	**19.011.240**

(4) As of 31 December 2021, the balance corresponds mainly to garnishments executed on Codensa S.A E.S.P.'s bank accounts for a labor process for $957,877 and civil processes for $576,951.

The liens are part of the Group's restricted cash.

(5) On 10 December 2021, the first capitalization corresponding to 50% of the capital contribution to Crédito Fácil Codensa S.A. Compañía de Financiamiento was made for $7,839,000.

6. Other Non-Financial Assets

	As of 31 December 2021		As of 31 December 2010	
	Current	Non-current	Non-current	Non-current
Prepayments on purchases of goods and services (1)	$ 17.247.487	$ -	$ 9.684.784	$ -
Prepaid expenses (2)	5.406.688	-	22.670.964	-
Employee benefit for loans (3)	864.028	17.694.321	998.907	16.554.081
Other assets	15.959	130.379	11.926	138.332
Impairment of other assets	-	(567)	-	(357)
Travel advances	-	-	1.441	-
AFRP VAT tax discount (4)	-	62.504.841	-	67.743.260
ICA tax discount	-	6.489.287	-	-
Advance tax payment	2.789.644	-	165.963	-
	$ 26.323.806	**$ 86.818.261**	**$ 33.533.985**	**$ 84.435.316**

(1) As of 31 December 2021 and 2020, the composition of this item corresponds mainly to advances for stock exchange transactions and international energy transactions to XM for $11,360,972 and $6,316,523, purchase of goods and services from creditors for $5,634,365 and $3,368,261, respectively.

(2) As of 31 December 2021 and 2020 corresponds to the balance of the payment of the special contribution to the Superintendence of Public Utilities, the variation corresponds to the modification of the calculation bases of the additional contribution or national development plan for each year.

(3) Corresponds to the recognition of the benefit paid in advance of employee loans agreed on at a rate of zero or below market rates, for which reason the Group discounts future flows at the market rate, recognising as benefit paid in advance the difference between the market rate and the granted rate, and amortising them over the term of the loan.

The benefit for the employee materializes over time because it is conditional on the employee's permanence in the Group, if the employment relationship with the Group ceases, the credit must be paid at market rates.

(4) Corresponds to the tax discount on VAT paid in the acquisition, construction or manufacture and import of real productive fixed assets, including the associated services to put them in conditions of use according to article 83 of Act 1943 of 2018.

7. Commercial Accounts Receivable and Other Receivables, Net

	As of 31 December 2021		As of 31 December 2020	
	Current	Non-current	Current	Non-current
Commercial accounts, gross (1)	$ 1.135.036.704	$ 146.661.744	$ 995.989.411	$ 169.652.961
Other accounts receivable, gross (2)	24.307.190	33.335.656	25.812.302	31.167.844
Total commercial accounts and other accounts receivable, gross	**1.159.343.894**	**179.997.400**	**1.021.801.713**	**200.820.805**
Impairment provision commercial accounts (3)	(137.701.972)	(113.665.879)	(108.030.561)	(99.239.016)
Impairment provision other accounts receivable (3)	(645.959)	(186.838)	(738.183)	(491.113)
Total commercial accounts and other accounts receivable, net	**$ 1.020.995.963**	**$ 66.144.683**	**$ 913.032.969**	**$ 101.090.676**

(1) As of 31 December 2021, the composition of commercial accounts is as follows:

	Past Due Portfolio					
	Current portfolio	1-180	181-360	>360	Current portfolio	Non-current portfolio (c)
Energy portfolio (a)						
Not- agreed portfolio (a)	**$ 725.318.680**	**$ 100.273.481**	**$ 18.297.401**	**$ 122.522.795**	**$ 966.412.357**	**$ 111.611.015**
Mass customers	362.692.008	10.533.666	3.230.786	30.461.527	406.917.987	5.334.779
Large customers	297.644.781	19.508.986	13.361.271	51.165.828	381.680.866	-
Institutional customers (b)	64.981.891	70.230.829	1.705.344	40.895.440	177.813.504	106.276.236
Agreed portfolio (c)	**37.979.021**	**2.571.806**	**97.655**	**20.436**	**40.668.918**	**17.940.371**
Mass customers	15.393.905	1.348.003	21.918	11.977	16.775.803	10.708.679
Large customers	16.858.088	1.218.972	75.737	8.459	18.161.256	3.643.804
Institutional customers	5.727.028	4.831	-	-	5.731.859	3.587.888
Energy portfolio, gross	**763.297.701**	**102.845.287**	**18.395.056**	**122.543.231**	**1.007.081.275**	**129.551.386**
Energy portfolio impairment	(6.588.250)	(9.934.625)	(12.920.000)	(97.318.400)	(126.761.275)	(109.914.893)
Energy portfolio, net	**$ 756.709.451**	**$ 92.910.662**	**$ 5.475.056**	**$ 25.224.831**	**$ 880.320.000**	**$ 19.636.493**

	Past Due Portfolio					
Non-core business portfolio and others (d)	Current portfolio	1-180	181-360	>360	Current portfolio	Non-current portfolio (c)
Mass customers	$ 38.221.578	$ 169.412	$ 2.630.368	$ 598.411	$ 41.619.769	$ 6.272.699
Large customers	72.171.714	2.341.404	2.438.786	3.141.546	80.093.450	10.837.659
Institutional customers	6.111.268	129.433	-	1.509	6.242.210	-
Non-Core Businesses Portfolio, Gross	**116.504.560**	**2.640.249**	**5.069.154**	**3.741.466**	**127.955.429**	**17.110.358**
Impairment of Non-Core Businesses Portfolio,Net	(7.690.241)	(210.675)	(665.039)	(2.374.742)	(10.940.697)	(3.750.986)
Non-Core Businesses Portfolio, Net	**108.814.319**	**2.429.574**	**4.404.115**	**1.366.724**	**117.014.732**	**13.359.372**
Total Commercial Accounts, Gross	**879.802.261**	**105.485.536**	**23.464.210**	**126.284.697**	**1.135.036.704**	**146.661.744**
Impairment of Commercial Accounts	(14.278.491)	(10.145.300)	(13.585.039)	(99.693.142)	(137.701.972)	(113.665.879)
Total Commercial Accounts, Net	**$ 865.523.770**	**$ 95.340.236**	**$ 9.879.171**	**$ 26.591.555**	**$ 997.334.732**	**$ 32.995.865**

As of 31 December 2020, the composition of commercial accounts is as follows:

	Past Due Portfolio					
	Current portfolio	1-180	181-360	>360	Current portfolio	Non-current portfolio (c)
Energy portfolio (a)						
Not- agreed portfolio (a)	**$ 599.370.759**	**$ 77.981.187**	**$ 27.430.135**	**$ 77.142.706**	**$ 781.924.787**	**$ 112.286.799**
Mass customers	273.540.885	14.330.013	7.380.214	21.266.084	316.517.196	20.776.116
Large customers	169.773.276	20.847.798	13.181.976	35.136.331	238.939.381	-
Institutional customers (b)	156.056.598	42.803.376	6.867.945	20.740.291	226.468.210	91.510.683
Cartera Convenida (c)	**34.981.679**	**2.254.258**	**751.598**	**1.060.492**	**39.048.027**	**38.126.871**
Mass customers	21.946.796	1.132.166	147.892	124.961	23.351.815	26.282.842
Large customers	10.850.846	1.122.092	603.706	935.531	13.512.175	8.780.956
Institutional customers	2.184.037	-	-	-	2.184.037	3.063.073
Energy portfolio, gross	**634.352.438**	**80.235.445**	**28.181.733**	**78.203.198**	**820.972.814**	**150.413.670**
Energy portfolio impairment	(9.588.008)	(6.741.076)	(22.904.479)	(57.316.758)	(96.550.321)	(98.758.849)
Energy portfolio, net	**$ 624.764.430**	**$ 73.494.369**	**$ 5.277.254**	**$ 20.886.440**	**$ 724.422.493**	**$ 51.654.821**

	Past Due Portfolio					
Non-core business portfolio and others (d)	Current portfolio	1-180	181-360	>360	Current portfolio	Non-current portfolio (c)
Mass customers	$ 43.061.739	$ 4.594.846	$ 897.255	$ 2.462.844	$ 51.016.684	$ 8.300.788
Large customers	116.579.918	180.475	352.268	487.717	117.600.378	10.938.503
Institutional customers	6.399.535	-	-	-	6.399.535	-
Non-Core Businesses Portfolio, Gross	**166.041.192**	**4.775.321**	**1.249.523**	**2.950.561**	**175.016.597**	**19.239.291**
Impairment of Non-Core Businesses Portfolio,Net	(8.564.435)	(833.686)	(488.187)	(1.593.932)	(11.480.240)	(480.167)
Non-Core Businesses Portfolio, Net	**157.476.757**	**3.941.635**	**761.336**	**1.356.629**	**163.536.357**	**18.759.124**
Total Commercial Accounts, Gross	**800.393.630**	**85.010.766**	**29.431.256**	**81.153.759**	**995.989.411**	**169.652.961**
Impairment of Commercial Accounts	(18.152.443)	(7.574.762)	(23.392.666)	(58.910.690)	(108.030.561)	(99.239.016)
Total Commercial Accounts, Net	**$ 782.241.187**	**$ 77.436.004**	**$ 6.038.590**	**$ 22.243.069**	**$ 887.958.850**	**$ 70.413.945**

(a) As of 31 December 2021 and 2020, the variation in accounts receivable corresponds mainly to:

Increase in the portfolio of regulated market customers for $926,277,136 and $659,738,278, public lighting for $37,079,474 and $13,764,380, infrastructure for $4,899,844 and $2,524,318, and decrease in works to individuals for $61,600,191 and $83,808,943 and portfolio of regulatory schemes for $21,968,155 and 114,960,754, respectively.

During 2020, Codensa S.A. E.S.P. opted to apply the regulatory mechanism of rate option in accordance with CREG Resolution 122 of June 18, 2020, by which the appeal for reconsideration filed by Codensa S.A. E.S.P. against CREG resolution 189 of 2019 is resolved, in which The variables necessary to calculate the income and charges associated with the electricity distribution activity for the commercialization market were approved. Due to the retroactive adjustment of CREG Resolution 036/19 and the retroactive adjustment associated with the service quality incentives, during the months following the approval of charges there will be an increase in the distribution charge. As of 31 December 2021, the account receivable for tariff option is $351,852,036.

According to the social and ecological health emergency caused by the Covid-19 outbreak, as of December 31, 2021, the residential energy portfolio of strata 1 to 4 was submitted to the provisions of Articles 1 and 2 of Decree 517 of April 04, 2020 and articles 2 and 3 of resolution 058 of April 14, 2020 of the CREG, by which temporary measures were adopted for the payment of electricity service bills, all marketers must offer their residential users of stratum 1 to 4 deferred payment options of the value of the invoice for the home public electricity service, for the other regulated users, before suspending the service due to non-payment, the marketer must offer options of deferred payment of the value of the bill for the home public electricity service, applying the rates established in the resolution.

As of 31 December 2021, the deferred residential energy portfolio of strata 1 to 4 is $20,573,660, the current portion corresponds to $15,238,881 and non-current $5,334,779.

(b) The main institutional customer of Codensa S.A. E.S.P. is UAESP. As of 31 December 2021 and 2020, the main items in the claim process by the UAESP are described below:

VAT portfolio of public lighting infrastructure

On 14 November 2013, Codensa S.A. E.S.P. filed a query with the DIAN (the Colombian tax authority) regarding the applicability of Article 19 of Decree 570/1984, to determine the special taxable base for movable property. The DIAN issued a response without solving the request made by Codensa S.A. E.S.P. Subsequently, on 4 November 2014, the DIAN issued a new opinion, but failed to define the query of Codensa S.A. E.S.P. and therefore on 16 December 2014, a new query was filed requesting clarification of the opinion.

At the same time, in order to clarify whether the lease of public lighting infrastructure gives rise to VAT, on 5 December 2014 Codensa S.A. E.S.P. filed a query with the DIAN.

On 6 June 2015, Codensa S.A. E.S.P. submitted a settlement request with the UAESP to the Attorney General's Office, which was rejected initially arguing that it was not relevant; nonetheless, the corresponding appeal was filed, which was resolved favorably on 1 July 2015, scheduling the settlement hearing for 5 August 2015. The settlement hearing was held on such date, but the parties decided to not settle.

Simultaneously, on 17 June 2015, the claim against the UAESP was filed in order to prevent the Entity from arguing the expiry of the term for filing the claim, were it submitted after the settlement hearing. On 2 October 2015, Codensa S.A. E.S.P. applied for an injunction aimed at getting the UAESP to pay in advance the outstanding balance, which was rejected by the Third Section of the Cundinamarca Administrative Court, considering that this was resolved in the judgment.

The DIAN, through opinion No. 100202208-0808 of 1 September 2015, decided on the treatment of the VAT on the lease of the public lighting service infrastructure, making it clear that the public lighting service is a household public utility and, hence, it gives rise to VAT. This opinion supports the charge that Codensa S.A. E.S.P. has been applying to the UAESP.

In compliance with the aforementioned concept and the communications issued by Codensa S.A. E.S.P. to the UAESP, in November 2015 the billing of current and late interest calculated on the balance owed by this entity began. As of December 31, 2019 and 2018, current interest amounts to $ 5,059,734 and default interest amounts to $ 1,148,266. Interest has not increased since February 2016, taking into account that Codensa S.A. E.S.P. froze interest billing as a result of the working groups established jointly with the UAESP.

On 6 October 2016, Codensa S.A. E.S.P. was notified of the first instance decision issued by the Administrative Court of Cundinamarca on 28 September 2016, which denied the claim filed by Codensa S.A. E.S.P. with respect to the UAESP's obligation to pay VAT on the lease of the infrastructure for the provision of the public lighting service. The judgment states mainly that: (i) Codensa S.A. E.S.P. is providing the public lighting service in the District of Bogota and, in as service provider, is responsible for the tax; (ii) in Annex 1 to the agreement of 25 January 2002, the VAT was not included in the liquidation components (a) energy supply, (b) infrastructure lease, (c) administration, operation and maintenance, which means that VAT is included in the service provision cost; and (iii) the denaturalisation of the lease agreement, taking into account that covenant No. 766/1997 does not meet the requirements thereof.

On 21 October 2016, Codensa S.A. E.S.P. filed with the Court of Cundinamarca the appeal against the judgment issued by said judicial corporation. Subsequently a request for preference of judgment was filed with the Council of State, in order to expedite the appeal, taking into account the importance and impact of the process.

On 17 March 2017, Codensa S.A. E.S.P. was notified by the Third Section of the Council of State about its acceptance of the appeal against the ruling issued by the Administrative Court of Cundinamarca. In this sense, and in order to expedite the declaration of this instance with respect to the judgment issued, Codensa S.A. E.S.P. filed a report requesting the priority of the judgment, which was filed on 7 April 2017.

On 4 September 2017, the DIAN, through the opinion No 100202208-0881 addressed to the UAESP, confirms the rule contained in Official Letter No. 025652 of 3 September 2015, which concludes that the public lighting service is not within the exclusion framework provided in article 476 of the tax code, in other words, the public lighting service is not a public household service and therefore no VAT is caused by this service.

On 29 September 2017, the court notified that it will refrain from giving priority to the ruling in the current procedural stage of the process and notified the party to submit the closing arguments. On 11 October 2017, Codensa S.A. E.S.P. submitted the closing arguments and on 13 October 2017, the UAESP submitted its arguments.

On 23 October 2017, a report was submitted, providing the opinion in question as part of the evidence of the process, as well as requesting the priority of judgment again.

As of the reporting period, the UAESP has not paid the VAT for the lease service corresponding to 2015 and earlier, except November and December 2015, which were paid in March 2016 for $1,987,355. The UAESP also paid the period between January and July 2016 for $7,104,425; however, as a result of the aforementioned judgment, the UAESP refrained from making payments as of the service billing of August 2016.

Non-current balances as of 31 December 2021 and 31 December 2020 mainly include the account receivable in arrears from the Special Administrative Unit of Public Services (UAESP) for VAT on the lease of public lighting infrastructure, invoiced and not collected since July 2013. This amount corresponds to $103,861,583 and $91,510,683, respectively.

Based on the opinion of the external counsel of Codensa S.A. E.S.P. and in line with the provisions of IFRS 9, Codensa S.A. E.S.P. considered that, regardless of the loss percentage established, there are variables that can lead to the existence of a high risk of loss and therefore the decision was made to provision 100% of the portfolio.

(c) The agreed portfolio corresponds to agreements between Codensa S.A. E.S.P. and the customers on payment of a given sum, with a deadline and a pre-established interest rate. These agreements are applicable to customers requesting financing on account of electric energy consumption that are in arrears or at risk of not being paid. As of 31 December 2021 and 2020, the short-term portfolio amounts to $40,668,918 and $39,048,027. The detail on maturities of the non-current portfolio is as follows:

Year		As of 31 December 2021		As of 31 December 2020
Between one and two years	$	11.893.113	$	24.680.282
Between two and three years		2.029.384		8.045.459
Over three years		4.017.874		5.401.130
	$	**17.940.371**	**$**	**38.126.871**

(d) As of 31 December 2021 and 2020, corresponds mainly to works to individuals $61,600,191 and $83,802,942, electrical works $19,596,695 and $22,309,947, infrastructure $4,899,884 and $2,524,318, Codensa Servicios $17,166,454 and $22,195,632, respectively.

The non-core business portfolio corresponds to agreements between Codensa S.A. E.S.P. and the customers on payment of a given sum, with a deadline and a pre-established interest rate, applicable to customers requesting financing on account of installations, adjustments, fines for losses and other services provided by Codensa S.A. E.S.P.. The detail on maturities of the non-current portfolio is as follows:

Year		As of 31 December 2021		As of 31 December 2020
Between one and two years	$	10.958.832	$	11.661.671
Between two and three years		5.456.422		5.860.714
Over three years		695.104		1.716.906
	$	**17.110.358**	**$**	**19.239.291**

(2) As of 31 December 2021 and 2020, it corresponds mainly to accounts receivable from employees for a present value of $42,479,610 and $ 40,751,644, respectively, accounts receivable from retired personnel for a present value of $3,587,888 and $3,063,073 for loans for housing, appliances, education, among others, respectively. Loans granted to employees are awarded at rates between 0% and 4.75% and for retired personnel between 0% and 7%, for which reason Codensa S.A. E.S.P. discounts future flows at the market rate, recognizing as a benefit paid in advance, the differential between the market rate and the awarded rate, and amortizing them over the life of the loan.

(3) With IFRS 9 becoming effective as of 1 January 2018, the expected credit loss is calculated recognizing the impairment in advance from the first day and not waiting for an event that indicates the impairment of the financial asset.

In the implementation, three models defined by the group were adopted:

- Simplified collective model
- Simplified individual model
- General collective model

The evolution of portfolio impairment is as follows:

Item		As of 31 December 2021		Al 31 de diciembre de 2020
Provision for impairment of commercial accounts				
Simplified Collective Model (a)	$	101.380.572	$	75.582.239
Simplified Individual Model (b)		149.922.409		131.509.536
Total provision for impairment of commercial accounts	**$**	**251.302.981**	**$**	**207.091.775**
Provision for impairment other accounts receivable				
General Collective Model		897.667		1.407.098
Total provision for impairment other accounts receivable		**897.667**		**1.407.098**
Total	**$**	**252.200.648**	**$**	**208.498.873**

In the period from 1 January to 31 December 2021, the following changes in impairment are presented:

(a) implified Collective Model:

Increase provision $25,798,333 mainly due to the update of the PD of the public lighting category for portfolio ages over 180 days.

(b) Simplified Individual Model:

The variation corresponds mainly to:

- Increase in the provision of the Public Lighting VAT portfolio due to an increase in the portfolio for the year of $12,350,900, a 100% provision.
- Increase in provision of municipalities portfolio, mainly El Colegio $471,290; Municipality of Sopo $906,750; Municipality of Ubaté $410,242; Santa Ana Cla y SA $418,023. Decrease Fabio Mussolini $(429,452); Alix Fabiola Bernal $(308,699); Municipality of Agua de Dios $(209,131).
- Increase in the portfolio provision of other businesses mainly, Grupo Andino Marin Valencia $343,362, Uniaguas SA ESP $566,817 and Aguas del Sinu SA ESP $317,659.
- Increase in the provision for customers with statute of limitations (portfolio older than 5 years that is not in legal proceedings) $4,020,639.

The movements of the provision for impairment of commercial accounts and other accounts receivable are as follows:

		As of 31 December 2021		As of 31 December 2020
Opening balance 1 January	$	**208.498.873**	$	**155.741.122**
Endowments		47.929.031		59.601.854
Uses		(4.227.256)		(6.850.688)
Closing balance 31 December 2020	$	**252.200.648**	$	**208.498.873**

Guarantees granted by Debtors:

For customers subscribing to payment agreements for financing products other than electric energy, the Group supports these debts with blank promissory notes. In addition, for employee debts of, personal guarantees (promissory notes and instruction letters) and collaterals (mortgages and pledges) are established.

8. Balances and Transactions with Related parties

Net Accounts Receivable from Related Entities:

Company	Type of related entity	Country of origin	Type of transaction		As of 31 December 2021		As of 31 December 2020
Emgesa S.A. ESP	Otra (*)	Colombia	Sale of energy (1)	$	17.837.662	$	17.208.261
	Otra (*)	Colombia	Other services		-		1.592.240
Enel Global Infr. And Networks S.R.L.	Otra (*)	Italia	Expatriates		1.229.695		992.210
Enel SPA	Controladora	Italia	Expatriates		494.074		985.501
Enel SPA	Controladora	Italia	Other services		80.654		-
Empresa Distribuidora Sur S.A. - Edesur	Otra (*)	Argentina	Expatriates		182.647		182.647
Endesa Energia S.A.	Otra (*)	España	Call Center Services		120.614		156.945
Celg Distribuicao S.A.	Otra (*)	Brasil	Expatriates		114.547		21.892
Enel Trading Argentina S.R.L.	Otra (*)	Argentina	Expatriates		108.063		68.503
Endesa Operaciones Y Servicios SL	Otra (*)	España	Call Center Services		88.117		295.437
Enel Chile S.A.	Otra (*)	Chile	Expatriates		82.671		184.768
Companhia Energetica Do Ceara	Otra (*)	Brasil	Expatriates		62.933		111.944
Enel Brasil S.A.	Otra (*)	Brasil	Expatriates		30.071		-
Enel Distribución Perú S.A.A.	Otra (*)	Perú	Expatriates		23.447		31.750
Enel Distribuzione SPA	Otra (*)	Italia	Expatriates		-		55.465
Grupo De Energía Bogotá	(**)	Colombia	Christmas Lighting		992.172		4.142.520
Grupo De Energía Bogotá	(**)	Colombia	Other services		22.681		55.258
Fundación Enel Colombia	Otra (*)	Colombia	Electrical Works		-		270.452
				$	**21.470.048**	$	**26.355.793**

(*) Companies over which Enel SPA has significant influence or control.

(**) Grupo Energía Bogotá S.A. E.S.P. is a shareholder of Codensa S.A. E.S.P. (See Note 20).

Accounts receivable from related parties show impairment in accordance with IFRS 9 for $226,227.

(1) As of 31 December 2021 and 2020, the balance includes estimated tolls and the efficient cost of the efficient loss reduction program – CPROG, regional transmission system (STR) and distribution area billing (ADD's) for $17,310,063 and $16,735,374; use of lines and networks for $453,781 and $353,789, energy billing for $73,818 and $119,098, respectively.

Accounts payable to related entities

Company	Type of related entity	Country of origin	Type of transaction	As of 31 December 2021	As of 31 December 2020
Enel Global Infr. And Networks S.R.L.	Other (*)	Italy	Computer Services (2)	$ 21.830.443	$ 12.580.867
Enel Global Services S.R.L.	Other (*)	Italy	Computer Services (2)	19.489.127	8.722.542
Enel X S.R.L.	Other (*)	Italy	Computer Services (2)	12.149.744	10.089.619
Enel Spa	Controller	Italy	Computer Services (2)	6.811.348	5.308.488
	Controller	Italy	Expatriates	887.391	717.503
	Controller	Italy	Other services	73.429	-
Enel Chile S.A.	Other (*)	Chile	Computer Services (2)	1.230.940	1.373.218
Enel Global Infr. And Networks S.R.L.	Other (*)	Italy	Expatriates	776.696	1.004.871
Enel Distribución Chile S.A.	Other (*)	Chile	Expatriates	217.174	381.078
Emgesa S.A. ESP	Other (*)	Colombia	Other services	21.803	28.831
E-Distribuzione Spa	Other (*)	Italy	Other services	10.716	69.100
Grupo de Energía Bogotá	Other (*)	Colombia	Pension contributions or shares	400	-
	Other (*)	Colombia	Dividends (1)	-	73.442.139
Enel Américas S.A.	Controller	Chile	Dividends (1)	-	69.122.015
Enel Italia Spa	Other (*)	Italy	Other services	-	1.922.899
Enel Iberia S.R.L.	Other (*)	Spain	Expatriates	-	248.805
				$ 63.499.211	**$ 185.011.975**

(*) Correspond to companies over which Enel SPA has significant influence or control.

(**) Grupo Energía Bogotá is a shareholder of Codensa S.A. E.S.P. (See Note 20).

(1) Corresponds to computer services associated with Datacenter, Cybersecurity, Licenses and implementation/adoption of platforms associated with the business lines of I&N, Enel X, Market and transversal areas.

(2) The variation corresponds to the dividend payment of the 2020 profit made in January 2021.

(3) The variation corresponds to the payment of invoices associated with the implementation/adoption of platforms.

Effects on net income with related entities

Company	Type of transaction	As of 31 December de 2021	As of 31 December de 2020
Ingresos			
Emgesa S.A. E.S.P.	Tolls and use of lines and networks	$ 209.023.880	$ 162.951.864
	Energy and other services	4.896.404	178.256
	Other revenues	912.437	895.913
	Finance Income	120.437	-
Enel Green Power S.A.S E.S.P.	Other services (1)	2.025.110	2.237.008
Enel Global Infr. & Network S.R.L.	Expatriates	1.263.779	992.210
	Exchange difference	161.843	71.126
Grupo Energía Bogotá	Christmas lighting	798.319	3.529.412
Endesa Operaciones y Servicios SL	Call Center Services	633.379	847.696
	Exchange difference	4.000	1.506
Endesa Energía S.A.	Call Center Services	277.033	331.379
	Exchange difference	2.817	5.536
Enel Global Services S.R.L.	Exchange difference	236.877	-
	Exchange difference	29.348	-
Enel Chile S.A.	Expatriates	184.236	86.202
	Exchange difference	6.178	172.987
Enel Distribución Perú S.A.	Expatriates	93.724	31.750

Company	Type of transaction	As of 31 December de 2021	As of 31 December de 2020
Celg distribuicao S.A.	Expatriates	92.656	17.582
Cia, Energetica Do Ceara	Expatriates	84.680	53.669
Enel Trading Argentina S.R.L.	Expatriates	39.560	23.825
Enel Brasil S.A.	Expatriates	30.071	-
Gridspertise S.R.L.	Exchange difference	29.348	-
Enel Spa	Expatriates	22.852	86.320
	Exchange difference	12.160	-
Enel Italia S.R.L.	Exchange difference	14.527	81.828
	Expatriates	-	9.124
Enel Distribución Chile S.A.	Exchange difference	12.264	-
Enel X S.R.L.	Exchange difference	10.890	-
	Computer services	-	19.200
Enel Iberia S.R.L.	Expatriates	5.223	-
	Exchange difference	-	5.140
E-Distribuzione Spa	Exchange difference	2.547	4.895
Empresa Distribuidora Sur S.A.	Expatriates	-	129.903
Enel X North America Inc	Other services (2)	-	430.503
	Exchange difference	-	36.467
Fundación Enel Colombia	Other services	-	168.866
		$ 221.026.579	**$ 173.400.167**
Costs and expenses			
Emgesa S.A. E.S.P.	Energy purchases	1.363.319.849	1.196.401.009
	Other services	489.934	899.998
	Financial interest	842	458.079
Enel Global Infr. & Network S.R.L.	Computer services	20.063.247	9.894.744
	Expatriates	2.005.938	2.317.011
	Exchange difference	983.896	101.525
Enel Global Services S.R.L.	Computer services	11.937.786	10.192.125
	Exchange difference	905.524	1.112.284
Enel Spa	Computer services	6.636.415	4.821.186
	Expatriates	1.731.977	1.673.757
	Exchange difference	519.488	88.110
Enel X S.R.L.	Computer services	3.593.968	2.219.999
	Exchange difference	743.543	52.692
Gridspertise S.R.L.	Purchase of equipment	1.383.874	-
Enel Chile S.A.	Computer services	1.236.607	1.188.450
	Exchange difference	21.876	60.042
Fundación Enel Colombia	Contributions to the Foundation	978.939	2.540.000
Enel Distribución Chile S.A.	Expatriates	221.021	251.785
	Exchange difference	4.175	12.265
Grupo Energía Bogotá	Leases	41.118	39.757
Endesa Energía S.A.	Exchange difference	1.345	6.934
Enel Iberia S.R.L.	Exchange difference	1.642	24.375
	Expatriates	-	249.164
E-Distribuzione Spa	Exchange difference	6.048	-
	Other services	-	73.996
Enel Italia S.R.L.	Exchange difference	-	275.738
	Computer services	-	1.161.710
Endesa Operaciones y Servicios	Exchange difference	-	6.441
Enel X North America Inc	Exchange difference	-	36.467
Enel Distribución Perú S.A.	Exchange difference	-	1.194
		$ 1.416.829.052	**$ 1.236.160.837**

Board of Directors and Key Management Personnel

Board of Directors

The Group has a Board of Directors made up of seven (7) principal members, each of whom has a personal alternate, elected by the General Shareholders' Meeting by the electoral quotient system. In accordance with the corporate bylaws, while the Group has the quality of issuer of securities, 25% of the board members will be independent as provided for by the law. The appointment of board members will be for two (2) years, and they can be re-elected indefinitely and without prejudice to the power of the Shareholders' Meeting to remove them freely at any time.

According to the minutes of the 76th General Shareholders' Meeting held on 24 March 2021, the following Board of Directors' slate was approved:

Seat	Principal	Alternate
First	Caldas Rico Andrés	Restrepo Molina Carlos Mario
Second	Vargas Lleras José Antonio	Lopez Vergara Leonardo
Third	Rubio Díaz Lucio	Di Murro Michele
Fourth (Independent)	Lopez Valderrama Andrés	Cajiao Pedraza Mario Antonio
Fifth	Adriana Córdoba	Baracaldo Sarmiento Andrés
Sixth	Ortega Juan Ricardo	Tabares Ángel Jorge
Seventh (Independent)	Castro Lachner Luis Javier	Cheng Arango Monica

The Group appoints a Chairman, who is elected by the Board of Directors among its members for a given period, and may be re-elected indefinitely or removed freely before the expiry of the period. In addition, the Board of Directors has a Secretary, who may or may not be a member of the Board. The appointment of the Chairman was approved by the Board of Directors in a meeting held on 26 May 2015. The Secretary of the Board of Directors was appointed on 16 July 2020.

In accordance with the provisions in Article 55 of the Corporate Bylaws, the General Shareholders' Meeting must set the remuneration of the Board members. The current remuneration as of 31 March 2021 amounts to USD $1,000, after taxes, for attendance to each session of the Board of Directors, approved by the General Shareholders' Meeting in ordinary session held on 24 March 2021.

The Board of Directors' composition, approved on March 24, 2021 by the Shareholders' Meeting, was registered before the Bogota Chamber of Commerce on April 29, 2021, under number 02700511 of Book IX.

Below is the list of fees paid to Board members:

Name	As of 31 December 2021	As of 31 December 2020
Vargas Lleras Jose Antonio	$ 84.171	$ 54.869
Lopez Valderrama Andres	71.358	54.869
Ortega Lopez Juan Ricardo	71.358	25.221
Rubio Diaz Lucio	68.012	54.932
Castro Lachner Luis Javier	66.979	38.283
Cordoba Alvarado Adriana	52.886	-
Caldas Rico Andres	50.917	51.078
Baracaldo Sarmiento Andres	12.078	50.995
Lopez Vergara Leonardo	4.533	-
Cheng Monica	4.380	-
Restrepo Molina Carlos Mario	4.283	-
Castilla Canales Felipe	-	29.648
Moreno Montalvo Gustavo	-	12.379
Veleño Quintero Martha Yaneth	-	4.207
Zuleta Dávila Fredy Antonio	-	3.874
	$ 490.955	**$ 380.355**

Key Management Personnel

Below is a list of key Management personnel:

Name	Position
Lucio Rubio Diaz	Directorio General País
Francesco Bertoli	Gerente General Codensa
Michelle Di Murro	Gerente de Administración, Finanzas y Control

The fees received by key Management personnel include salaries and short-term benefits, out of which the most representative corresponds to the annual bonus for meeting objectives.

The detailed fees are listed below:

		Period ended 31 December 2021		Period ended 31 December 2020
Remunerations	$	2.495.108	$	2.550.017
Short-term benefits		-		210.805
Long-term benefits		-		229.077
	$	**2.495.108**	**$**	**2.989.899**

Incentives Plans for Key Management Personnel

The Group has established for its executives an annual bonus for meeting objectives and level of individual contribution to the Group. These bonuses correspond to a specific number of gross monthly remunerations.

As of 31 December 2021, the Group does not have share-based payment benefits for key management personnel, nor has it constituted a guarantee in their favor. For 2021 there were no benefits to key personnel in the short and long term.

As of 31 December 2021, there are no compensation payments for contract termination.

9. Net inventories

		As of 31 December 2021		Al 31 de diciembre de 2020
Net electrical material (1)	$	191.800.334	$	218.079.250
Transformers (1)		11.599.065		16.967.250
Non-electrical material (1)		13.064.996		13.973.030
Other inventories (2)		387.158		498.856
	$	**216.851.553**	**$**	**249.518.386**

(1) Between 1 January and 31 December 2021 Codensa S.A. E.S.P. there was a decrease in the balance of materials due to the technical closure of stages of projects such as; the maintenance and modernization plan in quality of lines and networks and medium voltage infrastructure, network reinforcement and telecontrol equipment, maintenance and modernization of substations, undergrounding of low and medium voltage networks due to the land use plan (POT), expansion of high voltage capacity among others, projects aimed at improving service quality and capacity indexes, modernization and expansion of public lighting.

Below is the detailed movement of the provision for impairment associated with electrical material::

Opening Balance as of January 1, 2020	**$**	**(924.731)**
Use of provision (a)		956.421
Endowment of provision		**(778.060)**
Balance as of 31 December 2020		**(746.369)**
Use of provision (a)		846.148
Endowment of provision		**(1.895.933)**
Balance as of 31 December 2021	**$**	**(1.796.154)**

(a) Corresponds mainly to the losses of cable waste that were returned as surplus from the electrical infrastructure operations of Codensa S.A. E.S.P.

(2) Corresponds primarily to the inventory of induction stoves available for sale; to date there are no signs of impairment of said inventory.

The consumption of materials through profit or loss as of December 2021 and 2020 corresponds to:

		As of 31 December 2021		As of 31 December 2020
Maintenance substations and networks	$	17.192.117	$	13.162.352
Lighting and new business		2.774.222		2.123.955
Other materials		6.370.259		4.877.095
	$	**26.336.598**	**$**	**20.163.402**

There are no inventories pledged as guarantee of debt compliance.

10. Non-current assets held for sale

According to the direct arrangement agreements made between Codensa S.A. E.S.P. and Estandarte Promotora S.A.S., the asset purchase process is formalized by this entity with the first payment made in August 2021.

This agreement considers two assets:

i) A warehouse (building and land) located in the municipality of Facatativá (Cundinamarca), currently there is a lease agreement in which the buyer is the lessee.

ii) The land called Waku-Waku located in the city of Bogotá, on which a trust rights contract has been signed.

Teniendo en cuenta la formalización del proceso de venta y lo establecido en la NIIF 5 "Activos no corrientes mantenidos para la venta y operaciones discontinuadas", se clasifican como activos mantenidos para la venta por el valor en libros, que es inferior al valor razonable de los activos.

The balance as of 31 December 2021 was:

		As of 31 December de 2021
Land	$	1.800.154
Facatativa warehouse		908.282
Waku-Waku lot		891.872
Buildings		317.786
Total assets held for sale	**$**	**2.117.940**

11. Net Intangible Assets Other than Capital Gains

		As of 31 December 2021		As of 31 December 2020
Software (1)	$	312.584.237	$	255.762.870
Easement		60.575.297		60.115.949
Licenses		30.765.084		33.159.548
Development costs		5.391.028		5.977.178
Net intangible assets	**$**	**409.315.646**	**$**	**355.015.545**
Software		536.649.141		425.010.157
Easement		88.524.757		74.645.633
Licenses		76.904.234		83.148.960
Development costs		35.357.143		35.357.142
Gross intangible assets		**737.435.275**	**$**	**618.161.892**
Software		(224.064.904)		(169.247.287)
Easement		(16.328.937		(14.529.684)
Licenses		(57.759.673)		(49.989.412)
Development costs		(29.966.115)		(29.379.964)
Accumulated amortization	**$**	**(328.119.629)**	**$**	**(263.146.347)**

(1) Corresponds to the following software:

	Net cost as of 31 December 2021	Remaining life (Years)	Net cost as of 31 December 2020	Remaining life (Years)
Administrative management systems	**4.621.988**		**5.576.572**	
Microsoft	1.724.227	1	1.644.224	1
Software SAP	1.072.586	8	1.194.586	9
GRID Local Projects	601.906	2	902.859	3
Functional Performance Improvements SPA	508.601	2	762.902	3
Archibus system	385.241	2	577.862	3
Big Data Iot	192.569	2	288.854	3
Software SAP RRHH	136.857	2	205.285	3
Commercial Management Systems	**190.548.575**		**100.354.524**	
Billing (a)	61.082.038	5	44.133.973	-
Global Front Office	11.990.587	3	12.468.015	1
Licenses: Salesforce	10.209.223	3	-	-
Software - Operation Computer Applications Co.	9.408.248	8	-	-
Evoludh- Stm/Gds Integrity	8.382.599	6	-	-
IC_Front Office Rete	-	-	3.968.652	2
Cierre Epica - Beat	8.363.741	3	6.157.384	-
3D Modeling	8.237.490	3	6.129.387	2
TR_ENG_Datagran data sets	-	-	3.157.658	2
Ept'S Regulatory I&N	6.834.201	3	3.423.871	3
Digital Supply Chain - Evoluzione Mlm	-	-	2.227.971	3
E-Industryx- Installer	6.914.477	3	-	-
BI: Layer + data	-	-	2.163.474	3
Update Bt-Au3	5.354.455	5	-	-
Control System	-	-	1.967.262	-
Liquidated Newco Ayesa	5.257.735	4	-	-
Web One Hub 2.0	-	-	1.791.887	3
Cloud Contact Center	5.122.125	3	-	-
Service Quality Management	-	-	1.684.757	-
Erp_ Business Development	3.906.253	3	-	-
Evolution Epica CRM	-	-	1.662.385	2
M&F_ Technical Developments	3.813.702	3	-	-
Td-Mkt- Developments Salesforce and Canales	3.352.151	3	569.519	-
Big Data Iot	3.312.929	3	-	-
Electonic billing	-	-	1.318.919	3
Starbeats	2.956.700	3	-	-
Force Beat	-	-	1.282.372	2
Digital Channel	2.894.136	2	-	-
Contract Lifecycle Managemnt (CLM)	-	-	1.240.865	-
Mandatory Market	2.889.700	3	-	-
Retail N III	-	-	1.231.554	-
M&F_Projects	2.748.977	3	-	-
Projects E-Home	-	-	1.204.466	-
Licenses Ssa Scada Spectrum	2.546.683	3	1.159.740	-
Digi&N	2.448.573	3	-	-
Project Synergia 4J	-	-	534.205	2
Gesi (Including Sales Integrations	7.967.659	-	-	-
One Hub	-	-	370.417	1
Afc Dh Merger Project	2.378.634	3	-	-
ICT Online Services Portal	-	-	188.636	-
Mulesoft_Ic Licenses	2.175.558	2	-	-
Local adaptations Customer Journey	-	-	317.155	2
Distribution Management System	**117.413.674**		**149.831.774**	
Sap E4E	92.107.596	8	102.604.054	9
Software Scada STM (b)	4.269.820	3	14.018.133	4
Software DMS / EMS	3.204.528	-	5.706.792	3
Update BT-AU3	-	-	3.566.124	3
Update BT- OYM	2.572.483	2	3.558.724	3
Lidarproy	2.650.447	3	3.439.026	3
Low Voltage Lifting Bases	1.256.224	2	2.876.224	3
Local S&S	1.549.602	3	2.777.301	3
Asset Management	2.500.134	3	-	-
Hld-Afc-Sap-Amm-Col-Evo-Cod Ept Economic	1.377.031	3	-	-
DIGI&N	-	-	1.517.556	-
Customer Engagement_Ic	1.243.250	-	-	-
Project Infrastructure	-	-	1.186.669	-
Gesi/Qgis/Forcebeat	1.139.870	3	-	-
Asset Management	880.487	3	1.173.982	4
Iomb_Asesores Fv Csc	1.231.565	-	-	-

	Net cost as of 31 December 2021	Remaining life (Years)	Net cost as of 31 December 2020	Remaining life (Years)
Software built operation Applications reports	-	-	987.375	-
Global Projects	1.155.689	6	-	-
Software Opera	-	-	955.146	-
Gesi Functional Improvements	-	-	829.730	-
Other minor software	274.950	-	2.634.938	-
Total General	**312.584.237**		**255.762.870**	

(a) Corresponds to the FARO project that includes the adoption of the product developed by the Enel Group on the SAP platform for the end-to-end management of the billing, collection and collection processes of the regulated market and tolls.

(b) Corresponds mainly to the development and start-up of the project (SCADA), which aims to control technical equipment such as substations and controls in the medium and low voltage urban and rural networks, at the remote operation level in conjunction with the remote control project.

The composition and movements of the item intangible assets are detailed below:

	Development Costs	Easement	Licenses	Computer Software	Intangibles under Construction	Intangible Assets
Opening balance 01/01/2020	**$ 3.832.935**	**$ 57.897.561**	**$ 40.440.038**	**$ 173.069.339**	**$ 30.966.696**	**$ 306.206.569**
Additions	-	-	-	5.966.755	94.325.347	100.292.102
Transfers	2.583.898	4.304.868	1.224.774	25.102.271	(33.215.811)	-
Amortization (Note 25)	(439.655)	(2.086.480)	(8.505.264)	(41.803.289)	-	(52.834.688)
Other increases and decreases	-	-	-	-	1.351.562	1.351.562
Movements of the period	2.144.243	2.218.388	(7.280.490)	(10.734.263)	62.461.098	48.808.976
Closing balance 31/12/2020	**5.977.178**	**60.115.949**	**33.159.548**	**162.335.076**	**93.427.794**	**355.015.545**
Additions	-	-	-	-	120.239.195	120.239.195
Transfers	-	2.258.601	5.375.798	146.859.234	(154.493.633)	-
Amortization (Note 25)	(586.150)	(1.759.253)	(7.770.262)	(55.783.429)	-	(65.939.094)
Movements of the period	**(586.150)**	**459.348**	**(2.394.464)**	**91.075.805**	**(34.254.438)**	**54.300.101**
Closing balance 31/12/2021	**$ 5.391.028**	**$ 60.575.297**	**$ 30.765.084**	**$ 253.410.881**	**$ 59.173.356**	**$ 409.315.646**

As of 31 December 2021, the Group has no intangible assets with indefinite useful life.

Additionally, there are no restrictions or guarantees on intangible assets. As of 31 December 2021, there are no acquisition commitments on intangible assets through official subsidy.

12. Net Property, Plant and Equipment

	As of 31 December 2021	As of 31 December 2020
Construction in progress (1)	$ 756.760.824	$ 924.609.419
Buildings	336.987.108	216.539.216
Land	126.866.704	121.602.530
Improvements in third-party property	534.982	969.898
Plant and equipment	**5.337.503.425**	**4.764.429.712**
Electrical distribution networks and installations	4.291.460.580	3.776.276.025
Substations and high voltage lines	1.046.042.845	988.153.687
Fixed installations and others	**85.567.825**	**81.497.111**
Other installations	37.385.821	43.470.425
Fixed installations and accessories	48.182.004	38.026.686
Finance leases	**125.350.441**	**59.894.793**
Fixed installations and others	16.355.504	1.263.004
IFRS 16 right-of-use assets	**108.994.937**	**58.631.789**

		As of 31 December 2021		As of 31 December 2020
Buildings and Land		106.245.018		56.888.597
Fixed installations and others		2.749.919		1.743.192
Net property, plant and equipment	**$**	**6.769.571.309**	**$**	**6.169.542.679**
Construction in progress		756.760.824		924.609.419
Buildings		405.859.737		278.871.011
Land		126.866.704		121.602.530
Improvements in third-party property		10.128.371		10.128.371
Plant and equipment		**10.605.890.667**		**9.747.641.263**
Electrical distribution networks and installations		8.386.382.225		7.630.346.331
Substations and high voltage lines		2.219.508.442		2.117.294.932
Fixed installations and others		**254.259.037**		**236.200.567**
Other installations		154.310.971		150.234.892
Fixed installations and accessories		99.948.066		85.965.675
Finance leases		**147.680.349**		**94.740.448**
Fixed installations and others		26.852.160		13.975.083
IFRS 16 right-of-use assets		**120.828.189**		**80.765.365**
Buildings and Land		117.620.078		77.557.254
Fixed installations and others		3.208.111		3.208.111
Gross property, plant and equipment		**12.307.445.689**		**11.413.793.609**
Buildings		(68.872.629)		(62.331.795)
Improvements in third-party property		(9.593.390)		(9.158.473)
Plant and equipment		**(5.268.387.241)**		**(4.983.211.551)**
Electrical distribution networks and installations	$	(4.094.921.645)	$	(3.854.070.306)
Substations and high voltage lines		(1.173.465.596)		(1.129.141.245)
Fixed installations and others		**(168.691.213)**		**(154.703.456)**
Other installations		(116.925.150)		(106.764.467)
Fixed installations and accessories		(51.766.063)		(47.938.989)
Finance leases		**(22.329.907)**		**(34.845.655)**
Fixed installations and others		(10.496.655)		(12.712.079)
IFRS 16 right-of-use assets		**(11.833.252)**		**(22.133.576)**
Buildings and Land		(11.375.060)		(20.668.657)
Fixed installations and others		(458.192)		(1.464.919)
Accumulated depreciation of property, plant and equipment	**$**	**(5.537.874.380)**	**$**	**(5.244.250.930)**

(1) Assets undergoing construction correspond to the following projects:

Project		As of 31 December 2021		As of 31 December 2020
Replenishment of rural infrastructure level 1	$	195.315.923	$	225.921.082
Expansion and Modernization of High and Medium Voltage Substations		94.993.632		-
Medium voltage lines quality plan		92.689.151		145.613.419
Standardization and quality medium voltage service		76.590.701		117.269.941
Telecontrol project Latam – Codensa		58.648.931		65.808.438
Replenishment of transformers and rural urban equipment		44.796.315		104.142.151
Connections lines and mass urban networks		43.768.433		58.567.295
Modernization of public lighting Bogota		33.119.951		43.583.661
Acquisition of the Enel X Central Warehouse and maneuvering yards		29.538.825		-
Replenishment of rural and urban infrastructure level 2		24.582.349		16.273.042
Standardization and quality high voltage service		17.554.357		4.969.753
Expansion of Public Lighting		15.207.107		8.227.601
Commercial Headquarters Adaptations		14.203.018		3.790.824
IDU land use plan - Municipalities		6.363.519		3.165.067
Medium voltage capacity expansion		3.586.117		23.037.279
High voltage capacity expansion		2.548.636		414.543

Project	As of 31 December 2021	As of 31 December 2020
Rural Public Lighting	2.148.762	3.666.079
Other minor projects	777.091	2.050.597
Adaptation of loss control measurement equipment	328.006	6.836.682
Electric Bus Charging Stations	-	8.474.513
Modernization of substation equipment	-	6.387.108
San Jose substation	-	3.347.962
MV - LV Peripheral Networks Expansion	-	505.296
Construction of Portugal Substation STN-115Kva	-	290.992
Smart Metering	-	136.408
Construction of Terminal Substation STN-115Kva	-	129.687
Total Assets in Progress	**$ 756.760.824**	**$ 924.609.419**

The composition and movements of the line item Properties, plant and equipment are detailed below:

	Construction in progress	Lands	Buildings	Improvements third-party property	Substations and high voltage lines	Installations and electric distribution networks	Other installations	Finance leases	Property, plant and equipment
	$ 706.371.675	**$ 114.895.524**	**$ 213.462.060**	**$ 1.404.815**	**$ 902.571.196**	**$ 3.517.638.230**	**$ 91.316.517**	**$ 27.466.177**	**$ 5.575.126.194**
Period movements									
Additions (a)	928.849.956	-	-	-	-	-	-	52.314.815	981.164.771
Transfers	(710.191.046)	6.710.110	5.810.436	-	130.257.174	558.345.768	8.902.505	165.053	-
Withdrawals (b)	-	(3.104)	.	-	(7.243.503)	(50.146.588)	-	(4.295.565)	(61.688.760)
Depreciation expenses (see note 25)	-	-	(2.733.280)	(434.917)	(43.942.139)	(291.532.950)	(18.721.833)	(16.551.095)	(373.916.214)
Other increases (decreases)	(421.166)	-	-	-	6.510.959	41.971.565	(78)	795.408	48.856.688
Period movements	**218.237.744**	**6.707.006**	**3.077.156**	**(434.917)**	**85.582.491**	**258.637.795**	**(9.819.406)**	**32.428.616**	**594.416.485**
Closing balance 31/12/2020	**$ 924.609.419**	**$ 121.602.530**	**$ 216.539.216**	**$ 969.898**	**$ 988.153.687**	**$ 3.776.276.025**	**$ 81.497.111**	**$ 59.894.793**	**$ 6.169.542.679**
Period movements									
Additions (a)	925.427.838	-	-	-	-	-	-	87.085.788	1.012.513.626
Transfers	(1.093.276.433)	7.233.266	127.395.946	-	106.556.108	831.020.425	21.070.688	-	-
Withdrawals (b)	-	(1.969.092)	(317.785)	-	(4.342.599)	(74.984.531)	(3.012.218)	(34.145.886)	(118.772.111)
Depreciation expenses (see note 25)	-	-	(6.630.269)	(434.916)	48.051.435)	(305.774.114)	(16.999.810)	(21.293.976)	(399.184.520)
Other increases	-	-	-	-	3.727.084	64.922.775	3.012.054	33.809.722	105.471.635
Period movements	**(167.848.595)**	**5.264.174**	**120.447.892**	**(434.916)**	**57.889.158**	**515.184.555**	**4.070.714**	**65.455.648**	**600.028.630**
Closing balance 31/12/2021	**$ 756.760.824**	**$ 126.866.704**	**$ 336.987.108**	**$ 534.982**	**$ 1.046.042.845**	**$ 4.291.460.580**	**$ 85.567.825**	**$ 125.350.441**	**$ 6.769.571.309**

(a) As of 31 December 2020 and 2019, $5,232,987 and $4,410,456 of financial expenses were capitalized in assets suitable for projects such as replacement and redesign of urban and rural medium voltage quality, Norte substation, Terminal substation, Tabacal substation and others.

(b) Corresponds mainly to the removal of HV/MV/LV equipment, networks and distribution transformers and public lighting associated with modernisation and replenishment projects.

Additional information net property, plant and equipment

Main investments

As of 31 December 2021 and 2020, additions to property, plant and equipment correspond to investments in conditioning, modernization, expansion and construction of substations, lines and networks in high, medium and low voltage and distribution transformers in order to enhance efficiency, Charging Stations for Electric Buses, Purchase of Warehouses and levels of quality of service. The main additions to property, plant and equipment correspond to:

Additions by project	Class	As of 31 December 2021	As of 31 December 2020
Adaptation and modernisation in HV, MV and LV lines and networks *	Líneas y Redes	274.033.437	278.578.676
Adaptation, modernisation and expansion of HV / MV and MV / MV substations *	Subestaciones	203.532.379	192.705.722
Expansion and modernisation of rural and urban public lighting	Líneas y Redes	57.790.343	45.706.545
Expansion of HV, MV and LV lines and networks *	Líneas y Redes	106.432.520	95.569.899
E-Bus Project	Estaciones Recarga	-	128.848.882
Telecontrol Latam	Líneas y Redes	34.236.816	81.350.396
Expansion and adaptation of MV and LV distribution transformers *	Líneas y Redes	38.167.981	35.337.781
Acquisition of measuring devices to control MV and LV losses *	Líneas y Redes	-	7.056.071
Expansion substation Mosquera STN/115 Kv	Subestaciones	-	11.111.940
Expansion substation Portugal STN/115 Kv	Subestaciones	-	16.545.174
Adaptation and modernization of Headquarters	Sedes	-	10.647.848
Purchase of warehouse central file T Patio	Bodegas	-	14.699.373

*** HV (High voltage), MV (Medium voltage) and LV (Low voltage)**

As of 31 December 2021 and 2020, direct workforce was capitalized directly related to the construction in progress capitalized for $107,624,073 and $97,651,016. The variation corresponds mainly to the greater execution of tele-control projects, replacement quality and urban and rural infrastructure in medium voltage networks, Terminal substation, Tabacal, Boquerón substation, massive urban and rural connections in medium and low voltage networks, Electric Bus Recharging Stations and compliance with the district's land use plan.

Main transfers to operation

As of 31 December 2021, the main constructions in progress that started operations correspond to:

Project	Total Activation
Modernization, adaptation and expansion of medium voltage lines and networks	$ 529.544.372
Modernization and compensation of high- and medium-voltage substations	141.988.487
Modernization, adaptation and expansion of Public Lighting	97.798.529
Modernization, adaptation and expansion of low-voltage lines and networks	91.196.998
Modernization, adaptation and expansion of distribution transformers	43.812.959
Modernization, adaptation and expansion of high voltage lines and networks	17.494.102

Insurance policies

Below are the policies for the protection of the Group's property:

Insured property	Hedged risks	Insured value (Figures in thousands)	Maturity	Insurance company
Company assets	Non-contractual civil liability	USD $20.000	1/11/2022	Axa Colpatria
	Non-contractual civil liability (tier of USD $200 million in excess of USD $20 million)	USD $250.000	1/11/2022	Mapfre Seguros Colombia
	Non-contractual civil liability (tier of USD $ 233 million in excess of USD $ 200 million)	USD $232.940	1/11/2022	Mapfre Seguros Colombia
	Environmental civil liability	$88.039.678	1/11/2022	SBS
Civil works, equipment contents, stores and loss of profit	All risk material damage, earthquake, seaquake HMACC - AMIT, loss of profit and machinery breakdown	USD 1,164,700 per claim Limit of Indemnity	1/11/2022	Mapfre Seguros Colombia
Vehicles	Non-contractual civil liability	$3.000.000 per vehicle	03/02/2022	Mapfre Seguros Colombia
Goods and assets	Freight transport	$5.000.000 per dispatch	31/07/2022	HDI Seguros S.A.

13. Net deferred taxes

The recovery of asset balances for deferred taxes depends on the achievement of profit in the future. Management considers that future tax profit is sufficient for asset recovery.

Below is the detail of the net deferred tax assets (liabilities) as of 31 December 2021:

	Opening balance 01/01/2021	Increases for deferred tax in profit or loss (i)	Increase (decrease) for deferred tax in other comprehensive income (ii)	Closing balance 31/12/2021
Deferred tax assets				
Provisions and others (1)	$ 83.619.736	$ (846.334)	$ -	$ 82.773.402
Defined contribution obligations	27.543.404	3.840.480	(15.743.376)	15.640.508
Total deferred tax assets	**$ 111.163.140**	**$ 2.994.146**	**$ (15.743.376)**	**$ 98.413.910**
Deferred tax liabilities				
Excess of tax depreciation on book value (2)				
Others (3)	72.472.452	1.951.517	-	74.423.969
Total deferred tax liabilities	361.615	33.079	7.972.283	8.366.977
Net deferred tax assets (liabilities)	**72.834.067**	**1.984.596**	**7.972.283**	**82.790.946**
Impuesto diferido activo (pasivo), neto	**$ 38.329.073**	**$ 1.009.550**	**$ (23.715.659)**	**$ 15.622.964**

(a) As of 31 December 2021, the decrease in deferred tax results comprises: deferred tax for the period $11,527,593 and deferred tax of previous years for $(10,518,043).

(b) The deferred tax against the other comprehensive income corresponds to the difference of the actuarial calculation of pensions under Decree 2783 of 2001 for tax purposes and the resulting one under IFRS as of 31 December 2021 for ($15,743,376) and to the movements of settled derivatives for $7,972,283.

(1) As of 31 December 2021, the detail of the deferred tax asset for other provisions corresponds to:

	Opening balance 01/01/2021	Increases (decreases) for deferred tax in profit or loss	Closing balance 31/12/2021
Provision for uncollectible accounts (a)	$ 26.286.814	$ 4.545.617	$ 30.832.431
Provisions for work and services	6.214.403	(1.634.954)	4.579.449
Provision for labor obligations (b)	18.824.100	(2.138.633)	16.685.467
Provision for decommissioning	327.099	68.250	395.349
Other	19.961.847	(3.459.683)	16.502.164
Dif. Industry and trade tax (c)	12.005.473	1.773.069	13.778.542
	$ 83.619.736	**$ (846.334)**	**$ 82.773.402**

(a) Corresponds mainly to the increase in the provision for the VAT portfolio of Public Lighting.

(b) This item corresponds mainly to provisions for personnel costs due to restructuring (Transition Fund).

(c) Corresponds to the recognition of deferred tax for the tax discount of the industry and commerce tax in accordance with article 115 of the Tax Statute modified by the Financing Law (Act 2010 of 2019).

(2) As of 31 December 2021, corresponds to the difference in accounting and tax depreciation due to: (i) depreciation requested in excess due to additional shifts in 1998, (ii) depreciation due to reduction of balances as of 2014, (iii) difference in the cost of assets due to technical re-appraisal, (iv) accounting and tax difference due to inflation adjustments in 2004, 2005 and 2006, (v) different depreciation percentages of assets, taking into account that at tax level as of 2017 the depreciation percentages defined in Article 137 of the Tax Code are taken.

(3) Corresponds mainly to the deferred tax liability of the companies Fontibón ZE S.A.S. and Usme ZE S.A.S. according to the calculation of Article 32 of the E.T., which states that in concession contracts in the stages of construction, administration, operation and maintenance; revenues and costs will be recognized for tax purposes as a liability for deferred income and an intangible asset, respectively.

Act 2155 of 2021 defined that as from 2022 the income tax rate will be 35%. The deferred tax as of 31 December 2021 by rate is presented below:

		2022 Onwards
Provisions and estimated liabilities	$	**153.029.542**
Property, plant and equipment		(216.937.440)
Portfolio		88.785.796
Others		(23.905.649)
	$	**972.249**
Rate		35%
		340.287
Diff. Industry and Trade Tax		27.557.084
Rate		50%
Tax		13.778.542
Occasional earnings		15.041.352
Rate		10%
Tax		1.504.135
Total deferred tax asset	**$**	**15.622.964**

The following is a detail of the deferred tax liabilities as of 31 December 2021:

		Opening balance 01/01/2021		Increase for deferred income taxes in profit or loss (a)		Closing balance 31/12/2021
Other (1)	$	-	$	11.906.783	$	11.906.783
Total deferred tax liability		**-**		**11.906.783**		**11.906.783**
Deferred tax asset (liability), net	**$**	**-**	**$**	**(11.906.783)**	**$**	**(11.906.783)**

(a) Corresponds mainly to the deferred tax liability of the companies Fontibón ZE S.A.S. and Usme ZE S.A.S. according to the calculation of Article 32 of the E.T., which states that in concession contracts in the construction, administration, operation and maintenance stages, revenues and costs will be recognized for tax purposes as a liability for deferred income and an intangible asset, respectively.

The deferred tax by rate is presented below:

		2022 Onwards
Others		34.019.379
	$	**34.019.379**
Rate		35%
		11.906.783
Total deferred tax liabilities	**$**	**11.906.783**

The following is a detail of the net deferred tax asset (liability) as of 31 December 2020:

	Initial balance 01/01/2020	Increases (decreases) for deferred tax in profit or loss (i)	Increase (decrease) for deferred tax in other comprehensive income (ii)	Final balance 31/12/2020
Deferred tax assets				
Provisions and others (1)	$ 51.916.650	$ 31.703.086	$ -	$ 83.619.736
Defined contribution obligations	28.275.768	(413.984)	(318.380)	27.543.404
Hedging instruments	17.441	-	(17.441)	-
Total deferred tax assets	**$ 80.209.859**	**$ 31.286.102**	**$ (335.821)**	**$ 111.163.140**
Deferred tax liabilities				
Excess of tax depreciation on book value (2)				
Others	79.945.132	(7.472.680)	-	72.472.452
Total deferred tax liabilities	617.061	(255.446)	-	361.615
Net deferred tax assets (liabilities)	**80.562.193**	**(7.728.126)**	**-**	**72.834.067**
Impuesto diferido activo (pasivo), neto	**$ (352.334)**	**$ 39.017.228**	**$ (335.821)**	**$ 38.329.073**

(i) As of 31 December 2021, the increase in deferred tax results includes: Deferred tax for the period $40,178,268 and deferred tax from previous years for ($1,161,040).

(ii) The deferred tax asset corresponds to the difference of the actuarial calculation of pensions of Decree 2783 of 2001 for tax purposes and the resulting one under IFRS as of December 31, 2020 for ($ 318,380).

(1) As of 31 December 2020, the detail of deferred tax assets on account of other provisions corresponds to:

	Closing balance 01/01/2020	Increase (decrease) for deferred tax in profit or loss	Closing balance 31/12/2020
Provision of uncollectible accounts (a)	$ 25.243.724	$ 1.043.090	$ 26.286.814
Provisions of works and services	2.978.559	3.235.844	6.214.403
Labor obligations provision (b)	2.226.212	16.597.888	18.824.100
Provision for contingent liabilities	6.225.980	(6.225.980)	-
Provision for dismantling	165.326	161.773	327.099
Others (b)	15.076.849	4.881.989	19.958.838
Industry and Trade Tax Diff. (c)	-	12.008.482	12.008.482
	$ 51.916.650	**$ 31.703.086**	**$ 83.619.736**

(a) Corresponds to the provision of the Public Lighting VAT portfolio.

(b) This item corresponds mainly to provisions for personnel costs for restructuring (Transition Fund).

(c) Corresponds to the recognition of deferred tax for the tax deduction of the industry and commerce tax in accordance with article 115 of the Tax Statute modified by the Financing Law (Act 2010 of 2019).

(2) As of December 31, 2020, corresponds to the difference in accounting and tax depreciation due to: i) depreciation requested in excess for additional shifts in 1998, ii) depreciation due to reduction of balances as of 2014, iii) difference in the cost of assets due to technical re-appraisal, iv) accounting and tax difference due to inflation adjustments for 2004, 2005 and 2006, v) different percentages of asset depreciation, considering that for tax purpose, since 2017 the depreciation percentages defined in article 137 of the Tax Statute are applied.

Act 2010 of 2019 defined the following rates: year 2020 at 32%, year 2021 at 31%, year 2022 onwards at 30%, which show no changes compared to 31 December 2019. The deferred tax as of 31 December 2020 by rate is presented below:

	2020 Income tax and surcharge	2021 Income tax and surcharge	2022 Onwards
Estimated provisions and liabilities	$ -	$ 72.105.768	$ 167.980.271
Property, plant and equipment	-	(25.718.845)	(215.661.210)
Portfolio	-	28.600.887	58.471.712
Others	-	(75.164)	(1.127.698)
	$ -	**$ 74.912.646**	**$ 9.663.075**
Rate	32%	31%	30%
	-	23.222.920	2.898.923
Occasional earnings	24.010.964		
Rate	50%		
Tax	12.008.482		
Occasional earnings	1.987.475		
Rate	10%		
Tax	198.748		
Total deferred tax liabilities	**$ 38.329.073**		

14. Financial Liabilities

	As of 31 December 2021			As of 31 December 2020		
	Current			Current		
	Capital	Interest	Non-current	Capital	Interest	Non-current
Bonds issued (1)	$ 270.000.000	$ 33.984.246	$ 1.928.340.000	$ 185.000.000	$ 29.115.529	$ 2.198.340.000
Bank Obligations (2)	577.031.169	15.012.795	1.305.185.834	421.443.263	17.940.630	226.513.371
Finance lease (3)	**14.512.621**	**4.709.064**	**109.035.064**	**9.665.479**	**441.860**	**51.753.430**
IFRS 16 leases	14.512.621	4.709.064	109.035.064	8.696.664	441.860	51.753.430
Commercial vehicle lease	-	-	-	968.815	-	-
Derivatives (4)	1.032.066	-	-	-	-	-
	$ 862.575.856	**$ 53.706.105**	**$ 3.342.560.898**	**$ 616.108.742**	**$ 47.498.019**	**$ 2.476.606.801**

(1) The bond movement from January to December 2021 corresponds mainly to:

Between 1 and 21 September 2021, Codensa S.A. E.S.P. repurchased Series B7-14 bonds for $25,500,000 and on 27 September 2021 cancelled the balance of bonds of the same series for $159,500,000.

The total financial debt of Codensa S.A. E.S.P. in bonds is represented in seven (7) bond issues in force in the local market, issued since 2013 and effective as of 31 December 2021.

Bond Issuance and Placement Program

Through Resolution No. 194 of 29 January 2010, the Colombian Financial Superintendence ordered the registration in the National Register of Securities and Issuers (RNVE in Spanish) of the Ordinary Bond Issue and Placement Program of Codensa S.A. E.S.P. and authorized the public offer for an amount of up to $600,000,000. Through Resolution No. 0624 of 3 April 2013, the Colombian Financial Superintendence authorized the renewal of the validity term of the authorization for the public offer of the Codensa Ordinary Bond Issue and Placement Program for a three-year term counted as of the signing of the aforementioned Resolution, i.e., until 30 April 2016. Subsequently, having met the requirements established for such purpose, the Limit for the Issue and Placement Program was extended on 13 March 2014 through Resolution No. 0407/2014 of the Colombian Financial Superintendence to $185,000,000, increasing the Program's Global Limit to $785,000,000. The Limit of the Issue and Placement Program was extended once again on 7 October 2014 through Resolution No. 1780/2014 of the Financial Superintendence to $165,000,000, increasing the Program's Global Limit to $950,000,000. Resolution No. 0623 of 23 May 2016 approved the extension of the Global Program Limit to an additional amount of $560,000,000, bringing the Global Limit to $1,510,000,000, while the renewal of the term for the authorization of the public offer of the bonds in the Program was approved for three additional years as of the execution of said Resolution, i.e., until 3 June 2019. On 28 December 2017, Resolution No. 1893, approved the following amendments to the Issuance and Placement Program of ordinary bonds of Codensa S.A. E.S.P.: i) The inclusion of Commercial Papers in the Issuance and Placement Program, their registration with the RNVE and their public offer and ii) The incorporation of the changes derived from the application of article 6.1.1.1.5 of Decree 2555 of 2010, referring to the modality used for issuing the securities, the Plan for the amortization of the securities and the possibility of publishing the interest rate offered separately from the offer notice. Subsequently, having fulfilled the requirements established for this purpose, Resolution No. 0136 of 31 January 2018 approved the expansion of the Program's Overall Quota in an additional amount of one trillion two hundred ninety-five billion Pesos ($1,295,000,000) bringing the Overall Quota to a total of two trillion eight hundred five billion Pesos ($2,805,000,000). Finally, Resolution No. 0683 of 28 May 2019, authorized the increase in the Overall Quota of the Program in an additional amount of $595,000,000, bringing the Overall Quota to $3,400,000,000, and approved the renewal of the term of the authorization of the public offer of the Program's bonds and commercial papers for an additional three years from the execution of said Resolution, i.e., until 19 June 2022. Resolution No. 0146 of 22 February 2021 approved the increase of the Global Quota of the Program in an additional amount of one trillion two hundred thousand million Pesos ($1,200,000,000), bringing the Global Quota to a total of four trillion six hundred thousand million Pesos ($4,600,000,000).

As of 31 December 2021, ten (10) issues have taken place under the Bond issuance and placement program. The first Tranche was issued on 17 February 2010, the second Tranche on 15 November 2013, the third Tranche on 25 September 2014, the fourth Tranche on 15 September 2016, the fifth Tranche on 9 March 2017, the eighth Tranche on 23 October 2018, the ninth tranche on 7 March 2019 and the tenth tranche on 25 August 2020. Below is the detail of current issues:

Second Tranche under the Program

Total placed value	$375.000.000, as follows: Sub-serie B5: $181.660.000 Sub-serie B12: $193.340.000
Current balance as of 31 December 2021	$193.340.000
Par value per bond	$10.000
Issue terms	Sub-serie B5: 5 years Sub-serie B12: 12 years
Date of issue	15 November 2013 for all series
Maturity	Sub-serie B5: 15 November 2018 Sub-serie B12: 15 November2025
Issue Manager	Deceval S.A.
Coupon Rate:	Sub-serie B5: IPC + 3,92% E.A. Sub-serie B12: IPC + 4,80% E.A.
Rating	AAA (Triple A) Asignada por Fitch Ratings Colombia S.A. S.C.V.).

Fifth Tranche under the Program

Total placed value	$430.000.000, as follows: Sub-serie E2: $160.000.000 Sub-serie E5: $270.000.000
Current balance as of 31 December 2021	$270.000.000
Par value per bond	$10.000
Issue Terms	Sub-serie E2: 2 years Sub-serie E5: 5 years
Date of Issue	09 March 2017
Maturity	Sub-serie E2: 9 March 2019 Sub-serie E5: 9 March 2022
Issue Manager	Deceval S.A.
Coupon Rate:	Sub-serie E2: 7,04% E.A. Sub-serie E5: 7,39% E.A.
Rating	AAA (Triple A) Asignada por Fitch Ratings Colombia S.A. S.C.V.

Sixth Tranche under the Program

Total placed value	$200.000.000, as follows: Sub-serie E7: $200.000.000
Current balance as of 31 December 2021	$200.000.000
Par value per bond	$10.000
Issue Terms	Sub-serie E7: 7 years
Date of Issue	8 June 2017
Maturity	Sub-serie E7: 8 June 2024
Issue Manager	Deceval S.A.
Coupon Rate:	Sub-serie E7: 6,46% E.A.
Rating	AAA (Triple A) Asignada por Fitch Ratings Colombia S.A. S.C.V.

Seventh Tranche under the Program

Total placed value	$360.000.000, as follows: Sub-serie E7: $200.000.000 Sub-serie B12: $160.000.000
Current balance as of 31 December 2021	$360.000.000
Par value per bond	$10.000
Issue Terms	Sub-serie E7: 7 years Sub-serie B12: 12 years
Date of Issue	11 April 2018
Maturity	Sub-serie E7: 11 April 2025 Sub-serie B12: 11 April 2030
Issue Manager	Deceval S.A.
Coupon Rate:	Sub-serie E7: 6,74% E.A. Sub-serie B12: IPC+3,59% E.A.
Rating	AAA (Triple A) Asignada por Fitch Ratings Colombia S.A. S.C.V.

Eighth Tranche under the Program

Total placed value	$195.000.000, as follows: Sub-serie B5: $195.000.000
Current balance as of 31 December 2021	$195.000.000
Par value per bond	$10.000
Issue Terms	Sub-serie B5: 5 years
Date of Issue	23 October 2018
Maturity	Sub-serie B5: 23 October 2023
Issue Manager	Deceval S.A.
Coupon Rate:	Sub-serie B5: IPC+2,82% E.A.
Rating	AAA (Triple A) Asignada por Fitch Ratings Colombia S.A. S.C.V.

Ninth Tranche under the Program

Total placed value	$480.000.000, as follows: Sub-serie E4: $280.000.000 Sub-serie B10: $200.000.000
Current balance as of 31 December 2021	$480.000.000
Par value per bond	$10.000
Issue Terms	Sub-serie E4: 4 years Sub-serie B10: 10 years
Date of Issue	7 March 2019
Maturity	Sub-serie E4: 7 March 2023 Sub-serie B10: 7 March 2029

Issue Manager	Deceval S.A.
Coupon Rate:	Sub-serie E4: 6,30% E.A. Sub-serie B10: IPC +3,56% E.A.
Rating	AAA (Triple A) Assigned by Fitch Ratings Colombia S.A. S.C.V.

Tenth Tranche under the Program

Total placed value	$500.000.000,as follows: Sub-serie E4: $250.000.000 Sub-serie B7: $250.000.000
Current balance as of 31 December 2021	$500.000.000
Par value per bond	$10.000
Issue Terms	Sub-serie E4: 4 years Sub-serie B7: 7 years
Date of Issue	25 August 2020
Maturity	Sub-serie E4: 25 August 2024 Sub-serie B7: 25 August 2027
Issue Manager	Deceval S.A.
Coupon Rate:	Sub-serie E4: 4.70% E.A. Sub-serie B10: IPC +2,45% E.A.
Rating	AAA (Triple A) Asignada por Fitch Ratings Colombia S.A. S.C.V.

The detail of the obligations for debt bonds as of 31 December 2021 is as follows:

			Current			Non-current			
Series	Rate EA	Type of rate	Less than 90 days	Over 90 days	Total Current	1 to 2 years	2 to 5 years	5 to 10 years	Total Non-current
			$ 2.459.671	$ -					
Bonds E5-17 (*)	7,39%	Fixed	16.180.290	270.000.000	286.180.290	-	-	-	-
Bonds E7-17	6,46%	Fixed	824.600	-	824.600	-	200.000.000	-	200.000.000
Bonds E7-18	6,74%	Fixed	2.952.000	-	2.952.000	-	200.000.000	-	200.000.000
Bonds B12-18	9,04%	Variable	3.141.600	-	3.141.600	-	-	160.000.000	160.000.000
Bonds B5-18	8,23%	Variable	2.980.575	-	2.980.575	195.000.000	-	-	195.000.000
Bonds E4-19	6,30%	Fixed	1.173.760	-	1.173.760	280.000.000	-	-	280.000.000
Bonds B10-19	9,01%	Variable	1.185.000	-	1.185.000	-	-	200.000.000	200.000.000
Bonds E4-20	4,70%	Fixed	1.165.750	-	1.165.750	-	250.000.000	-	250.000.000
Bonds B7-20	7,84%	Variable	1.921.000	-	1.921.000	-	-	250.000.000	250.000.000
			$ 33.984.246	**$ 270.000.000**	**$ 303.984.246**	**$ 475.000.000**	**$ 843.340.000**	**$ 610.000.000**	**$ 1.928.340.000**

The payment of interest is made quarterly and the amortization of the principal is made at the maturity of the issue.

(*) The payment of interest has an annual periodicity, payment due 09/03/2022.

The detail of the obligations for debt bonds as of 31 December 2020 is as follows:

			Current			Non-current			
Series	Rate EA	Type of rate	Less than 90 days	Over 90 days	Total Current	1 to 2 years	2 to 5 years	5 to 10 years	Total Non-current
			$ 1.541.527	$ -					
Bonds B7-14	5,07%	Variable	175.640	185.000.000	185.175.640	-	-	-	-
Bonds E5-17 (*)	7,39%	Fixed	16.183.000	-	16.183.000	270.000.000	-	-	270.000.000
Bonds E7-17	6,46%	Fixed	824.548	-	824.548	-	200.000.000	-	200.000.000
Bonds E7-18	6,74%	Fixed	2.952.270	-	2.952.270	-	200.000.000	-	200.000.000
Bonds B12-18	5,14%	Variable	1.809.429	-	1.809.429	-	-	160.000.000	160.000.000
Bonds B5-18	4,35%	Variable	1.599.634	-	1.599.634	-	195.000.000	-	195.000.000

Series	Rate EA	Type of rate	Current: Less than 90 days	Current: Over 90 days	Total Current	Non-current: 1 to 2 years	Non-current: 2 to 5 years	Non-current: 5 to 10 years	Total Non-current
Bonds E4-19	6,30%	Fixed	1.173.961	-	1.173.961	-	280.000.000	-	280.000.000
Bonds B10-19	5,10%	Variable	699.041	-	699.041	-	-	200.000.000	200.000.000
Bonds E4-20	4,69%	Fixed	1.166.423	-	1.166.423	-	250.000.000	-	250.000.000
Bonds B7-20	3,98%	Variable	990.056	-	990.056	-	-	250.000.000	250.000.000
			$ 29.115.529	$ 185.000.000	$ 214.115.529	$ 270.000.000	$ 1.318.340.000	$ 610.000.000	$ 2.198.340.000

The payment of interest is made quarterly and the amortization of the principal is made at the maturity of the issue.

(*) The payment of interest has an annual periodicity, payment due 09/03/2021.

(2) The detail of Obligations for debt bonds as of 31 December 2019 is as follows:

On 6 January 2021 Codensa S.A. E.S.P. acquired two new loans with Banco Itaú S.A. through Findeter's rediscount line with compensated rate: (i) for $12,543,000 maturing on 6 January 2024 at a rate of IBR+0% MV, the outstanding balance as of 31 December is $9. 502,273 (ii) for $23,984,000 maturing on 6 January 2023 at a rate of IBR - 0.15% MV, the outstanding balance at December 31 is $14,847,238.

On 8 February 2021 Codensa S.A. E.S.P. acquired two new loans with Banco Itaú S.A. through the rediscount line with compensated rate of Findeter: (i) for $6,137. 000 maturing on 8 February 2023 at a rate of IBR-0.15% MV, the current balance as of 31 December is $4,091,333 (ii) for $2,872,000 maturing on 8 February 2024 at a rate of IBR + 0% MV, the current balance as of 31 December is $2,262,788. The resources received were used to finance working capital.

On 5 April 2021 Codensa S.A. E.S.P. acquired a loan with Bancolombia S.A. for an amount of $450,000,000 bullet amortization at a rate of IBR 3 months + 0.40%, and a term of 12 months. The funds received were used to refinance financial obligations.

On 14 May 2021 Codensa S.A. E.S.P. acquired a loan with Scotiabank Colpatria S.A. for an amount of $400,000,000 bullet amortization at a rate of IBR 3 months + 0.75%, and a term of 5 years. The proceeds received were used for general corporate purposes.

On 15 July 2021 Codensa S.A. E.S.P. acquired a loan with Bancolombia S.A. for an amount of $300,000,000 for a term of 5 years, annual amortizations and semi-annual interest payments at a rate of IBR NASV + 0.50%. The proceeds received were used for general corporate purposes.

On 2 November 2021 Codensa S.A. E.S.P. acquired a loan with BBVA Colombia S.A. for an amount of $215,000,000 for a term of 5 years, bullet and with semiannual interest payment with NASV fixed rate. The resources received were used for general corporate purposes.

On 30 November 2021 Codensa S.A. E.S.P. acquired a loan with Bancolombia S.A. for an amount of $260,000,000 for a term of 5 years, bullet and with semiannual interest payment with IBR + 0.85% SV rate. The funds received were used for general corporate purposes.

During 1 January to 31 December 2021, principal repayments of bank loans were made for $436,275,631.

The detail of bank loans as of 31 December 2021 is as follows:

Description	Maturity	Rate EA	Current: Less than 90 days	Current: Over 90 days	Total Current	1 to 2 years	2 to 5 years	Total Non-current
Banco BBVA Colombia S.A.	13/06/2022	4,67%	-	8.353.886	8.353.886	-	-	-
Banco de Bogotá S.A.	5/04/2026	3,95%	852.171	2.598.662	3.450.833	3.408.670	7.953.562	11.362.232
Banco BBVA Colombia S.A.	14/01/2025	3,26%	-	30.081.711	30.081.711	66.666.667	100.000.000	166.666.667
Financiera de Desarrollo Territorial S.A.	28/08/2023	0,00%	464.545	1.393.636	1.858.182	1.238.788	-	1.238.788
Financiera de Desarrollo Territorial S.A.	16/10/2023	0,00%	612.091	1.836.273	2.448.364	2.040.303	-	2.040.303
Financiera de Desarrollo Territorial S.A.	30/11/2023	0,00%	270.455	811.364	1.081.818	991.667	-	991.667
Banco Itaú CorpBanca Colombia S.A.	6/01/2024	2,72%	1.140.273	3.438.767	4.579.040	4.561.091	380.091	4.941.182
Banco Itaú CorpBanca Colombia S.A.	6/01/2023	2,57%	3.426.286	10.305.355	13.731.641	1.142.095	-	1.142.095
Banco Itaú CorpBanca Colombia S.A.	8/02/2023	2,63%	876.714	2.637.020	3.513.734	584.476	-	584.476

Description	Maturity	Rate EA	Current: Less than 90 days	Current: Over 90 days	Current: Total Current	1 to 2 years	2 to 5 years	Total Non-current
Banco Itaú CorpBanca Colombia S.A.	8/02/2024	2,78%	261.091	787.293	1.048.384	1.044.364	174.061	1.218.424
Bancolombia	5/04/2022	2,80%	-	204.388.430	204.388.430	-	-	-
Bancolombia	5/04/2022	2,80%	-	248.689.370	248.689.370	-	-	-
Scotiabank Colpatria S.A.	14/05/2026	3,61%	-	1.858.367	1.858.367	-	400.000.000	400.000.000
Bancolombia	15/07/2026	2,72%	-	63.857.583	63.857.583	60.000.000	180.000.000	240.000.000
Banco BBVA COLOMBIA S.A.	2/11/2026	5,72%	-	2.014.801	2.014.801	-	215.000.000	215.000.000
Bancolombia	30/11/2026	4,37%	-	1.010.187	1.010.187	-	260.000.000	260.000.000
Bank of Nova Scotia	15/04/2022	0,00%	-	77.634	77.634	-	-	-
Total Bank Loans			**$ 7.903.626**	**$ 584.140.339**	**$ 592.043.964**	**$ 141.678.120**	**$ 1.163.507.714**	**$ 1.305.185.834**

The detail of bank loans as of 31 December 2020 is as follows:

Description	Maturity	Rate	Less than	Over	Total Current	1 to 2 years	2 to 5 years	5 to 10 years	Total
The Bank of Tokyo Mitsubishi	Non-current	5,93%	$ -	$ 414.727.323	$ 414.727.323	$ -	$ -	$ -	$ -
Banco de Bogotá		EA	90 days	90 days					
Banco BBVA Colombia S.A.	13/06/2022	2.63%	-	16.700.985	16.700.985	8.333.333	-	-	8.333.333
Banco BBVA Colombia S.A.	14./01/2025	3.16%	487.270	-	487.270	27.083.350	166.666.650	-	193.750.000
Financiera de Desarrollo Territorial S.A.	28/08/2023	0,00%	464.545	1.393.636	1.858.181	1.858.182	1.238.788	-	3.096.970
Financiera de Desarrollo Territorial S.A.	16./10/2023	0,00%	408.061	1.836.273	2.244.334	2.448.364	2.040.303	-	4.488.667
Financiera de Desarrollo Territorial S.A.	30/11/2023	0,00%	90.152	811.364	901.516	1.081.818	991.667	-	2.073.485
Bank of Nova Scotia	26/03/2021	0.30%	155.307	-	155.307	-	-	-	-
Total Bank Loans			**$ 1.641.856**	**$ 437.742.037**	**$ 439.383.893**	**$ 44.213.716**	**$ 181.163.430**	**$ 1.136.225**	**$ 226.513.371**

As of 31 December 2021, Codensa S.A. E.S.P. has $4,092,851,523 in unused authorized credit lines, jointly with Emgesa S.A. E.S.P. and reassignable between the two Companies, for which, if required, the financial entities will update the conditions for their approval and disbursement.

In addition, and as part of its financing strategy, Codensa S.A. E.S.P. subscribed on 15 April 2021, a committed credit line for USD$61 million with Bank of Nova Scotia, with one (1) year of availability of the resources for its disbursement.

Additionally, an intercompany credit line has been approved with Emgesa S.A. E.S.P. for USD$100 million for general purposes.

As of 31 December, there are no covenants on the financial obligations.

As of 31 December 2021, there are three guarantees with Scotiabank Colpatria for $6,466,036 that support the compliance with the credit obligations subscribed with Financiera de Desarrollo Territorial S.A. - Findeter S.A., within the framework of Legislative Decree 517 of 2020.

(3) The detail of the obligations for leases under IFRS 16 as of 31 December 2021 and 2020 is as follows:

	As of 31 December 2021		As of 31 December 2020	
	Current	Non-current	Current	Non-current
Land	$ 8.339.148	$ 95.054.676	$ 2.209.224	$ 50.463.053
Vehicles	8.546.520	10.757.907	5.606.674	377.008
Buildings	1.594.640	3.222.481	412.593	740.434
Electrical networks	741.377	-	518.817	172.935
Computer equipment	-	-	391.216	-
	$ 19.221.685	**$ 109.035.064**	**$ 9.138.524**	**$ 51.753.430**

a. Corresponds mainly to the lease of land on which the infrastructure for Transmilenio charging yards will be developed.

b. Corresponds mainly to the operating transportation contract, valid for 36 months with the third party Transportes Especiales Aliados.

Present value of the minimum obligations for finance leases.

Minimum payments for leases, finance leases:

	As of 31 December 2021					
		Gross		Interest		Value
Not later than one year	$	14.103.159	$	8.849.283	$	22.952.442
After one year, but less than five years		25.667.150		18.111.320		43.778.470
More than five years		72.713.968		21.865.365		94.579.333
	$	**112.484.277**	**$**	**48.825.968**	**$**	**161.310.245**

	As of 31 December 2020					
		Gross		Interest		Value
Not later than one year	$	8.411.630	$	4.045.884	$	12.457.514
After one year, but less than five years		10.636.139		13.566.910		24.203.049
More than five years		41.117.291		17.714.903		58.832.194
	$	**60.165.061**	**$**	**35.327.697**	**$**	**95.492.757**

(4) Corresponds to the accrual of interest on the SWAP (IBR) established on May 14, 2021 to hedge the interest rate on the Scotiabank Colpatria S.A. loan, with quarterly interest payments.

15. Commercial accounts payable and other payables

		As of 31 December 2021		As of 31 December 2020
Other payables (1)	$	917.275.570	$	873.451.169
Energy purchase suppliers (2)		218.030.140		159.304.773
	$	**1.135.305.710**	**$**	**1.032.755.942**

(1) The detail of other accounts payable as of 31 December 2021 and 2020 is as follows:

		As of 31 December 2021		As of 31 December 2020
Accounts payable for goods and services (a)	$	765.232.054	$	749.747.643
Collection in favor of third parties (b)		48.037.056		45.880.477
Balances in favor of customers (c)		78.642.252		47.125.318
Other payables (d)		25.364.208		30.697.731
	$	**917.275.570**	**$**	**873.451.169**

(a) (a) As of 31 December 2021 and 2020, it corresponds primarily to the account payable to Banco Colpatria Red Multibanca Colpatria S.A. for the collection of the "Crédito Fácil Codensa" business portfolio, which was reconciled and pending to be drawn for $78,932,709 and $126,566,752, respectively. This balance was cancelled in the first week of January 2022 and 2021, respectively.

As of December 31, 2021 includes the invoicing of purchases of goods and services for $81,933,213 transferred to Banco CITIBANK COLOMBIA S.A. through factoring operations.

(b) As of 31 December 2021 and 2020, corresponds mostly to liabilities for mandate contracts of subscription to periodicals, magazines and insurance policies for $14,178,834 and $20,844,554, respectively; Banco Colpatria Red Multibanca Colpatria S.A. for $8,926,211 and $4,514,814, respectively. 211 and $4,514,839 for the collection in conciliation process made on behalf of Codensa S.A. E.S.P. of the loan portfolio of the business "Crédito Fácil Codensa" now "Open Book" in accordance with the business collaboration agreement, respectively. The collections made on behalf of Codensa S.A. E.S.P. are periodically reconciled between the parties and subsequently transferred.

(c) Corresponds to balances in favor of customers generated mainly by higher value paid by customers and by billing adjustments.

(d) As of 31 December 2021 and 2020, corresponds mostly to liabilities on account of energy distribution areas (ADDs) for $12,748,523 and $17,937,049 respectively. The ADDs correspond to the distribution charge of other network operators that, by regulatory order, must be invoiced and collected by the Company from its final users under the distribution areas scheme. The distribution areas is a regulatory mechanism implemented in Colombia under CREG Resolution 058-068 and 070 of 2008, which is intended for the distribution of costs that are to be assumed by final users, in an equitable manner, in the different regions among all users nationwide.

(2) The energy purchase suppliers correspond to:

		As of 31 December 2020		**As of 31 December 2021**
XM S.A. E.S.P. (a)	$	114.048.426	$	67.424.750
Empresas Públicas de Medellín E.S.P.		53.346.869		51.864.074
Aes Chivor y Compañía Eca E.S.P.		20.821.754		18.022.908
Isagen S.A. E.S.P.		13.174.915		3.372.439
Celsia S.A. E.S.P.		4.491.949		3.077.043
Empresa De Energía De Boyacá S.A. E.S.P.		2.049.230		1.543.574
Electrificadora de Santander S.A. E.S.P.		1.906.370		1.857.627
Central Hidroeléctrica de Caldas		1.466.097		1.342.941
Centrales Eléctricas del Norte de Santander S.A. E.S.P.		1.296.633		1.128.484
Centrales Eléctricas de Nariño S.A.		884.894		-
Electrificadora del Meta S.A. E.P.S		843.995		-
Electrificadora del Huila S.A. E.S		765.103		-
Generarco S.A E.S.P.		-		2.728.062
Compañía energética del Tolima		-		1.280.195
Empresa Urra S.A. E.S.P.		-		909.354
Nitro Energy Colombia S.A.S		-		739.242
Others of lesser amounts		2.933.905		4.014.080
	$	**218.030.140**	**$**	**159.304.773**

As of 31 December 2021 and 2020, the variation corresponds mainly to the decrease in the average contract price of $269.11/Kwh and $213.43/Kwh, respectively.

(a) XM S.A E.S. P presents an increase in the estimate of energy purchases in the exchange for the regulated market for $46,623,676 mainly originated by the activation of the demand after COVID 19, additionally there is an increase in the amount of energy purchased and in the average exchange price of $338.08/kWh and $165.75/kWh, respectively.

16. Provisiones

	As of 31 December 2021		As of 31 December 2020	
	Current	Non-current	Current	Non-current
Provision for legal claims (1)	**$ 12.923.331**	**$ 4.477.934**	**$ 14.761.844**	**$ 11.070.122**
Labor	2.185.616	889.143	4.694.871	3.133.894
Civil	10.737.715	3.588.791	10.066.973	7.936.228
Dismantling, restoration and rehabilitation costs (2)	10.673.882	14.528.386	7.555.701	11.743.984
Other provisions	**20.014.503**	**20.919.459**	**15.596.540**	**33.775.479**
Transition Fund Provision (3)	8.346.319	20.181.049	7.939.404	33.023.869
Provision for Tax Uncertainty (4)	10.693.441	-	6.907.861	-
Environmental Compensation Terminal (5)	493.650	-	459.594	162.961
Environmental Compensation Calle Primera (6)	286.219	-	-	-
Environmental Compensation San José (7)	155.604	-	190.561	109.020
Environmental Compensation Compartir (8)	39.270	3.515	67.163	34.625
Environmental Compensation Portugal (9)	-	-	31.957	-
Other provisions	-	734.895	-	445.004
Total provisions	**$ 43.611.716**	**$ 39.925.779**	**$ 37.914.085**	**$ 56.589.585**

(1) As of 31 December 2021, the value of claims in claims against the Group for administrative, civil, labor and constitutional litigation amount to $13,746,013,973 based on the assessment of the probability of success in the defense of these cases, $17,401,265 (includes financial restatement) has been provisioned to cover probable losses for these contingencies. Management estimates that the results of the lawsuits corresponding to the unprovisioned portion will be favorable to the Group's interests and would not cause significant liabilities to be recorded or, if they were to result, they would not significantly affect the Group's financial position.

Given the characteristics of the risks covered by these provisions, it is not possible to determine a reasonable calendar with payment dates.

The Value of claims for administrative, civil, labor and contractor processes is detailed as follows:

Processes	Qualification	No. of processes	No. of processes (undetermined amount)	Value of contingency	Value of provision	VPN	Total value
Civil	Probable	66	1	15.207.462	14.682.683	(356.178)	14.326.505
	Likely	168	93	203.889.579	-	-	-
	Remote	79	23	6.354.987.962	-	-	-
Total civil		**313**	**117**	**$ 6.574.085.003**	**$ 14.682.683**	**$ (356.178)**	**$ 14.326.505**
Labor	Probable	42	0	3.199.295	3.158.305	(83.545)	3.074.760
	Likely	88	14	14.838.239	-	-	-
	Remote	8	0	1.064.120	-	-	-
Total labor		**138**	**14**	**$ 19.101.654**	**$ 3.158.305**	**$ (83.545)**	**$ 3.074.760**
Total processes		**451**	**131**	**$ 6.593.186.657**	**$ 17.840.988**	**$ (439.723)**	**$ 17.401.265**

(a) The value of the contingency corresponds to the amount which, according to the experience of the lawyers, is the best estimate of payment in case of a decision unfavorable to the Group. The provision is determined by the lawyers as the amount of loss in the event that the decision is probable. Processes qualified as probable are provisioned one hundred per cent on the value of the real contingency.

Below are the details of the main legal proceedings classified as probable that the Group has of 31 December 2021:

Processes	Start Date	Claim	Purpose of the Lawsuit	Current status and procedural situation
Cooperativa De Ingeniería y Servicios Isecoop	2012	2.916.000	Administrative-contractual	Favorable first and second instance ruling for the Group, pending discharge in the provision.
Cooperativa De Trabajo Asoc. Servicomtrec	2012	1.740.380	Administrative-contractual	In the office of the Magistrate at the Council of State.

Processes	Start Date	Claim	Purpose of the Lawsuit	Current status and procedural situation
Dalia Mercedes Lasso	2009	1.037.000	Electrocution	The conclusion arguments were presented and the case was sent to the Office for the first instance ruling.
Agueda Garzon De Rodriguez	2019	989.000	Electrocution	In Court, pending to set a date under Art. 372 CGP.
Raul Ernesto Rodriguez	2015	700.000	Electrocution	In the evidentiary stage
Luis Humberto Hernandez Y Otros	2016	508.691	Electrocution	In the evidentiary stage
María Elvira Díaz Arango	2010	500.000	Electrocution	16 April 2021 in Court to prepare the draft judgment.
María Cecilia Guerrero Rodríguez y Otros	2011	500.000	Electrocution	Second instance judgment that modified and partially confirmed, and decreed the incident of regulation of damages.
Hugo Roberto Pavón Rivera y Otros	2013	500.000	Electrocution	Order sets initial hearing for 4 April 2022 at 10:00 a.m.
Gilberto García López	2013	500.000	Worker's Compensation	The court decision was issued and sent to the superior court on October 13, 2021. On November 23, 2021, an order was issued in which it was ordered to obey and comply with the decision of the superior court and on January 19, 2022, the process was sent to the court of origin. To date, it has not yet reached the court to settle costs.
Visita Leonor Pedroza Gonzalez Y Otros	2014	437.130	Electrocution	Pending the court's response regarding the payments made by Codensa S.A. E.S.P. in connection with the conviction.
Solangy Sanchez Bustos	2013	399.750	Electrocution	Pending date of the preliminary investigation and trial hearing in Court 3 CC of Bogotá D.C.
José Javier Jimenez y Otros	2017	394.483	Electrocution	The process has been completed and archived, pending cancellation of the provision.
Maria Rutby Acosta De Silgado	2013	387.714	Recognition and payment of conventional pension	Pending final decision by the Supreme Court of Justice
Lina Marcela Aguas Ramírez y Otros	2019	382.000	Electrocution	Confirms the second instance judgment against the Group, pending the initiation of the payment process.
Maria Lucia Angola Zapata	2013	353.700	Electrocution	In the evidentiary stage, in court to resolve the appeal against the decision that denied the preliminary objection filed by the Group.
Felipe Rueda Posada	2015	300.000	Worker's Compensation	Pending to set a new date for the continuation of the hearing referred to in Article 80 of the CPL, in which the attendance of Dr. Daniel Barahona and Dr. Alberto Porras is essential.
Ladrillera San Miguel Arcángel	2015	300.000	Administrative-contractual	In the evidentiary stage
Yeir Antonio Benavides Ladino	1999	288.787	Electrocution	In court to resolve the appeal filed by the Group against the judgment of first instance.
Manuela Mahecha y Otros	2017	240.000	Damage to third parties	An executive proceeding was initiated, within the same file.
Rómulo Olaya Cifuentes	2018	238.422	Reimbursement/ worker's compensation	Pending hearing under art 77

Below are the details of the main legal proceedings classified as probable that the Company has as of 31 December 2020:

Processes	Start Date	Claim	Subject of the Lawsuit	Current status and procedural situation
Cooperativa de Ingeniería y Servicios Isecoop	2016	2.916.000	Administrative-contractual	In the office of the Magistrate in the Council of State
Henry Bernal Avila	2014	2.774.729	Reinstatement / workers compensation	Process with unfavorable ruling
Cooperativa De Trabajo Asoc. Servicomtrec	2016	1.740.380	Administrative-contractual	In the office of the Magistrate in the Council of State
Dalia Mercedes Lasso	2016	1.037.000	Electrocution	In the evidentiary stage
Agueda Garzon De Rodriguez	2019	989.000	Electrocution	In recognition of the legal status of the new attorney-in-fact
Raul Ernesto Rodriguez	2016	700.000	Electrocution	In the evidentiary stage
Luis Humberto Hernandez Y Otros	2016	508.691	Electrocution	In the evidentiary stage
Olga Josefina Nieto Avendaño	2012	500.000	Electrocution	In the office of the Administrative Court of Cundinamarca
María Elvira Díaz Arango	2011	500.000	Personal injuries	In the office of the Council of State
Hugo Roberto Pavon Rivera Y Otros	2013	500.000	Electrocution	In the evidentiary stage
Maria Cecilia Guerrero Rodriguez Y Otros	2012	500.000	Electrocution	Unfavorable ruling of first instance, pending appeal
Elcy Marlen Ayala Anzola	2019	500.000	Recognition and payment of conventional pension	Process with favorable ruling
Gilberto Garcia Lopez	2014	500.000	Solidarity salaries and social benefits	Pending final ruling by the Supreme Court of Justice
Yordy Alexander Rodriguez Y Otros	2018	500.000	Electrocution	Under second instance appeal
Narda Ruth Botero	2014	444.000	Electrocution	Appeal pending before the Superior Court of Bogota
Visita Leonor Pedroza Gonzalez Y Otros	2014	437.129	Electrocution	Pending to inform the Court of origin of the payment of the sentence
Luis Eduardo Sarmiento	2017	400.000	Recognition and payment of conventional pension	Final unfavorable ruling by the Supreme Court of Justice
Solangy Sanchez Bustos	2013	399.750	Electrocution	Pending date for the investigation and trial hearing
José Javier Jimenez Y Otros	2017	394.483	Electrocution	Process with favorable ruling

Processes	Start Date	Claim	Subject of the Lawsuit	Current status and procedural situation
Maria Rutby Acosta De Silgado	2016	387.714	Recognition and payment of conventional pension	Pending final ruling by the Supreme Court of Justice
Luz Angela Alvarez Berrio	2011	356.785	Electrocution	In the office for second instance ruling
Maria Lucia Angola Zapata	2016	353.700	Electrocution	In the evidentiary stage
Luis Antonio Quito Bernal	2016	353.700	Electrocution	Final first instance ruling
Edgar Reyes Gomez	2016	350.000	Reinstatement, payment of wages and social benefits	Process with unfavorable ruling
Hernando Serrano Tello	2013	300.000	Recognition and payment of conventional pension	Process with favorable ruling
Felipe Rueda Posada	2016	300.000	Reinstatement / workers compensation	Pending hearing for processing and judgment..
Ladrillera San Miguel Arcangel	2016	300.000	Administrative-contractual	In the evidentiary stage
Distrito Bogotá	2014	956.450	Stratification	Second and last instance ruling is expected
Municipio de Agua De Dios	2017	272.971	Public lighting tax	In the office for first instance ruling
Municipio de Agua De Dios	2019	299.275	Public lighting tax	Scheduling of initial hearing of first instance.

(2) Taking into account that Colombia, through Act 1196 of 2008, embraced the Stockholm Convention, inasmuch as this event is regulated by Ministry of Environment Resolution No. 222 of 15 December 2011, as amended by Resolution 1741 of 2016, the Codensa S.A. E.S.P. acknowledged the provision for transformers contaminated with PCB (polychlorinated biphenyls) as of 2012 and has subsequently made the updates of the obligation taking into account changes in financial variables and main assumptions.

Export of contaminated transformers

On 11 November 2014, an agreement was entered into with LITO S.A.S., which intended to carry out the disposal process of PCB-contaminated transformers, upon authorization of the border transit permit issued by the ANLA (National Authority of Environmental Licenses). However, in 2015 the MAERSK shipping company was limited during the period of authorization to carry out the agreed transport, taking into account the existence of the period of exclusive transport restrictions for food destined to Europe.

In order to generate costs and export efficiency of the contaminated transformers, Codensa S.A. E.S.P. implemented ultrasonic cleaning technology for the treatment of equipment contaminated with PCB, which was endorsed at large by the Ministry of Environment and Sustainable Development as a result of the pilot project implemented by Codensa S.A. E.S.P. together with its partner company LITO S.A.S. In August 2016, addendum No. 1 to the agreement with LITO S.A.S. was executed, which included the handling, packaging, loading, transport, treatment and final disposal of electrical equipment contaminated with PCB without oil using the ultrasound cleaning technique.

On 9 September 2016, the National Authority of Environmental Licenses (ANLA) issued the permit for the transboundary movement of waste, which was the reason for the decontamination of 164 equipment contaminated with PCB with a weight equivalent to 65 tons during the last quarter using the new technology, representing savings of 31% of the cost of the traditional export alternative. In addition, the traditional export of 23 tons was made which due to their characteristics cannot be cleaned. The total export and washing cost during 2016 amounted to $461,067.

During 2017, Codensa S.A. E.S.P. performed shell washing for 4.7 tons at a cost of $17,256, however, no export was made in this period, taking into account that the term of the aforementioned contract ended. In December, the award of the new contract for the service of "Handling, packing, loading, transport, treatment and final disposal of waste contaminated with PCBs" was made to LITO S.A.S. for $ 531,220, with an expected term of 3 years. In accordance the previous paragraph, Codensa S.A. E.S.P. moved the export activities planned in 2017 to the following periods.

During 2018, Codensa S.A. E.S.P. performed shell washing for 21.92 tons at a cost of $102,257 and exported 9.66 tons for $85,997. These activities were carried out under the contract LITO S.A.S.

During 2019, Codensa S.A. E.S.P. performed shell washing for 32.81 tons at a cost of $121,975. These activities were carried out under the contract LITO S.A.S.

During 2020, 26.09 tons were decontaminated through the ultrasound technique implemented by the LITO S.A.S Company, at a cost of $ 127,301.

During 2021, Codensa S.A. E.S.P. carried out the washing of 20.04 tons of metal casings through the ultrasound washing technique implemented by the company LITO S.A.S., at a cost of $118,088 and the dechlorination process was carried out on 8,799 kg of oil for $78,570.

Inventory Marking and Sampling

On 21 December 2015, agreement 5600014180 was entered into with Empresa Colombia Multiservicios S.A. (hereinafter CAM) for a 3-year term, whose objective is to carry out sampling, handling, analysis and storage of samples and marking of equipment in general. On 2 February 2016 began the marking and sampling of medium voltage equipment.

In early 2016, the real rates were updated after the award of this agreement, generating an approximate impact of $4,419 million pesos.

On 26 April 2016, the Empresa de Energía de Bogotá signed the agreement 5600014342 for a 3-year term, for the inventory of the Cundinamarca area. On 5 September 2016 began the marking and sampling of medium voltage equipment in the area in question.

On 2 November 2017, Codensa S.A. E.S.P. and CAM signed a transaction agreement for each of the agreements in question that had as purpose (i) to carry out the early termination with an end date of 31 July 2017; (ii) recognize the cost overruns assumed by CAM in relation to the displacement of crews, availability of crews to provide the service, equipment among other concepts. The amount of the transaction agreements amounts to $658,123 and $282,463 on the agreements signed by Codensa S.A. E.S.P. and EEC, respectively.

In 2018, contract 8400124632 was signed with the company Ingeléctrica SA whose objective is marking services and taking samples of insulating fluid in equipment with oil content, sample handling and sample analysis for the determination of polychlorinated biphenyls (PCBs) with duration 1 year. On July 27, 2018, the activities of marking and sampling of medium voltage equipment began for $ 101,593

During 2019, activities associated with sampling and marking were carried out with the company Ingel Eléctrica S.A for $ 4,298,636.

During 2020, an addendum was signed extending the contract until 27 September 2021 and the tolerance amount is activated, the expenses associated with sampling and marking with the company Ingel Eléctrica S.A. for $ 7,130,959.

In 2021, a new contract was signed with the company CAM for the execution of survey, marking and sampling activities of equipment with oil content. In July 2021, work began in the field and identification activities are being carried out for $748,387.

As of 31 December 2021 and 2020, the value of the projected undiscounted flows are as follows:

Year		Al 31 de diciembre de 2021		Al 31 de diciembre de 2020
As of 31 December 2021		As of 31 December 2020	$	7.171.726
2022		10.673.882		6.616.556
2023		8.471.967		3.070.313
2024		4.738.013		2.304.318
	$	**23.883.862**	**$**	**19.162.913**

As of 31 December 2021 and 2020, Codensa S.A. E.S.P. updated the provision by discounting the future flows to the net present value at a rate of 5.98% and 4.16% E.A. the most appropriate discount rate, considering the interest rates of the Government bonds (TES) that have maturity terms similar to those of the obligation.

Additionally, during 2021 the provision presented important changes associated to the following (i) increase of activities to be executed in the PCB-MV Inventory, (ii) increase of costs of the activity due to change of contract, (iii) inclusion of activities to be executed in the years 2022, 2023 and 2024 relating to quantities of equipment to be identified in MV.

(3) In the year 2020 Codensa S.A. E.S.P. recognized the provision Transition Fund, which is aimed at the efficiency of the workforce in line with the investment plan in digitalization and automation of the Enel Group worldwide in the different areas and lines of business of Codensa S. A. E.S.P. This involves identifying efficiencies to make profile replacements and have the necessary economic resources as part of the aforementioned strategy, which leverage the achievement of the objectives defined by Codensa S.A. E.S.P.

As of 31 December 2021, the provision was updated according to the change in flows between 2022 and 2027.

(4) As of 1 January 2020, the Group applies IFRIC 23, "Uncertainties regarding the treatment of income taxes", which is taken into account for the determination of both current income tax and income tax. Deferred income tax. This interpretation defines "uncertain tax treatment" as the position adopted by an entity regarding the determination of Income Tax, with respect to which it is probable that the Tax Administration will not accept said position, whether or not it has been validated in the past. by the aforementioned Administration.

In applying this interpretation, the Group has been carrying out the review of the contracts entered into with foreign entities and the fulfilment of requirements that must be taken into consideration.

(5) Environmental license Terminal Substation

Through Resolution 00500 of 13 February 2020, the District Secretary for the Environment granted the environmental license for the 115 kV Terminal Substation and Associated Line project (attached file), which required a clarification requested by Codensa S.A. E.S.P. through the filing 2020ER48888 on 2 March 2020; This clarification was answered under the filing 2020EE53326 by the SDA on 9 March 2020, date on which the obtaining of the environmental license granted for the project is final. The environmental license granted under the mentioned administrative act, authorizes the construction, assembly, operation and dismantling of the Terminal Substation and Associated Line at 115 kV; In addition, it imposes on Codensa S.A. E.S.P. the fulfillment of the obligations established in the Environmental Impact Study and the complementary information, in the Environmental Management Plan, the current environmental regulations, as well as the obligations written in Resolution 00500 of 2020.

Once the analysis by the specialist staff of the UOAT has been carried out, regarding the costs associated with the obligations contained in Resolution 00500 of 2020, the Environmental Management Plan of the project which establishes the actions and management measures to avoid, mitigate , correct and compensate for the environmental impacts derived from the project, as well as the Follow-up and Monitoring Program, it is determined that the implementation of management activities is required such as: complementation of the characterization of the Paraíso Bavaria neighborhood, social outreach activities and informative pieces, mobile office, elements to scare away fauna, living barrier, Environmental Compliance Reports -ICA (annual), air quality monitoring (under construction), noise monitoring (at the start of operation), electromagnetic field monitoring (prior to entry in operation and annual), simulation electromagnetic fields with JAL and talk, archaeological monitoring and payment for follow-up to the District Secretary of Environment authority - SDA.

Since March 2020, the planning of the socializations of the project began, during that month due to the declaration of a national state of emergency due to COVID-19 and later to the mandatory isolation, social management had to be rethought towards a virtual model (remote connections and Webinar) and through written communications and social networks.

In accordance with the new virtual social management strategy, socialization meetings were held with the Local Action Board, the local Mayor's Office of Fontibón, the Chaneme company, the EDS, the Local Risk Management Council and other stakeholders in the area of direct and indirect influence of the project. In addition, the project website was updated and contacts were made by written means with the community in the area of influence. In the framework of virtual social management, work is carried out such as: informative pieces for socialization of the Terminal project, technical tables with the Local Mayor's Office and other actors, as well as people from the neighborhood, media work, study of electromagnetic fields and study of noise.

Additionally, in December 2020, the observation phase proposed by the Yanhaas contractor was carried out to collect socioeconomic information on the Paraíso Bavaria neighborhood.

In turn, the archaeological intervention license was processed before the Colombian Institute of Anthropology and History through the firm CPA Ingeniería S.A.S. in charge of the implementation of the Archaeological Management Plan.

During 2020, the actions of the Environmental Management Plan and the Environmental License were complied with, in accordance with the actual progress of the project.

During 2021, an addendum to the archaeological intervention license was requested for archaeological monitoring, obtaining the intervention authorization through number 8658 of January 18, 2021 by ICANH.

On 24 April 2021, Environmental Compliance Report No. 1 was filed with the SDA in compliance with Resolution 00500 of 2020, related to the Environmental License for the project "Terminal Substation and Associated 115 kV Line" and whose file is SDA-07-2019-67.

On 29 June 2021, the request for pronouncement regarding the application of the concept of minor change or normal adjustment within the ordinary turn of the licensed activity based on paragraph 1 of Article 29 of Decree 2041 of 2014 compiled in Article 2.2.2.2.3.7.1 of Decree 1076 of 2015 for the Pocket Park project "Terminal Substation and Associated Line to 115 Kv", request approved by the SDA in this same year.

Through Resolution 0585 of 29 April 2021, the District Secretary of Planning, adopted the Implementation Plan for the Terminal Substation, located at Avenida Calle 17 No. 78 G 33/45 in the locality of Fontibón.

During 2021, the initial socializations with the different stakeholders in the area of influence, extraordinary meetings and attention to petitions, complaints and claims were carried out; the actions of the Environmental Management Plan and the Environmental License were complied with, according to the actual progress of the project.

(6) Environmental license Calle Primera Substation

On 15 December 2020, the District Secretary of Environment granted Codensa S.A. E.S.P the Environmental License for the Construction of the Calle Primera Substation and its 115 Kv Transmission Line, through Resolution 2745 for the useful life of the project, however, when it requires or must start its dismantling and abandonment phase, Codensa S. A. E.S.P shall comply with the provisions of Article 2.2.2.2.3.9.2. of Decree 1076 of 2015, or the regulation that modifies or replaces it.

The Substation will be located in Localidad 15 de Antonio Nariño, UPZ 38 Restrepo, between calle primera and calle primera sur, and between carrera 14 b and carrera 16, barrio San Antonio, at an altitude of 2576 meters above sea level.

This project consists of the design, construction and commissioning of a new substation, with a capacity of 80 million voltamperes (MVA), as well as its transmission lines, to guarantee the energy service for more than 206,000 inhabitants of downtown Bogota.

The new Calle Primera substation will have two transformers of 40 MVA each, a subway high voltage line, 16 medium voltage circuits, and support, monitoring, safety and protection equipment and technology, which will be imported from different countries.

It will also be fully automated and remotely controlled, which means that its operation will be remote and from a control center, and will allow it to have a better response in times of contingency. The automation systems and power equipment will be state-of-the-art and will meet the highest international standards.

During construction, wastewater will be handled by third parties that have environmental permits issued by the competent environmental authority. During substation operation, wastewater will be disposed of by connecting to the sewer system, and rainwater will be handled through canals located around the substation.

Additionally, no logging activities will be carried out on the isolated trees in the project's area of influence or on the property where the substation will be located; therefore, no logging permit is required.

Among the most relevant obligations defined in the environmental license granted by Resolution 2745 are the following:

a. Establish and implement an information and participation program with local authorities and the population in the project's area of influence regarding the license obtained, the management plan established, labor opportunities for unskilled labor, and the mechanisms for receiving and processing IPQR.

b. Conduct noise monitoring prior to the start of project construction activities to establish the noise levels present in the area and monthly monitoring during the substation construction stage.

c. Conduct electromagnetic radiation monitoring two months after the substation begins operations and then conduct annual monitoring during the life of the project to ensure that radiation levels do not exceed WHO limits and could affect the population surrounding the project, and conduct electromagnetic radiation monitoring one year after the substation begins operations.

d. Codensa S.A. E.S.P. must guarantee the integral management and handling of hazardous wastes, update its integral management plan for hazardous wastes, train the personnel in charge of the management and handling of hazardous wastes prior to the start of the project's activities, and then on a quarterly basis.

e. Have an updated contingency plan to deal with any accident or eventuality that may arise and have personnel prepared for its implementation, as well as take all preventive or control measures prior to the cessation, closure, decommissioning or dismantling of its activity in order to avoid any episode of contamination that may represent a risk to health and the environment, related to its hazardous waste or residues.

f. Manage the storage, use, recovery, recovery, treatment and/or final disposal services, with facilities that have the licenses, permits, authorizations or other environmental management and control instruments applicable, in accordance with the environmental regulations in force and the other obligations as a generator of hazardous waste (RESPEL) contemplated in article 2.2.2.6.1.1.3.1 of Decree 1076 of 2015.

g. Codensa S.A. E.S.P. shall adapt a site for the storage of non-hazardous waste separately from the storage of hazardous waste, perform periodic maintenance and may not store waste in public spaces.

Codensa S.A. E.S.P. must also strictly comply with all the environmental management measures set forth in the Environmental Impact Study, the follow-up and monitoring program, the risk management plan, and the dismantling, abandonment, and final restoration program.

On 30 April 2021, the Environmental Compliance Report ICA was filed with the District Secretary of the Environment.

On 25 October 2021, construction of the Calle Primera substation began, and during the remainder of 2021 the commitments established in the Environmental Management Plan - EMP and the project's environmental license were fulfilled; among which are: induction activities, education and training of personnel involved in the project, permanent communication with the community through the mobile office, periodic noise monitoring, socialization of social actors in the project's area of influence.

(7) Environmental license San José Substation

On 29 July 2020, through Resolution No. 01502, the District Secretary for the Environment granted the environmental license for the San Jose project, in which it resolved: "Grant Codensa S.A. E.S.P. an Environmental License to develop the project called: Conversion of the San Jose Substation. Jose 57.5 kV to 115 kV and Associated Lines, to be developed on Calle 11 between Carrera 19ª Bis and Carrera 20, Barrio La Sabana, town of the Mártires de Bogotá ". Once analyzed by the UOAT specialist staff, regarding the associated costs, the implementation of activities such as: Informative pieces, social outreach activities, Environmental Compliance Reports -ICA (annual), air quality monitoring is required. (under construction), noise monitoring (at the beginning of operation), electromagnetic field monitoring (prior to entry into operation and annually - for the life of the project), electromagnetic field talks and payment for follow-up to the environmental authority that for that matter, it is the District Secretary for the Environment - SDA.

Working groups were held to define the comprehensive socialization plan of the project aligned with the requirements of the environmental license and taking into account the restrictions imposed by the government due to COVID19, the drafts of the different communication pieces were prepared and the presentations were designed to socialize the project with the communities and different interest groups. They begin virtual socialization meetings with the community of the area of influence and the local municipality of Los Mártires.

During 2021 the obligations established in Resolution No. 01502 of 29 July 2020 were complied with and the activities established in the environmental management plan were developed. air and noise quality monitoring was carried out during the construction stage, the results of which were favorable for the project, being below the permissible limits according to the environmental regulations in force.

On 25 May 2021, the socialization day for the beginning of the modernization works of the high voltage lines was held, for which informative pieces were made through door-to-door messaging in order to guarantee the support of the reception of the invitation.

The ICA environmental report was made in compliance with the obligations established in the environmental license, this report was filed on 1 July 2021 before the District Secretary of the Environment - SDA.

(8) Environmental license Compartir Substation

Corresponds to compensations included in Resolution 0255 of February 2018 of the Regional Autonomous Corporation of Cundinamarca (CAR), where the environmental license is granted for the construction of the 115 kV Compartir substation and connection modules located in the municipality of Soacha and environmental obligations such as waste management, wildlife management, forest use and social programs are set.

Codensa S.A. E.S.P. presented a plan of activities and actions to comply with the necessary actions aimed at preventing, mitigating, controlling and correcting the impacts generated by the construction of the Compartir substation. As well as a monitoring plan in order to evaluate the effectiveness of said plan detailed in resolution 0255 of 2018.

Said resolution imposes on Codensa S.A. E.S.P. a compensatory measure for the protection of the wetlands of the municipality of Soacha, the acquisition of an excavator machine and the planting of native trees. Codensa S.A. E.S.P. made a detail of all the requested activities and made an internal assessment of the amounts necessary for each activity, which generated an initial provision amount registered in March 2018 for $ 1,457,089

During 2018, the commitments established in the framework of the Environmental Management Plan were met. It should be noted that during 2018 two days of voluntary planting and four of beautification of gardens of residential complexes located in the municipality of Soacha were carried out, starting the project of shared value called "Reforesting Soacha". In addition, various social outreach activities, training in electromagnetic fields, and noise modelling were carried out. The delivery of the machine to the CAR for the protection and recovery and recovery of wetlands was made in February 2019, a commitment included in the Environmental License.

During 2019, 300 flight diverters were installed on the 115 kV transmission line, air quality monitoring, four (4) electromagnetic fields talks to the community of the project's area of influence, in compliance with the commitments established in the Environmental Management Plan and Environmental License of the Compartir project.

Additionally, two days of voluntary planting and four of beautification of gardens of residential complexes located in the municipality of Soacha were carried out, starting the shared value project called "Reforesting Soacha".

During 2020, the commitments established in the Environmental Management Plan - PMA and the environmental license of the project were fulfilled in accordance with the construction activities of the substation; Within the framework of this fulfilment, the education and training program for the personnel linked to the project (Socioeconomic Component) was carried out, as well as training for the personnel linked to the project. In addition, socializations of the project, the Traffic Management Plan, road intervention of civil works and intervention of the public space were carried out to the interest groups in the area of direct influence of the project.

In addition, archaeological monitoring was carried out in construction activities that required earth removal.

The second Environmental Compliance Report was prepared and filed with CAR on April 15, 2020. This report, the activities for the period from 1 October 2019 to 29 February 2020 were reported, taking into account the established in the technical visit carried out by CAR on October 17, 2019, to date no observations have been received from the Environmental Authority.

Steps were taken before CAR to obtain a ruling on the proposed area presented by Codensa S.A. E.S.P. (biological corridor sector of the Neuta Tierra Blanca wetland), within the framework of compensation activities for authorized forest use. As a result of this management, the CAR gave the guarantee to Codensa S.A. E.S.P. to carry out compensation activities in the proposed area, indicating that this area is located in an area of environmental importance, with an impact on the middle basin of the Bogotá River, and also has the approval of the Mayor's Office of Soacha. For the development of the establishment, the CAR document called "Tierra Blanca Wetland Rehabilitation Plan" was taken as a reference, in which the species chosen to carry out the rehabilitation and recovery of the wetland were described, and applicable models were established in the sowing, which were carried out in the third quarter of 2020.

Codensa S.A. E.S.P. planted and reforested more than 1,100 trees in one hectare in the sector of the biological corridor of the Neuta - Tierra Blanca Wetland, located in the municipality of Soacha. The activity, which was coordinated by municipal and environmental authorities, was part of the compensation measure developed by Codensa S.A. E.S.P., within the framework of the Environmental License for the construction of this electrical substation and its associated connection lines. Reforestation in this area of the wetland constitutes a transcendental action, as it will provide plant rehabilitation, environmental protection, beautification of the environment and will contribute to the recovery of the flora and fauna of this ecosystem, so that it is self-sustainable.

During the year 2021, maintenance activities were carried out on the trees planted in the biological corridor of the Neuta - Tierra Blanca wetland, located in the municipality of Soacha.

(9) Environmental license Portugal Substation:

Corresponds to the obligations of the administrative act of Resolution No. 02182 of August 2019 issued by the Bogota District Secretary for the Environment, where an Environmental License is granted to carry out the project called: "Portugal Substation, transmission line at 115 kV and its connection modules", which imposes compliance with the obligations established in the Environmental Management Plan of the Environmental Impact Assessment, as well as compliance with current environmental regulations.

During 2020, training activities were carried out for the personnel working in the project, to comply with what is described in the environmental management plans and programs of each of the activities that were developed during the project and the mandatory compliance.

The implementation of the Environmental Management Plan was complied with as established in the project's environmental license within the framework of the development of the construction activities of the substation and the transmission line. The ICA Environmental Compliance report was filed with the District Secretary for the environment on 30 April 2020, as contemplated in the Environmental License. Twenty (20) flight diverters are installed in the project's 115 kV transmission line, an activity that responds to the actions set out in the Environmental Management Plan to avoid affecting the birdlife in the project area.

In compliance with the provisions of Resolution No. 02182 of 2019 issued by the District Secretary of the Environment - SDA -, during the year 2021 the second Environmental Compliance Report was prepared and filed. In this report the activities of the period from 1 March to 31 December 2020 were reported, to date no observations have been received by the Environmental Authority.

In August 2021 the Universidad Nacional de Colombia verified compliance with RETIE in the levels of electric and magnetic fields, and also conducted acoustic noise monitoring, in both cases for the substation and the line associated with the project.

The movement of provisions between 1 January 2021 and 31 December 2021 is as follows

	Provision for legal claims	Dismantling, restoration and rehabilitation costs		Provision for Fiscal Uncertainty	Environmental Provisions	Others	Total
Opening balance as of 01-01-2020	**Transition Fund Provision**	**Provision for Fiscal Uncertainty**	**Environmental Provisions**	**Others**	**Total**	**$ 613.062**	**$ 59.875.533**
Increase (Decrease)	9.822.897	7.081.748	40.963.273	6.907.861	991.245	(168.058)	65.598.966
Provision used	(3.467.000)	(7.459.063)	-	-	(258.606)	-	(11.184.669)
Financial effect update	(1.702.211)	(540.778)	-	-	3.754	-	(2.239.235)
Recoveries	(17.003.436)	(518.349)	-	-	(25.140)	-	(17.546.925)
Total movements in provisions	**(12.349.750)**	**(1.436.442)**	**40.963.273**	**6.907.861**	**711.253**	**(168.058)**	**34.628.137**
Closing balance as of 31-12-2020	**$ 25.831.966**	**$ 19.299.685**	**$ 40.963.273**	**$ 6.907.861**	**$ 1.055.881**	**$ 445.004**	**$ 94.503.670**
Increase (Decrease)	3.110.230	7.460.459	(4.933.373)	3.785.579	291.197	289.892	10.003.984
Provision used	(5.504.959)	(1.471.860)	(7.996.372)	-	(334.287)	-	(15.307.478)
Financial effect update	395.586	(86.017)	493.840	-	6.303	-	809.712
Recoveries (a)	(6.431.558)	-	-	-	(40.835)	-	(6.472.393)
Total movements in provisions	**(8.430.701)**	**5.902.582**	**(12.435.905)**	**3.785.579**	**(77.622)**	**289.892**	**(10.966.175)**
Closing balance as of 31-12-2021	**$ 17.401.265**	**$ 25.202.267**	**$ 28.527.368**	**$ 10.693.440**	**$ 978.259**	**$ 734.896**	**$ 83.537.495**

(a) Corresponds to recoveries of provisions for litigation due to changes in the procedural situation and eventual conviction or termination of processes due to the issuance of judgments.

The following is the movement of 2021 of the provision (recoveries) for legal claims, which mainly corresponds to:

Process type	Plaintiff	Purpose of claim	Value
Labor	Clara Stela Triviño Sanchez	Workers' Compensation	500.000
Labor	Victor Julio Jimenez Lopez	Retirement pension	480.000
Civil	Lina Marcela Aguas Ramirez and others	Electrocution	382.000
Labor	Henry Bernal Avila	Reinstatement/ Workers' compensation	307.131
Civil	Grupo Strukto SAS / Inversiones TCL SAS	Damage to third parties	300.000
Labor	Arturo Montoya, Blanca Paniagua, Carlos Julio Orozco	Workers' Compensation	250.000
Civil	Luis Alberto Fernandez Quiche	Electrocution	243.000
Civil	Fernando Antonio Romero Prieto	Damage to third parties	200.000
Labor	Ana Delia Arandia Cardenas and others	Workers' Compensation	100.000
Civil	José Serrato Malaver, Angie Johana Serrato and María Consuelo Pérez	Electrocution	(96.307)
Civil	Juan Rafael Restrepo Bello	Damage to third parties	(100.000)
Civil	Jose Over Marulanda Velasquez	Electrocution	(110.000)
Civil	Jesús Antonio Romero Benavides	Damage to third parties	(130.000)
Civil	Hermencia Holguín Alvarez	Electrocution	(145.000)
Labor	Jorge Arturo Suarez Carrero	Recognition and payment of conventional pension	(156.382)
Civil	Grupo Strukto SAS /Inversiones TCL SAS	Administrative -contractual	(210.000)
Labor	Hernando Serrano Tello	Recognition and payment of conventional pension	(300.000)
Civil	Luis Antonio Quito Bernal	Electrocution	(353.700)
Civil	Luz Angela Alvarez Berrio	Electrocution	(356.786)
Labor	Luis Eduardo Sarmiento	Recognition and payment of conventional pension	(390.000)
Civil	Narda Ruth Botero	Electrocution	(444.000)
Civil	Olga Josefina Nieto Avendaño	Electrocution	(500.000)
Labor	Elcy Marlen Ayala Anzola	Recognition and payment of conventional pension	(500.000)
Fiscal	Agua de Dios (Tax authority)	Public lighting tax	(1.107.298)

17. Taxes payable

Income Tax

The income tax is presented below:

	As of 31 December 2021	As of 31 December 2020
Current income tax (1)	$ 468.977.805	$ 446.514.157
Withholdings and self-withholdings	(170.243.063)	(157.573.518)
Other withholdings	(103.033.498)	(91.971.166)
Income tax advance	(38.866.179)	(22.368.761)
Tax discount (2)	(86.700.987)	(36.947.046)
Balance of prior year's income liability	1.436.009	-
	$ 71.570.087	**$ 137.653.666**

(1) Liabilities for current income tax payable consist of:

		As of 31 December 2021		As of 31 December 2020
Income tax relative to the results of the period (See note 29)	$	423.951.328	$	413.875.876
Income taxes related to components of other comprehensive income (See numeral 1 Note 31)		2.417.471		(442.430)
Tax discount for investment in science and technology		6.628.135		323.143
Tax discount Industry and Trade Tax		35.754.137		32.122.568
Tax discount donation		226.734		635.000
	$	**468.977.805**	**$**	**446.514.157**

(2) As of 31 December 2021 corresponds to the tax discount for payment of the Industry and Commerce Tax $35,754,137 in accordance with article 115 of the Tax Statute, for investments made in science and technology equivalent to $6,628,135, for donations $226,734 and discount for the acquisition of real productive fixed assets $44,091,981.

As of 31 December 2020 corresponds to the tax discount for payment of the Industry and Trade Tax $ 32,122,568 in accordance with article 115 of the Tax Code, for investments made in science and technology equivalent to $ 323,142, for donations $ 635,000 and the discount for the acquisition of real productive fixed assets $ 3,866,335 according to article 258-1 of the Tax Code.

The income statements for the taxable years 2016, 2017, 2018, 2019 and 2020 are open for review by the tax authorities. as well as the income for equity CREE of 2016. However, in Management's opinion, in the event that an inspection process occurs, no significant differences are expected.

The provision for income tax is calculated at the current rate. For the taxable year 2021, the rate is 31%, by the accrual method and is determined based on the commercial profit adjusted according to the current tax regulations.

The effective rate as of 31 December 2021 was 29.02% and as of 31 December 2020 it was 30.03%. The change in the effective rate was mainly caused by the following factors:

- The effective rate as of 31 December 2021 is lower than that as of 31 December 2020 due to the decrease in the nominal rate by 1 point (31% for 2021 and 32% for 2020) in accordance with the Growth Law.
- The application of a tax discount for the payment of the industry and commerce tax, for investments in science and technology projects; and
- Use of tax benefits included in the 2020 income tax return (filed in May 2021).

The main reconciliation items between earnings before taxes and the taxable net income are:

Item		From 1 January to 31 December 2021		From 1 January to 31 December 2020
Accounting earnings before income tax	**$**	**1.395.901.017**	**$**	**1.204.096.177**
Line items increasing net income				
Wealth tax		-		-
Non-deductible expenses (1)		34.146.347		37.518.726
Non-deductible provisions (2)		(30.826.729)		62.404.148
Contribution to financial transactions		9.685.952		9.196.788
Other line items that increase net income		8.906.472		(1.495.118)
Non-deductible taxes (3)		75.394.633		66.202.492
Presumptive interests		12.089		34.397
Total line items that increase net income		**97.318.764**		**173.861.433**

Item	From 1 January to 31 December 2021	From 1 January to 31 December 2020
Line items that decrease net income		
Fiscal depreciation and amortization (4)	46.669.920	30.580.319
Losses for new measurement of defined benefits plans	5.172.187	(9.100.444)
Special deductions	-	(3.590.751)
Tax reclassi. concession inc/costs (art.32 ET) (5)	(174.035)	(157.790)
Deductions for hiring the disabled	(11.909.791)	-
Other line items that decrease net income	(19.920)	(262.175)
Non-taxable income (6)	(20.747.645)	(53.411)
Total line items that decrease net income	**18.990.716**	**17.415.748**
Taxable net income	**1.512.210.497**	**1.395.333.181**
Presumptive income Investor Codensa		
Income tax rate	31,00%	32,00%
Income tax	**468.785.254**	**446.506.618**
Occasional earnings	1.925.513	75.386
Tax rate of occasional earnings	10,00%	10,00%
Tax on occasional earnings	**192.551**	**7.539**
Total income tax and complementary	**$ 468.977.805**	**$ 446.514.157**

(1) As of 31 December 2021 and 2020, the variation corresponds mainly to the recognition of non-deductible expenses for the collaboration contract with Colpatria "Open Book" of $5,258,349 and $20,947,983, non-deductible expenses for temporary employees' income of $5,459,131 and $0, loan forgiveness of $1,366,795 and $2,952. 197, expenses without causal relationship for $10,964,811 and $0, non-deductible expenses for donations for $978,939 and $2,540,000, non-deductible expenses for contracts with foreign suppliers without tax requirements for $2,844,773 and $5,340,386, contingency for contracts entered into with foreign entities for $2,302,258 and $2,679,173, others for $4,971,291 and $3,058,987.

(2) The variation corresponds to the reversion of provisions for costs, expenses and labor.

(3) Corresponds to the non-deductibility of the expense for the Industry and Trade Tax.

(4) Corresponds to the difference between the fiscal and accounting depreciation of fixed assets.

(5) Corresponds mainly to the deferred tax liability of the companies Fontibón ZE and Usme ZE according to the calculation of Article 32 of the E.T., which states that in concession contracts in the construction, administration, operation and maintenance stages; income and costs will be recognized for tax purposes as a liability for deferred income and an intangible asset, respectively.

(6) Corresponds to the valuation by the equity method of Enel X Colombia S.A.S. and Bogotá ZE S.A.S.

Transfer Pricing

Taxpayers of income tax who execute operations with economic associates or related parties abroad are bound to determine, for income tax purposes, their ordinary and extraordinary revenues, costs and deductions, assets and liabilities, considering for these operations the prices and profit margins that would have been used in comparable operations with independent entities. The 2020 formal duties submitted to the DIAN were duly transmitted on 8 September 2021.

The transactions carried out during 2021 have been validated by the tax advisors.

For the income for the taxable year 2020 there were no adjustments for any of the transactions with economic related parties, likewise for the year 2021, taking into account that the transactions to be carried out are validated before the signing of each contract, no significant changes are anticipated in relation to the previous year.

The supporting and informative documentation for the taxable year 2021 will be presented in 2022 in the terms established by law.

18. Provisions for employee benefits

	As of 31 December 2021		As of 31 December 2020	
	Current	Non-current	Current	Non-current
Social benefits and contributions to social security (1)	$ 41.916.470	$ 938.477	$ 44.376.596	$ 1.274.273
Obligations for defined post-employment and long-term benefits. (2)	25.546.039	249.882.030	25.889.568	304.645.419
	$ 67.462.509	**$ 250.820.507**	**$ 70.266.164**	**$ 305.919.692**

(1) As of 31 December 2021 and 2020, corresponds mainly to bonuses $16,790,956 and $20,986,031, vacations and vacation premiums $8,387,147 and $10,850,366. Also, the Group makes periodic legal contributions for severance payments and comprehensive social security: health, professional risks and pensions, to the respective private funds and to Colpensiones, which assume these obligations in their entirety. As of December 31, 2021 and 2020, social security and parafiscal contributions amount to $6,819,044 and $6,035,763, and severance and interest on severance payments amount to $8,453,357 and $7,710,329, respectively.

Contributions of Law

The Group makes periodic contributions for severance pay and comprehensive social security: health, professional risks and pensions, to the respective private funds and to Colpensiones, which assume these obligations in full.

(2) The Group grants different defined benefits plans; post-employment obligations and long-term benefits to its active or pensioned employees; all these in accordance with the fulfilment of previously defined requirements, which refer to:

Retirement Pensions

The Group has a defined benefit pension plan on which it does not present specific assets, except for all resources derived from the performance of its operating activity. The pension benefit plans establish a pension benefit amount that an employee will receive upon retirement, which usually depends on one or more factors such as age of employee, years of service and compensation.

The recognized liability in the consolidated statement of financial position, with respect to defined benefit pension plans, is that present value of the obligation of the defined benefit on the date of the consolidated statement of financial position, together with adjustments for unrecognized actuarial gains or losses. The obligation for the defined benefit is calculated by independent actuaries using the projected unit credit method.

The present value is the defined benefit obligation and is determined by deducting the estimated cash outflows, using interest rates based on the yield curve of the Public Debt Bonds of the Colombian Government (TES), expressed in real value units (UVR), whose terms are close to those of that pension obligation until maturity.

Actuarial losses and gains derived from adjustments based on experience and changes in actuarial hypothesis are debited or credited to the net equity in other comprehensive income, in the period of occurrence.

The pensioner base for the recognition of this benefit corresponds to:

Item	As of 31 December 2021	As of 31 December 2020
Pensioners	1.145	1.170
Average age	69,4	69,2

Other post – employment benefits

Pensioner benefits

The Group provides the following aids to pension-retired employees: (i) education aid, (ii) electric energy aid, and (iii) health aid in accordance with the provisions of the collective bargaining agreement.

The right to the aforementioned benefits is generally granted to employees, regardless of whether or not they have worked until the retirement age. The costs expected from these benefits are acquired during the time of employment using a methodology similar to that of the defined benefits plans. The actuarial gains and losses derived from the adjustments for experience and changes in the actuarial assumptions are debited or credited to other comprehensive income in the period of occurrence. These obligations are measured annually by qualified independent actuaries.

The pensioner base for the recognition of this benefit corresponds to:

	As of 31 December 2021	As of 31 December 2020
Education aid		
Pensioner	96	112
Average age	19.5	19
Energy aid	937	971
Pensioner	69.4	68,6
Average age		
	1.070	1.176
Health aid	70.5	69,0
Pensioner		
Average age		

Retroactive severance pay

Retroactive severance pay, which is considered a post-employment benefit, is liquidated for employees belonging to the labor regime that was in force prior to Act 50/1990 and who decided not to benefit from this regime change. The social benefit is liquidated for the whole time worked based on the last salary earned and is paid regardless of the employee being dismissed or retiring voluntarily. The actuarial gains and losses of the adjustments for experience and changes in actuarial assumptions are debited or credited to other comprehensive income.

The employee base for the recognition of this benefit corresponds to:

Item	As of 31 December 2021	As of 31 December 2020
Employees	59	68
Average age	56,2	54,9
Seniority	30,5	28,6

Long-term benefits

The Group recognizes to its active employees benefits associated to seniority, such as five-year periods, consisting in making an additional payment for every 5 years of uninterrupted service to employees whose hiring date was before 21 September 2005 and employees working in the EEC, and accrues as of the second year in accordance with the provisions of the collective bargaining agreement.

The costs expected from these benefits are accrued during the employment period, using a methodology similar to that used for the defined benefits plan. The actuarial gains and losses derived from adjustments for experience and changes in the actuarial assumptions are debited or credited to profit or loss of the period of occurrence. These obligations are measured by qualified independent actuaries.

The employee base for the recognition of this benefit corresponds to:

Item	As of 31 December 2021	As of 31 December 2020
Employees	121	159
Average age	52,5	52,8
Seniority	25,1	25,9

As of 31 December 2021 and 2020, the actuarial calculation of post-employment benefits was performed by the firm Aon Hewitt Mexico, which used the following set of hypotheses:

Financial Hypotheses:

Type of Rate	As of 31 December 2021	As of 31 December 2020
Discount rate	6,94%	5,74%
Salary increase rate (active personnel)	4.95%	4.85%
Pension increment rate	3,90%	3,80%
Estimated inflation	3,90%	3,80%
Health service inflation	8,00%	8,00%

Demographic Hypotheses:

Biometric base	
Mortality rate	2008 Colombian mortality rate (valid annuitant)
Disabled mortality rate	Enel internal table
Total and permanent disability	EISS
Turnover	Enel internal table
Retirement	Men: 62 Women: 57

The movement of obligations for benefits defined as of 31 December 2021 is the following:

	Retired personnel		Active personnel		Others	
	Pensions	Benefits	Retroactive severance pay	Five-year term	Retirement plan	Defined benefits plan
Opening balance 1 January 2021						**$ 330.534.987**
Cost of current service	-	-	141.521	240.344	-	**381.865**
Cost for interests	13.859.601	3.927.451	227.507	313.580	-	**18.328.139**
Contributions paid	(19.950.704)	(3.711.321)	(467.674)	(405.573)	-	**(24.535.272)**
Actuarial gains arising from changes in financial assumptions	(23.480.727)	(7.466.440)	(131.402)	(227.646)	-	**(31.306.215)**
Actuarial gains arising from changes in experience adjustments	(18.000.042)	(3.346.757)	(643.603)	(648.999)	-	**(22.639.401)**
Termination Benefits	-	-	-	-	4.663.966	**4.663.966**
Closing balance as of 31 December 2021	**$ 202.273.070**	**$ 60.121.511**	**$ 3.196.860**	**$ 5.172.662**	**$ 4.663.966**	**$ 275.428.069**

(a) Complying with the provisions of article 4 of decree 2131 of 2016 that allows the application of IAS 19 for determining the post-employment benefit liability for future retirement pensions, requiring additionally the disclosure of the calculation of pension liabilities in accordance with the parameters established in Decree 1625 of 2016, which restates the provisions of Decree 2783 of 2001; we have, upon apply these parameters as of 31 December 2021 and 2020, that the post-employment benefits liability for future retirement pensions amounts to $169,841,664 and $183,266,974, respectively. The sensitivity in question was made by the firm Aon Hewitt México, which used the following set of hypotheses:

Type of Rate	As of 31 December 2021	As of 31 December 2020
Discount rate	7,53%	8,62%
Technical interest	4,80%	4,80%
Estimated inflation	2,60%	3,64%

The following chart shows the behaviour in the present value of the obligation for each of the defined benefits, related to the per cent variation in 100 basic points above or below the Discount Rate used for the current calculation.

As of 31 December 2021:

	Retired personnel		Active personnel		Others	
Changes in discount rate to	Pensions	Benefits	Retroactive severance pay	Five-year term	Retirement plan	Defined benefits plan
- 100 basic points	$ 227.609.011	$ 66.414.665	$ 3.309.072	$ 5.378.912	$ 4.742.772	$ 307.454.432
+ 100 basic points	$ 184.803.990	$ 55.016.580	$ 2.958.714	$ 4.980.485	$ 4.588.032	$ 252.347.801

As of 31 December 2020:

	Retired personnel		Active personnel		
Changes in discount rate to	Pensions	Benefits	Retroactive severance pay	Five-year term	Defined benefits plan
- 100 basic points	$ 281.443.583	$ 79.214.943	$ 4.323.371	$ 6.159.282	$ 371.141.179
+ 100 basic points	$ 223.697.936	$ 64.295.853	$ 3.839.073	$ 5.662.228	$ 297.495.090

Collective Bargaining Agreements

Collective Bargaining Agreement Codensa – SINTRAELECOL

On 12 November 2019, the labor union Sintraelecol and Codensa S.A. E.S.P. signed a new Collective Bargaining Agreement. a new Collective Labor Agreement which will be in force until 31 December 2022 and with it the existing collective conflict between the parties was closed. This agreement unifies the conventional texts of Codensa S.A. E.S.P. and is applicable to all employees and personnel from the former Empresa de Energía de Cundinamarca (EEC).

Negociación Colectiva Codensa - ASIEB

After ASIEB and Codensa S.A. E.S.P. presented the petition on 30 December 2019, the direct settlement stage between the representatives of Codensa S.A. E.S.P. and the representatives of the union organization began in accordance with the terms of the law, which was extended by mutual agreement between the parties on 9 March 2020 for an additional 20 calendar days, which were suspended until 31 August 2020 due to the mobility restrictions originated in the economic and/or health emergency that was declared in the country as a result of the COVID-19 pandemic. Considering that these circumstances would not be easily overcome, the conversations between the parties were reactivated virtually between 1 and 16 September 2020, stage that ended without any agreement between the parties.

Taking into account the above, and considering the impossibility of carrying out a strike because it is an essential public service, the company proceeded to request the constitution of the Arbitration Court, which has already issued the corresponding arbitration award. Both the company and the union filed the corresponding appeal for annulment against the award, which was granted by the Court and has already been filed, distributed, admitted by the Supreme Court of Justice - Labor Cassation Chamber and is pending to be transferred to the parties to present opposition to the appeals for annulment and thus continue with the process that will culminate with the sentence that will put an end to the conflict.

Collective Bargaining Agreement - REDES

Since 2013, the union organization REDES submitted a list of demands to Codensa S.A. E.S.P. in order to obtain a collective agreement that would regulate the relations with its affiliates.

At that time the process was not advanced based on concepts issued by the Ministry of Labor on the bargaining unit, however and despite this, after some work group negotiations began, which ended without agreement between the parties.

Subsequently, and in view of the request to convene the respective Arbitration Court to put an end to the conflict, a new debate was initiated before the Ministry of Labor on how to proceed, which ended up ordering, by the Ministry of Labor, the constitution of the Arbitration Court, which already issued the arbitration award. The union filed an appeal for annulment against the award, which was granted by the Court, and the file was sent to the Supreme Court of Justice - Labor Cassation Chamber, where it was filed, distributed and admitted, and the company was notified for the corresponding opposition, a document that was presented in due time. To date we are awaiting the decision of the High Court.

19. Other non-financial liabilities

	As of 31 December 2021		As of 31 December 2020	
	Current	Non-current	Current	Non-current
Taxes other than income tax (1)	$ 71.947.918	$ -	$ 64.517.111	$ -
Deferred income (2)	25.905.313	-	19.154.800	9.649.479
Customer advances for network use (3)	3.747.083	-	7.742.210	-
	$ 101.600.314	**$ -**	**$ 91.414.121**	**$ 9.649.479**

(1) As of 31 December 2021 and 2020, taxes other than income correspond to:

	As of 31 December 2021	AAs of 31 December 2020
Other accounts payable for taxes (i)	$ 32.749.622	$ 30.087.646
Land taxes, municipal and related contributions (ii)	39.198.296	34.429.465
	$ 71.947.918	**$ 64.517.111**

(i) As of 31 December 2021 and 2020, it corresponds mainly to the withholding tax made to third parties for $5,793,344 and $7,145,477, self-withholdings and $26,956,278 and $22,942,169, respectively.

(ii) As of 31 December 2021 and 2020, corresponds mainly to the industry and commerce tax of $19,595,952 and $16,620,824, respectively, and the Group is subject to industry and commerce tax in Bogotá at the rates of 0.966% on its operating income, 1.104% on other non-operating income and at the rate of 15% for notices and boards on the tax. In the other municipalities in which the Group is a taxpayer, it is paid in accordance with the rates established by each territorial entity.

(2) As of 31 December 2021, deferred income corresponds to:

- Advance payment of the contracts with Transmilenio S.A. signed in January 2020 in order to lease three patios with electric recharging infrastructure for 15.7 years; This advance corresponds to the first 17 months and 23.31 days of the monthly consideration.

The advance payment is detailed below:

Yard	Prepayment	VAT	Total Value
UFO 1 - Suba	$ 8.105.582	$ 1.540.061	$ 9.645.642
UFO 2 - Fontibón El Refugio	10.450.832	1.985.658	12.436.491
UFO 4 - Fontibón Airport	10.855.351	2.062.517	12.917.867
Total prepayment	**$ 29.411.765**	**$ 5.588.236**	**$ 35.000.000**

As of 31 December 2021, the balance of the advance payment is $10,432,196.

- During 2021 the company Metro de Bogotá has made advance payments in accordance with the contract for the dismantling of the first street substation for $15,473,117.

20. Equity

Capital

The authorized capital consists of 28,378,952,140 shares with a par value of $100 each.

As of 31 December 2021 and 2020, the subscribed and paid-in shares correspond to 114,864,651 ordinary shares and 20,010,799 preference shares for a total of 134,875,450 shares with a nominal value of $100.

The shareholding structure as of 31 December 2021 is detailed below:

	Voting common shares		Non-voting preferred shares		Shareholding structure	
Shareholders	**Interest (%)**	**Number of shares**	**Interest (%)**	**Number of shares**	**Interest (%)**	**Number of shares**
Grupo Energía Bogotá S.A. E.S.P.	42,84%	49.209.331	100%	20.010.799	51,32%	69.220.130
Enel Américas S.A.	56,72%	65.148.360			48,30%	65.148.360
Other minority shareholders	0,44%	506.960			0,38%	506.960
	100%	**114.864.651**	**100%**	**20.010.799**	**100%**	**134.875.450**

Of the total shares of Empresa de Energía de Bogotá S.A. E.S.P., 20,010,799 shares correspond to non-voting shares with a preferred dividend of US $0.10 per share. Preferred shares do not grant a right to receive a guaranteed total fixed dividend, just as they have no date set for their redemption.

Basic earnings per share is calculated as the quotient between the net profit for the period attributable to the Group's shareholders and the weighted average number of common shares outstanding during said period, after the appropriation of the preferred dividends corresponding to 20,952,601 shares as of 31 December 2020 of Grupo Energía Bogotá S.A. E.S.P. Preferred dividends are worth US $0.10 per share (*).

(*) Complete figure expressed in USD.

Distribution of Dividends

The General Shareholders' Meeting of 24 March 2021, according to Minute No. 76, approved with a vote of 99.8815% of the shares present to distribute ordinary dividends for $758,749,358 and preferred dividends for $7,183,516 charged to the net income of 31 December 2020; they were paid as follows: 100% of the preferred dividend and 50% of the ordinary dividend on 20 May 2021; the remaining 50% on 16 December 2021.

The General Shareholders' Meeting of 25 March 2020, according to Minutes No. 73, approved with a vote of 56.717% of present shares the distribution of ordinary dividends for $572,408,144 and preferred dividends for $8,214,232 through net income of 31 December 2019.

The dividends on the 2019 net income for 580,622,376 ($ 4,243.98 per common share (*)) were paid as follows: 100% of the preferred dividend and 37% of the ordinary dividend, on 20 May 2020; 37% on15 October 2020; and 25% on 20 January 2021.

On 27 July 2021, at its extraordinary General Shareholders' Meeting, the General Shareholders' Meeting approved:

(1) The modification of the payment of dividends approved in the ordinary meeting of the highest corporate body, corresponding to the 2020 fiscal year for the month of August 2021.

(2) Partial distribution of retained earnings and extraordinary payment of dividends, $412,341,977 were paid in cash in the month of December 2021.

Other reserves

		As of 31 December 2021		As of 31 December 2020
Reserve for deferred depreciation (Art. 130 Tax Code)	$	189.950.866	$	197.606.365
Legal reserve		26.454.481		26.454.481
	$	**216.405.347**	**$**	**224.060.846**

Legal reserve

In accordance with Colombian law, the Group must transfer at least 10% of the year profit to a legal reserve, until it is equal to 50% of the subscribed capital. This reserve is not distributable before the Group's liquidation; however, it may be used to absorb or reduce annual net losses. The balances of the reserve in excess of 50% of the subscribed capital are freely available to shareholders.

Reserve for Deferred Depreciation (Article 130 of the Tax Code)

In the tax reform established by Act 1819 of 2016, article 130 of the tax code was repealed; consequently, the reserves constituted until 31 December 2017 will revert to the extent that the accounting depreciation equals the fiscal depreciation. Therefore, for the March 2021 and 2020 Meetings, the release of $7,655,499 and $4,692,346, respectively, from the reserve established, leaving a balance of $189,950,866.

The General Shareholders' Meeting of 2017, 2016, 2015 ordered the establishment of the reserve on account of accelerated depreciation pursuant to article 130 of the Tax Code for $38,898,151, $43,029,236 and $76,995,746, respectively through profit or loss each year.

Additionally, in previous periods, a reserve of 70% of the depreciation requested in excess was established since 1998 for tax purposes, amounting to $50,962,398.

21. Revenue and other operating revenues

		For the year ended 31 December 2021		For the year ended 31 December 2020
Energy Sales	$	5.187.836.414	$	4.655.321.344
Distribution and trade of energy - regulated market (1)		5.052.714.332		4.506.102.607
Supply of public lighting service (2)		135.122.082		149.258.737
Energy Transportation (3)		698.844.198		566.151.107
Business and Government Services (4)		233.791.537		236.448.413
Other services (5)		221.424.038		-
Leases		215.157.143		200.784.673
Total revenue		**6.557.053.330**		**5.658.745.537**
Other operating revenue		53.376.115		55.035.992
Recovery loss of energy		24.364.854		20.120.322
Others		29.011.261		34.915.670
Total revenue and other operating revenues	**$**	**6.610.429.445**	**$**	**5.713.781.529**

(1) As of 31 December 2021 and 2020, energy sales in the regulated market amount to 8,901 Gwh and 8,628 Gwh, of which 5,384 Gwh and 5,407 Gwh correspond to residential customers, 2,214 Gwh and 2,035 Gwh to commercial customers, 1,021 Gwh and 927 Gwh to industrial customers and 282 Gwh and 259 Gwh to official customers, respectively.

Below are the increases in the component rate received during 2021:

	Applied average rate 2020	Applied average rate 2021	Variation %
Gm	223,24	237,03	6,2%
Tm	37,73	39,48	4,6%
Pr	43,78	49,39	12,8%
D	164,42	178,88	8,8%
Rm	12,07	26,62	120,5%
Cv	51,94	56,32	8,4%
Cu	533,17	587,72	10,2%

Curtailment Costs: 85.9% increase in Curtailments, among others, due to the increase in out-of-merit generation related to the decrease in the exchange price, which was 48% below with respect to 2020.

Generation Costs: Increase of 14.3% in Generation, mainly related to an 11% increase in the average contract purchase price; contract purchases represented 86% of total purchases in 2021.

Transmission Costs: 21.4% increase in Transmission.

Distribution Costs: 5.6% increase in Distribution influenced by the increase in the PPI and the entry into charges according to the methodology of Resolution CREG 015 of 2018 of another OR in our ADD.

Loss Costs: 3.7% increase in Losses associated to the combined effect of the increase in generation and transmission variables and the decrease in the CPROG charge, due to the end of the retroactive period charge.

Commercialization Costs: Decrease of 1% in Commercialization mainly due to the finalization of the transfer of the New Additional Contribution PND 2020 (SSPD) and the variation in sales.

Provision for rate option

During 2020, the Codensa S.A. E.S.P. chose to apply the regulatory mechanism of rate option in accordance with CREG Resolution 122 of 18 June 2020, which resolves the appeal for reconsideration filed by Codensa S.A. E.S.P. against CREG resolution 189 of 2019 in which The variables necessary to calculate the income and charges associated with the electricity distribution activity for the commercialization market were approved. Given the retroactive adjustment of Resolution CREG036/19 and the retroactive adjustment associated with the service quality incentives, an increase in the distribution charge is presented during the months following the approval of charges. As of 31 December 2021, the account receivable for tariff option is $351,852,036.

(2) As of 31 December 2021 and 2020, sales to public lighting customers amount to 281 Gwh and 273 Gwh, mainly due to the consumption of the Capital District 187 Gwh and 187 Gwh and other municipalities for 94 Gwh and 87 Gwh,

(3) As of 31 December 2021 and 2020 there is an increase mainly in the invoicing for the service of use of electric energy infrastructure of Codensa S.A. E.S.P. by other energy traders in the local distribution systems of $484,145,607 and $395,979,923 and regional transmission systems of $214,698,591 and $170,171,183.

(4) As of 31 December 2021, there is a decrease in revenues from Business and government services mainly for Value added services $185,587,990 and $228,257,028 and provision of engineering services $1,021,437 and $163,381; Increase in other services $47,247,339 and $3,638,340, respectively.

(5) Corresponds to the recognition of income on the service concession contracts signed with Transporte del Tercer Milenio - Transmilenio S.A. (TMSA), for the execution of the concession contracts. (TMSA), for the execution of the project in its pre-operational stage; which in accordance with IFRS 15, income is recognized based on the progress in the acquisition or construction of the infrastructure and therefore the recognition of the cost.

Breakdown of revenue from contracts with customers

The Group obtains its revenues from contracts with customers, for the transfer of goods and/or services; These contracts were grouped into categories that have similar characteristics in the contractual terms and conditions, in accordance with the practical solution of IFRS 15.

The following table summarizes the categories, the groups of contracts they contain, the main performance obligations and how these performance obligations are met.

Category	Groups of contracts	Performance obligations	Fulfilment of performance obligations
Energy Sales	Distribution and Trade of Energy, Customers Regulated Market	Provision of the energy service	Over time
		Connection Service	
		Meter review service	
		Reconnections	
	Supply of Public Lighting service with the Bogota District	Provision of energy service and maintenance of public lighting	
	Non-regulated market	Sale of energy to the non-regulated market	
	Supply Public Lighting service with Municipalities	Provision of energy service and maintenance of public lighting	
nergy Transportation	Energy transport - Tolls and transmission	Use of the distribution network	Over time
Business and Government Services	Collaboration and financing of goods and services	Promotion, origination, administration, billing and collection of exclusive financial services	Over time
	Connection, administration, operation and maintenance	i) Supply, testing and commissioning of the communications network	
		ii) Review of connection designs, construction inspection, assembly, testing and commissioning	
		iii) Administration, operation and maintenance of the line module	
		iv) Supervision of the signals of the connection point from the Group's control center	
	Business management mandate	Commercial management of products, works and/or services	
	Collaboration - Insurance	Trade and disposal of marketing channels	
	Electrical works	Access to the Group's customers for the provision of electrical works services, supply of material and financing	
	Insurance and publications	Promotion, billing and collection services through the invoices of public energy service and the delivery of policies and contracts	
	De-energizing maneuvers	Operation service to de-energize the networks owned by the Group	
	Other electrical works and projects	Electrical works and projects related to the transfer of high voltage networks and lighting (Graphic design and constructive design of Christmas lighting).	
	Cooperation agreements - electrical networks	Electrical works and projects related to the installation, protection, transfer, replacement or relocation of electrical networks	
	Advertising inserts	Print, insert and deliver advertising information on the bills	
	Metering equipment	Supply of serial material (meters, current and power transformers and seals).	On a point in time

Performance obligations correspond to commitments to transfer to a customer a series of different goods or services, or a series of different goods or services but which are substantially the same and have the same pattern of transfer to customers.

Performance obligations are met to the extent that goods and/or services undertaken with customers are transferred, i.e., to the extent that the customer gains control of the goods and services transferred.

In the Group's business lines, the fulfilment of performance obligations is mainly carried out over time, given that customers simultaneously receive and consume the committed goods or services and benefit to the extent that contracts are executed.

For the "Other income" category, the fulfilment of the associated performance obligations is generally made at a specific time, taking into account that the goods and/or services offered to the customers do not present future commitments.

The Group's revenues are generated in Colombia.

Significant judgments in the application of the standard

The Group recognizes revenues when control of the committed goods and/or services is transferred to customers, and they have the ability to use the goods and/or services provided, obtaining the economic benefits associated with them.

Regarding the schedule of fulfilment of performance obligations, we have that for performance obligations met over time, the method of measuring the progress of fulfilment of performance obligations is carried out by the product method, as the Group is entitled to receive as compensation from customers the value of the goods and/or services provided to customers, up to the date of delivery.

The prices for the provision of the energy service are established based on the regulation and for other items in accordance with the contractual agreement. The Group does not offer discounts or other types of benefits to customers that may have variable consideration in the supply of goods and services.

Contract assets and liabilities

Contract assets

The Group does not have contractual assets, since the goods and/or services provided to customers that have not yet been invoiced generate an unconditional right to the consideration paid by customers, because only the passage of time is required in the enforceability of payments by customers, and the Group has fulfilled all performance obligations.

The Group does not incur costs to obtain or fulfil contracts, so it does not have assets associated with this item.

Contract liabilities

The Group presents contract liabilities in the consolidated statement of financial position, in the line item of other current non-financial liabilities. Contract liabilities reflect the Group's obligations in the transfer of goods and/or services to customers for which the entity has received an advance consideration.

As of 31 December 2021, the balance of prepayments for the energy transportation service amounts to $1,246,238.

The Group recognizes the contract liabilities as revenue to the extent it satisfies the performance obligations.

22. Provisioning and Services

		For the year ended 31 December 2021		For the year ended 31 December 2020
Energy purchases (1)	$	2.818.410.226	$	2.398.233.475
Transport costs (2)		642.333.106		590.245.236
Other variable provisioning and services (3)		502.884.399		284.646.752
	$	**3.963.627.731**	**$**	**3.273.125.463**

(1) As of 31 December 2021 and 2020, energy purchases amount to 10,344 Gwh and 10,069 Gwh; purchases for the regulated market through contracts amount to 8,848 Gwh and 9,185 Gwh and purchases on the stock exchange amount to 1,496 Gwh and 884 Gwh; no purchases for the non-regulated market are recorded.

There is a decrease in the average energy exchange price amounting to $146/Kwh and $232/Kwh as of 31 December 2021 and 2020, respectively.

(2) As of 31 December 2021 and 2020, it is mainly composed of the costs of right of use in the national transmission energy systems of $413,549,888 and $378,418,064 and regional transmission of $215,703,829 and $200,171,033, respectively.

(3) Below is a description of other variable provisioning and services:

		For the year ended 31 December 2021		For the year ended 31 December 2020
Yard construction costs, purchase of buses and loaders (a)			$	-
Costs of providing goods and services to individuals (b)		113.630.169		107.875.346
Industry and trade tax		75.394.633		66.202.491
Costs related to metering equipment		53.889.774		52.689.104
Public lighting maintenance and others		18.596.289		11.439.370
Cut and reconnection costs		33.233.656		23.878.307
Contributions regulation entities		30.566.992		19.390.185
Other local taxes related to sales		2.421.488		3.171.949
	$	**502.884.399**	**$**	**284.646.752**

(a) As of 31 December 2021 corresponds to the costs associated with the construction of the Fontibón yard, purchase of buses and loaders, in compliance with the service concession contract signed with Transporte del Tercer Milenio - Transmilenio S.A. (TMSA).

(b) As of 31 December 2021 and 2020, corresponds mainly to variable costs of new connections, costs associated with value added services business such as electrical works, Christmas lighting and subscriptions to magazines, insurance and other products.

23. Personnel expenses

		For the year ended 31 December 2021		For the year ended 31 December 2020
Wages and salaries (1)	$	212.894.255	$	201.870.021
Social security service and other social charges		41.817.565		39.738.883
Expense for obligation of post-employment benefits (2)		(85.866)		795.233
Expense for obligation of retirement plans (3)		(450.676)		40.963.272
Other personnel expenses (4)		(1.539.836)		1.903.509
	$	**252.635.442**	**$**	**285.270.918**

(1) As of 31 December 2021 and 2020, corresponds to wages and salaries of $158,932,726 and $149,197,868, bonuses $15,171,091 and $17,274,936, vacation and vacation premiums $14,882,287 and $14. 280,844, service premiums $12,458,896 and $10,652,826, severance and severance interest of $7,409,911 and $7,399,419, amortization of employee benefits of $4,039,344 and $3,064,128, respectively.

(2) As of 31 December 2021 and 2020, corresponds to the current service cost of active personnel associated with the retroactive severance benefit of $322,789 and $143,474, and severance indemnities of $240,344 and $258,894, respectively.

As of 31 December 2021 and 2020, as a result of the actuarial calculation performed by the firm AON Hewitt Mexico, the effect of the actuarial losses in five-year terms arising from changes due to changes in variables for $(648,999) and $392,965, respectively, is included.

(3) Effect of the financial restatement of the Transition Fund provision, which is aimed at workforce efficiency in line with the investment plan in digitalization and automation of the Enel Group worldwide in the different areas and lines of business. This involves identifying efficiencies in order to replace profiles and having the necessary economic resources as part of the aforementioned strategy, which will leverage the achievement of the objectives defined by the Group.

(4) As of 31 December 2021 and 2020, corresponds mainly to:

Labor litigation: effect of provisions and recoveries recognized for litigation that were susceptible to changes in the qualification according to analyses performed by the attorneys in fact for $(271,252) and $142,129, respectively.

Retirement bonus: Corresponds to the expenses associated with the provision of retirement bonuses for management personnel of $(1,284,446) and $1,761,380, respectively.

24. Other fixed operating expenses

		For the year ended 31 December 2021		For the year ended 31 December 2020
Independent professional services, outsourced and others (1)	$	200.520.462	$	197.573.349
Repairs and maintenance (2)		106.604.317		115.599.229
Other supplies and services (3)		27.331.087		23.287.723
Insurance premiums (4)		12.166.700		7.008.128
Leases and fees (5)		10.082.824		12.916.442
Advertising, marketing and public relations		9.483.958		10.071.492
Taxes and rates		6.189.387		3.897.604
Transport and travel expenses		3.285.642		1.181.359
	$	**375.664.377**	**$**	**371.535.326**

(1) Below is the detail of independent professional services, outsourced and others:

	For the year ended 31 December 2021	For the year ended 31 December 2020
Maintenance services, software development and computer applications (a)	$ 75.270.429	$ 49.275.704
Readings (b)	30.387.714	22.160.942
Market recovery contracts	28.402.928	27.546.625
Collection contracts	14.251.924	14.431.078
Fees	12.816.041	11.699.116
Administrative overhead	12.909.848	12.943.474
Telecommunication services	8.176.444	7.956.714
Customer service contracts	6.027.506	9.450.224
Temporary personnel services	4.540.023	3.775.273
Other administrative and operating contracts (c)	4.047.780	10.520.044
Billing	3.393.606	6.562.401
Non-payment management contracts	2.090.050	1.688.946
Diagnosis, inspection and maintenance of substations, networks and electrical installations (d)	1.223.441	17.628.867
Casino and cafeteria	32.804	896.545
Industrial security	-	129.810
Office supplies and materials	-	127.352
Civil and administrative litigation (e)	(3.050.076)	780.234
	$ 200.520.462	**$ 197.573.349**

(a) As of 31 December 2021 and 2020, the increase corresponds mainly to the contracting and implementation of services associated with the cloud architecture and the maintenance of technical and commercial operation applications, mainly Amazon Web Service, Synergia 4J, Genesis, and applications of technical systems and cybersecurity.

(b) There is an increase in the cost of contracts for reading, distribution and distribution of energy billing.

(c) The decrease in general administrative expenses is presented by the inactivity in administrative headquarters caused by the general confinement of personnel related to measures given to mitigate the expansion of Covid-19.

(d) There is a decrease in costs related to the pruning and felling of trees in rural areas and regulatory benefit circuits.

(e) Corresponds to recoveries from favorable court rulings and estimates in the qualification of processes.

(2) Corresponds to the cost of the contracts associated with the maintenance of the infrastructure of Codensa S.A. E.S.P. and the materials used in them.

(3) The decrease is mainly due to the cost of utilities and the costs associated with the Group's headquarters.

(4) acquired to cover the service concession contracts signed with Transporte del Tercer Milenio - Transmilenio S.A. (TMSA) with the companies Usme ZE S.A.S. and Fontibón ZE S.A.S.

(5) Includes short-term leases outside the scope of IFRS 16 of commercial headquarters, infrastructure and elements necessary for the execution of business activities.

25. Expense for Depreciation, Amortization and Impairment Losses

	For the year ended 31 December 2021	For the year ended 31 December 2020
Depreciations (Note 12)	$ 399.184.520	$ 373.916.214
Amortizations (Note 11)	65.939.094	52.834.688
Depreciations and amortizations	465.123.614	426.750.902
Impairment financial assets (1)	46.622.777	62.814.991
	$ 511.746.391	**$ 489.565.893**

(1) As of 31 December 2021, corresponds mainly to the allocation of:

a. Provision for 100% of the VAT portfolio of Public Lighting Infrastructure $12,423,395, prescribed customers with no current claim $4,020,639, customers with risk of default according to the collective impairment model $25,798,333 and others 1,968,839.

b. In the ancillary business portfolio, the variation is mainly due to the recovery of impairment ($3,599,768).

26. Net Financial Income

		For the year ended 31 December 2021		For the year ended 31 December 2020
Default interest (1)	$	14.338.076	$	10.385.531
Interest on customer financing (2)		11.549.417		3.446.039
Interest on loans to employees (3)		7.609.086		5.111.577
Revenues from cash and cash equivalents (4)		7.569.679		10.875.464
Other financial revenues (5)		630.145		4.118.319
Financial revenues		**41.696.403**		**33.936.930**
Financial obligations (6)		(187.518.283)		(164.989.037)
Tax on movement of funds		(19.819.212)		(18.401.548)
Obligation for post-employment benefits		(18.100.493)		(18.597.613)
Other financial costs (7)		(13.133.291)		(6.786.828)
Finance leases		(7.440.164)		(5.407.111)
Impairment of financial assets (8)		(1.777.310)		3.249.841
Financial expenses		**(247.788.753)**		**(210.932.296)**
Capitalized financial expenses		5.232.987		4.411.421
Net financial expenses		**(242.555.766)**		**(206.520.875)**
Revenues from exchange difference		15.791.981		21.546.909
Expenses from exchange difference		(24.037.410)		(27.151.408)
Net exchange difference (9)		**(8.245.429)**		**(5.604.499)**
Total net financial income	**$**	**(209.104.792)**	**$**	**(178.188.444)**

(1) Corresponds to billing of interest on late payment to customers for energy services and other products.

(2) Corresponds to interest billings for financing to municipalities for public lighting, illumination services and infrastructure.

(3) As of 31 December 2021 and 2020, corresponds to financial interest on housing loans $778,406 and $138,657, and to the financial effect of loans to employees agreed at market differential rate $6,830,680 and $4,972,920, respectively.

(4) Corresponds mainly to financial returns in national currency from deposits and investments in different entities such as Corredores Asociados, Credicorp, Fiduciaria Bogota, Fiduciaria de Occidente, Alianza Valores, BBVA Fiduciaria, Fondo abierto Alianza, Valores Bancolombia and Fiduciaria Corficolombiana.

(5) The variation corresponds mainly to financial restatement of the provision for civil, tax and labor litigation for $(2,224,595) and financial restatement of the provision for PCB contaminated transformers for $(1,326,229).

(6) Corresponds to the interests on bonds issued generated under the Bond Issue and Placement and loan interest Program, as follows:

Issue		For the year ended 31 December 2021		For the year ended 31 December 2020
Other trade receivables	$	29.522.656	$	12.733.814
Interest Bonds E5-17		19.950.290		19.845.708
Interest Bonds E4-19		17.248.079		17.240.856
Interest Bonds B12-13		15.894.649		9.539.255
Interest Bonds E4-20		14.527.944		4.077.673
Interest Bonds B10-19		14.108.959		12.004.720
Interest Bonds E7-18		13.159.730		13.155.814
Interest Bonds E7-17		12.620.252		12.614.928

Issue	For the year ended 31 December 2021	For the year ended 31 December 2020
Interest Bonds B5-18	12.290.801	10.299.398
Interest Bonds B7-20	11.549.327	3.624.056
Interest Bonds B12-18	11.500.011	13.770.329
Interest Bonds B7-14	8.997.585	10.944.490
Loans Bank of Tokyo	6.148.002	20.418.049
Interest Bonds E4-16	-	4.719.947
Total	**$ 187.518.283**	**$ 164.989.037**

(7) As of 31 December 2021, corresponds mainly to interest on the interest rate SWAP hedge derivative $7,076,340, interest for late payment of taxes $2,169,122, bond issuance costs of $1,393,508, debt management, issuance of guarantees and investor relations $928,090 and updating of the provision for the dismantling liability of Patios Transmilenio, PCB and offices for $736,442.

(8) Expense recognized for the impairment of financial assets such as cash and cash equivalents, agreements and other assets, in accordance with the provisions of IFRS 9 in relation to the expected credit loss.

The origins of the effects of exchange differences on profit or loss correspond to:

	For the year ended 31 December 2021	
	Revenues from exchange difference	Expenses from exchange difference
Bank balance	$ 11.093.927	$ (7.491.710)
Cash and cash equivalents	**11.093.927**	**(7.491.710)**
Current accounts receivable	6.582	(2.735)
Total Assets	**11.100.509**	**(7.494.445)**
Accounts payable for goods and services	4.691.472	(16.542.965)
Total liabilities	**$ 4.691.472**	**$ (16.542.965)**
Net results	**$ 15.791.981**	**$ (24.037.410)**

	For the year ended 31 December 2020	
	Revenues from exchange difference	Expenses from exchange difference
Cash	$ -	$ (483,00)
Bank balance	14.725.166	(25.444.920)
Cash and cash equivalents	**14.725.166**	**(25.445.403)**
Current accounts receivable	(483.777)	(30.895)
Total Assets	**14.241.389**	**(25.476.298)**
Accounts payable for goods and services	7.305.520	(1.675.110)
Total liabilities	**$ 7.305.520**	**$ (1.675.110)**
Net results	**$ 21.546.909**	**$ (27.151.408)**

27. Income from Other Investments

	For the year ended 31 December 2021	For the year ended 31 December 2020
Dividends of investments in associates	97	257
	$ 97	**$ 257**

28. Income from the Sale and Disposal of Assets

		For the year ended 31 December 2021		For the year ended 31 December 2020
Property, plant and equipment (1)		9.373.865		9.651.366
	$	**9.373.865**	**$**	**9.651.366**

(1) Corresponds primarily to the write-off of substation equipment, lines and networks, distribution transformers and public lighting luminaires due to obsolescence, damage and replacement.

29. Income Tax Expenses

The provision recognized through profit or loss, for income tax and income tax surcharge is broken down as follows:

		For the year ended 31 December 2021		For the year ended 31 December 2020
Current income tax	$	423.951.328	$	413.941.525
		423.951.328		**413.941.525**
Income tax previous years		(21.334.631)		(13.342.127)
Deferred tax movement (1)		379.191		(40.178.269)
Deferred tax movement previous years (1)		10.518.043		1.144.631
	$	**413.513.931**	**$**	**361.565.760**

(1) As of 31 December 2021 and 2020, corresponds to the decrease in net deferred tax of $1,012,459 and $39,014,327, comprising (i) deferred tax for the period ($11,530,502) and ($40,175,367) and (ii) deferred tax for prior years of $10,518,043 and $1,161,040.

Below is the reconciliation of the income tax that would result from applying the current general tax type to "earnings before taxes" and the expense registered equivalent to an effective rate on net income as of 31 December 2021 and 2020 of 29.02% and 30.03, respectively:

Reconciliation effective tax rate		**For the year ended 31 December 2021**	**Rate**		**For the year ended 31 December 2020**	**Rate**
Net income	$	982.387.086		$	842.530.417	
Income tax expense		413.513.931			361.565.760	
Earnings before taxes		**1.395.901.017**			**1.204.096.177**	
Legal tax rate in force		31%			32%	
Tax according to legal rate in force		**(432.729.315)**	(31%)		**(385.310.777)**	(32%)
Permanent differences:						
Non-deductible taxes (1)		(26.422.938)	(1,89%)		(24.131.262)	(2,00%)
Non-causal and other non-deductible expenses (2)		(4.990.266)	(0,36%)		(11.918.283)	(0,99%)
Non-taxable income		2.185.283	0,16%		-	0%
Net effect of movement of estimated liabilities and permanent provisions		10.949	(0,00%)		(70.122)	(0,01%)
Assumed interests		(3.747)	0,00%		(11.007)	0%
Additional deduction disabled		53.951	0,00%		50.493	0%
Other permanent differences		-	0%		128	0%
Rate difference adjustment - deferred adjustments previous years		(1.082.516)	(0,08%)		1.851.440	0,16%
Special deduction Act 1715/2015		-	0,00%		1.149.040	0,10%
Elimination of equity method in Consolidation		(7.978.759)	(0,57%)		-	0%
Other tax benefits (3)		45.026.477	3,23%		32.644.442	2,71%
Deferred industry and trade tax		1.773.069	0,13%		12.008.482	1,00%
Adjustment for income tax return prior year (4)		10.813.578	0,77%		12.171.668	1,01%
Tax Loss EnelX/Bogotá ZE		(169.697)	(0,01%)		-	0%
Presumptive income tax		-	0%		(2)	0%
Total permanent differences		**19.215.384**	**1.38%**		**23.745.017**	**1,97%**
Income tax expense	**$**	**(413.513.931)**	**(29,62%)**	**$**	**(361.565.760)**	**(30,03%)**

(1) As of 31 December 2021 and 2020, corresponds to the effect on income tax of the industry and commerce tax for $23,372,336 and $21,342,607, tax on financial movements for $3,050,602 and $4,116,419, respectively.

(2) The variation, for the year 2021 and 2020, corresponds mainly to the recognition of non-deductible expenses of the collaboration contract with Colpatria "Open Book" $5,258,349 and $20,947,983, non-deductible expenses for contracts with foreign suppliers without tax requirements for $2,844,773 and $5,340,386, contingency for contracts entered into with foreign entities for $2,302,258 and $2,672,258, respectively. 302,258 and $2,679,173, non-deductible expenses for temporary employee income of $5,459,131 and $0, income not taxed for the valuation by the equity method of Enel X Colombia S.A.S. and Bogotá ZE S.A.S. ($20,747,645), as well as the effect of expenses with no causal relationship such as donations, waivers of interest on arrears, among others.

(3) As of 31 December 2021 and 2020, corresponds to the recognition of tax discounts in: industry and commerce tax for $35,754,137 and $32,122,568, donations for $226,734 and $635,000, investment in science and technology for $6,628,135 and $323,143, income taxes related to components of other comprehensive income $2,417,471 and ($442,430).

(4) The variation corresponds to the difference between the calculation of the income provision and the values presented in the income tax return. These differences generate a change in both the current tax and the deferred tax, the main items that generated the variation are: (i) tax benefits, (ii) the difference in accounting depreciation and fiscal depreciation, and (iii) differences in the calculation of provisions for costs and expenses.

30. Earnings per Share

Basic earnings per share are calculated dividing profit attributable to the Group's shareholders adjusted to preferred dividends after taxes between the weighted averages of common outstanding shares over the year. As of 31 December 2021 and 2020, there are no common shares acquired by the Group.

	For the year ended 31 December 2021	For the year ended 31 December 2020
Profit attributable to owners	$ 982.387.086	$ 842.530.417
Preferred dividends (1)	7.966.619	6.868.707
Profit attributable to owners adjusted to preferred dividends	974.420.467	835.661.710
Number of outstanding shares	134.875.450	134.875.450
Basic earnings per share (*)	**$ 7.224,59**	**$ 6.195,80**

(1) Out of total shares of Grupo Energía Bogotá S.A. E.S.P., 20,010,799 shares correspond to shares without voting rights with an annual preferred dividend of US $0.10 (*) per share.

(*) Full figure expressed in USD

31. Other Comprehensive Income

The breakdown of other comprehensive income is shown below:

	For the year ended 31 December 2021	For the year ended 31 December 2020
Components of other comprehensive income that will not be reclassified to net income, before taxes		
Gain (loss) for new measurements of defined benefits plans (1)	$ 53.068.971	$ (6.933.428)
Gain (loss) on new measurements of financial instruments measured at fair value rough OCI (2)	3.766.712	-
Other comprehensive income that will not be reclassified to earnings before taxes	**56.835.683**	**(6.933.428)**
Other comprehensive income that will be reclassified to earnings before taxes		
Gains on cash flow hedges		
Other comprehensive income that will be reclassified to earnings before taxes	19.011.239	54.503
Income taxes relative to components of other comprehensive income that will not be reclassified to net income	**19.011.239**	**54.503**
Tax effect for new measures of defined benefits plans		
Total income taxes relative to components of other comprehensive income that will not be reclassified to net income		

	For the year ended 31 December 2021	For the year ended 31 December 2020
Total income taxes relative to components of other comprehensive income that will be reclassified to net income	(18.160.847)	124.050
Effect of taxes on cash flow hedges		
Total income taxes relating to components of other comprehensive income will be reclassified to net income	**(18.160.847)**	**124.050**
Total other comprehensive income		
Impuestos a las ganancias relativos a componentes de otro resultado integral que se reclasificará al resultado del periodo		
Efecto de impuestos por coberturas de flujo de efectivo	(7.972.283)	(17.441)
Total impuestos a las ganancias relativos a componentes de otro resultado integral se reclasificará al resultado del periodo	**(7.972.283)**	**(17.441)**
Total otro resultado integral	**$ 49.713.792**	**$ (6.772.316)**

(1) Corresponds to the effect of actuarial gains and losses valued by Aon Hewitt México. As of 31 December 2021 and 2020, actuarial gains losses with effect on equity are presented below:

	For the year ended 31 December 2021			For the year ended 31 December 2020		
	Pension and benefits	Retroactive severance pay	Temporary income	Pension and benefits	Retroactive severance pay	Temporary income
Initial balance	(96.083.214)	(794.373)	(2.745.417)	(89.451.637)	(616.572)	(2.745.417)
Actuarial gain (loss)	52.293.966	775.005	-	(6.659.229)	(274.199)	-
Current tax (note 17)	(2.417.471)	-	-	442.430	-	-
Deferred tax (note 13)	(15.573.485)	(169.891)	-	(414.778)	96.398	-
Final balance	**(61.780.204)**	**(189.259)**	**(2.745.417)**	**(96.083.214)**	**(794.373)**	**(2.745.417)**

(2) As of 31 December 2021, corresponds to the Mark to Market (MTM) resulting from the valuation of Capex hedging derivatives.

32. Assets and Liabilities in Foreign Currency

The standards existing in Colombia allow for the free negotiation of foreign currency through banks and financial institutions at free exchange rates. Nonetheless, most of the transactions in foreign currency require compliance with certain legal requisites.

Summary of assets and liabilities expressed in foreign currency:

	As of 31 December 2021		
	(in EUR)	*(in US Dollars)*	*(in thousands of pesos)*
Cash and cash equivalents	€ -	US 934.346	$ 3.719.783
Debtors	165.709	62.071	1.247.460
Accounts payable	(5.489.327)	(7.206.635)	(52.449.804)
Net liability position	**€ (5.323.617)**	**US (6.210.217)**	**$ (47.482.561)**

	As of 31 December 2020		
	(in EUR)	(in US Dollars)	(in thousands of pesos)
Cash and cash equivalents	€ -	US 1.103.221	$ 3.786.807
Debtors	144.686	528.958	2.423.306
Accounts payable	(14.039.881)	(6.806.393)	(82.328.133)
Net liability position	**€ (13.895.195)**	**US (5.174.214)**	**$ (76.118.020)**

33. Penalties

In the period between 1 January and 31 December 2021 and 2020, the company has not been notified of penalties.

34. Other Insurance

In addition to policies relative to properties, plant, and equipment (see note 13), the Group has the following policies:

Property/person insured	Risks covered	Insured amount (figures in thousands)	Expiry	Insurance Company
Transport of goods	Loss or damage to the transported goods	$5,000,000 by court	31/07/2022	HDI Seguros S.A.
Employees having a direct contract	Death, total and permanent disability	$2,000 maximum individual insured sum	31/12/2021	Seguros Bolivar
Counsellors or directors	Civil responsibility of directors and managers	$19.385.116	10/11/2022	SBS Seguros S.A.

35. Commitments and Contingencies

(a) Purchase Commitments:

The Group as of 31 December 2021 has commitments to purchase electric energy as follows:

Year		Commitments with third parties		Commitments with Emgesa S.A. E.S.P.		Total
2022-2023	$	1.809.568.677	$	1.508.565.712	$	3.318.134.389
2024-2027		3.087.708.296		1.602.764.599		4.690.472.895
2028-2032		1.333.791.418		180.255.085		1.514.046.503
2033onwards		1.235.835.823		154.018.131		1.389.853.954
	$	**7.466.904.214**	**$**	**3.445.603.527**	**$**	**10.912.507.741**

Below is the summary of purchase commitments of materials and services:

Year		Materials		Services		Total
2022	$	256.536.087	$	411.363.777	$	667.899.864
2023 – 2024		164.340.438		292.829.892		457.170.330
2025 – 2026		-		146.499		146.499
2027 – 2028		-		2.701.568		2.701.568
	$	**420.876.525**	**$**	**707.041.736**	**$**	**1.127.918.261**

(b) Litigations and Arbitrations:

The Group faces litigations classified as possible or contingent, with respect to which Management, with the support of its external and internal legal advisors, estimates that the outcomes corresponding to the part not provisioned will be favorable to the Group and will not cause significant liabilities which must be accounted for or which, if they do, will not significantly affect their financial position.

(c) Litigations Classified as Contingent

The main litigations that Codensa S.A. E.S.P. has as of 31 December 2021 classified as contingent are:

a. Process Sabana Medical Center PH and Others

Start date: 2014

Claim: $337.000.000

Purpose of the claim: The plaintiffs seek that Codensa S.A. E.S.P. returns what it has allegedly charged in excess for not applying the rate benefit to said group of users belonging to Voltage Level 1, who are also owners of the distribution assets.

The claim and the main event of the claim are based on the fact that Codensa S.A. E.S.P. is committing illicit enrichment because it does not apply any rate benefit to the users that belong to this voltage level and who own the infrastructure, as established in Resolution 082/2002, as amended by Resolution 097/2008. The plaintiff determines the amount of this process based on the fact that this situation is replicated in approximately 550 thousand users and that each one is entitled to compensation.

Current status of process: A settlement hearing was held, which was declared unsuccessful.

On 8 September 2017, the firm agreed to the request of the plaintiff to include the initial plaintiffs' group of 4 legal representatives of the co-properties (Office Class Building, Minicentro Shopping Center, Santa Ana II Building and Beatriz Building), which are grouped together not as direct plaintiffs, but as a group affected by the events that constitute the presumed violation, in case the judgment is favorable to them.

The proceeding entered the evidentiary stage on 27 July 2018 and on 4 December 2018, it entered the Court with the evidentiary material gathered by the parties and by the required Authorities.

On 1 February 2019, the Court confirmed the evidentiary request made to Codensa S.A. E.S.P. and Grupo de Energía de Bogotá, in order to gather missing documentation.

On 7 February 2019, an appeal for reversal is filed against the confirmation order, arguing that all the requested evidentiary information had already been provided.

On 20 February 2019, the Court resolves the appeal for reversal, requesting the list of all users who own the voltage level 1 assets.

On 28 March 2019, the requested information and the date for receiving the testimonies are expected.

On 2 August 2019, the Office process is brought, setting the date on 24 October 2019 to carry out the testimonies requested by the parties and submit the expert opinion that was requested by Court.

On 21 August 2019, Codensa S.A. E.S.P. is required to provide further documentation, this order is contested because a detailed list is being requested of the users who, without being part of the lawsuit, are owners of the voltage level assets. In addition, Codensa S.A. E.S.P. withdraws the expert opinion ordered by the Court and submits a new one, to dispute all the points that are unfavorable for Codensa S.A. E.S.P..

The process enters the Office on 8 October 2019 to resolve the appeal for reconsideration presented and with the expert opinion provided by Codensa S.A. E.S.P..

As of 31 December 2021, the process is still in evidentiary stage.

b. Process Owners Association of the Urban Centre Antonio Nariño

Start date: 2009

Claim: $15.000.000

Purpose of the claim: The Association claims a property located within its facilities where an energy substation of Codensa S.A. E.S.P. operated. Codensa S.A. E.S.P. counterclaims the prescription of the property or easement.

Current status of process: In February 2019 began the logistics of serving notice to the defendants in counterclaim, which are all co-owners of the properties that make up the joint ownership.

The notices began to be served on Friday 29 March 2019, through successive servicing until completing almost 800 notices that must be served. However, on 22 April 2019, the Judge decided to declare the tacit withdrawal of the membership claim (in counterclaim) that Codensa S.A. E.S.P. had filed. The above insofar as it was not possible to comply with the requirement given by the court, consisting of serving notice the defendant in full within the 30 days, in accordance with the provisions of article 317 of the General Procedural Code.

Codensa S.A. E.S.P. filed an appeal against this decision, which was resolved unfavorably by the Superior Court of the Judicial District of Bogota. The process continued regarding the claim. A writ for the protection of fundamental rights was filed on the understanding that this procedural charge is impossible to comply with and violates the Company's right of defense, which writ was also unfavorable to Codensa S.A. E.S.P.

Recently, and in view of a decision of the Supreme Court of Justice, which stated that in proceedings where horizontal properties were sued, the procedural involvement of all the co-owners was not required, CODENSA submitted such decision to the 49th Civil Circuit Judge in order to make an informal declaration of illegality of the Order that had declared the withdrawal of Codensa S.A. E.S.P. due to the failure to timely involve the 1700 co-owners of the Antonio Nariño Urban Center. In view of the above request, the Judge considered that, although it was correct to point out the new criterion adopted by the Supreme Court of Justice, it was also true that at the time the tacit withdrawal was declared, the jurisprudential criterion was different, and therefore the Order declaring the tacit withdrawal was not based on any illegality whatsoever. Therefore, the request for a declaration of illegality was denied.

As of 31 December 2021, the process continues its course with respect to the claim filed by ASOCUAN.

c. Public Lighting Litigation with the UAESP

As of 30 September 2021, there is an unfavorable ruling issued on 21 August 2019 within the process of nullity and restoration of the right of Codensa S.A. E.S.P. against UAESP for the re-liquidation of public lighting from 1998 to 2004.

The main events of this litigation and the events that occurred during 2019 are described below:

On 20 April 1997, an inter-administrative agreement was entered into by the District and the GEB (Grupo Energía de Bogotá), which ensures the supply of electric energy to the city for public lighting purposes. The agreement was assigned to Codensa S.A. E.S.P. on 23 October 1997; the same year, the CREG, through Resolution No 99/97, modified the household electric energy service rate, expressly excluding public lighting, and Codensa S.A. E.S.P. submitted to the District some invoices where it made its own, unilateral calculation of the value of electric energy it supplied. The District questioned the rate of Codensa S.A. E.S.P., but paid what it considered was the fair cost. On 25 January 2002, the parties established a methodology that would be applicable in the future and decided to prepare a georeferenced inventory, the result of which would be compared with the existing census so that, in the event of differences, the costs and remunerations would be recalculated with respect to given periods as applicable. The georeferenced inventory (prepared between the years 2000 and 2003) resulted in a difference of 8,661 luminaries less than those invoiced by Codensa S.A. E.S.P. to the District, so Codensa S.A. E.S.P. is required to recalculate, and to include default interest for the excess values paid between 1998 and 2004.

As a result of a popular action that took place in the Tenth Administrative Court of Bogotá, A first instance judgement was issued on 09 November 2009 compelling the UAESP and Codensa S.A. E.S.P. to take all necessary measures, within two months as of the issue of the ruling, to finally settle the balance, in favor or against, duly updated with the DTF (values updating formula), plus interest. Should no agreement be reached, the UAESP must prepare within two months a liquidation for consideration of Codensa S.A. E.S.P., which can resort to pertinent government channels and in case of no payment, it can proceed to execute the judgement. The second instance judgement confirms what was declared and currently is in force, without other appeals being applicable.

On 26 August 2014, UAESP and Codensa S.A. E.S.P. signed an agreement in which they reached an agreed settlement where Codensa S.A. E.S.P. assumed 50%, equivalent to $14,432,754. This agreement had to be authorized by Codensa S.A. E.S.P. and the director of the UAESP and ratified by the Administrative Judge No. 10 of Bogotá (who became aware of the process in the 1st instance).

On 1 June 2017, the 10 Administrative Judge of the Circuit of Bogota refused to consider the aforesaid agreement taking into account that it was not executed within two months following the enforcement of the ruling of 29 September 2011, which expired on 2 February 2012; ordering the UAESP to carry out the unilateral settlement. However, taking into account that the Judge did not issue a statement of approval or rejection of the agreement, it remains enforceable for the parties.

On 31 August 2017, in compliance with the order of the Administrative Judge, the UAESP issued resolution 412 of 2017, through which it made the invoicing re-settlement for the public lighting subject of the process for an amount of $141,016,977. Consequently, Codensa S.A. E.S.P. filed an appeal for reconsideration.

On 29 December 2017, Codensa S.A. E.S.P. was notified of resolution 730 of 2017 issued on December 18 by the UAESP through which it resolved the appeal filed by Codensa S.A. E.S.P., confirming the contested decision and reconsidering the calculation of the re-settlement notified in August on the basis of updating the DTF in accordance with the order of the Judge in judgment of September 2009. Accordingly, the new claim of UAESP amounts to $113,082,893.

On 25 January 2018, the UAESP summoned Codensa S.A. E.S.P., the latter, faced with this situation, offered the UAESP the payment of the amount that it considers fair of $14,432,754, which as of 28 February and according to the agreed update amounted to $23,633.336. This sum may be offset with three invoices that the UAESP must pay for public lighting as of the date. Given the silence of the UAESP, a request was filed on 16 March 2018 for a working table to reach an agreement, as the UAESP began non-coercive persuasion of the debt. However, on 22 March 2018, the UAESP notified the decision to issue a payment order against Codensa S.A. E.S.P. for the sums of money contained in the Resolution.

On 22 March 2018, the UAESP informed that a payment order had been issued against Codensa S.A. E.S.P. as judicial collection began. Once the judicial collection was answered and exceptions of Codensa S.A. E.S.P. were resolved unfavorably, the UAESP was informed of the admission of the claim for nullity and reinstatement of the right by the Administrative Court of Cundinamarca, upon which the UAESP, through writ of 6 September, proceeded to suspend the judicial collection process.

Given the impossibility of reaching an agreement with the UAESP regarding the amounts of administrative acts, Resolutions No. 412 of 2/08/2017 and 730 of 18/12/2017, on 25 July 2018, Codensa S.A. E.S.P. proceeded to file with the Administrative Court of Cundinamarca for the Nullity and Reinstatement of Right. This lawsuit was admitted on August 21, 2018.

On 28 September 2018, Codensa S.A. E.S.P. paid UAESP the sum of $24,471,044, which corresponds to the amount that was agreed upon in the agreement signed by the parties in 2014, updated with a rate equal to the DTF from the date the difference occurred to the actual date the payment is made. The remaining value of the unilateral settlement is the purpose of the lawsuit against UAESP.

On 21 August 2019, the Administrative Court of Cundinamarca ruled the process denying the claims of the lawsuit, reducing the value of the agreement concluded in 2014 as it was considered out of time.

Codensa S.A. E.S.P. filed an appeal because: i) the Court was not aware that the transaction entered into by the parties on 26 June 2014 is fully valid and, therefore, UAESP was required to incorporate it in the partial and unilateral settlement of the inter-administrative agreement. (Act 80 of 1993, article 60). ii) The Court was not aware of the existence and validity of the transaction contained in the settlement agreement signed by the parties on 26 June 2014 and therefore its res judicata effect (art. 2483 Civil Code). iii) The Court was not aware of the principle of good faith (art. 83 Political Constitution) and the prohibition against going against one's own acts (estoppel). Iv) The Court was not aware that management cannot obtain any benefit from its own non-compliance. The delay is not attributable to Codensa S.A. E.S.P., since the obligation to re-settle unilaterally (2 months) was only for UAESP and this occurs after 24 months, so the delay is attributable to UAESP.

The appeal was admitted by the Council of State and considering the congestion that the administration of justice currently has, Codensa S.A. E.S.P. considers that it can have a decision not earlier than five years.

In turn, in the framework of the judicial debt collection process, a surety policy was presented under the terms of art. 837-1 of the Tax Code, in order to prevent the execution of attachment orders against Codensa S.A. E.S.P..

The contingency is classified as possible or eventual, given that the Court's affirmations are controversial in our favor before the Council of State, and in view of the ruling against us, the success rate is not over 50%.

d. Litigations for Water Use Rate in 2016, 2017 and 2018

The Regional Autonomous Corporation of Cundinamarca (CAR) intends to charge the rate for the use of water on the total concession and not for the volume actually used, in the Small Hydroelectric Power Plant of Rionegro in 2016, 2017 and 2018. The CAR alleges alleged failures in the measurement of the flow rate. The defense of Codensa S.A. E.S.P. is based on the arguments that (i) the correct compensation according to the installed capacity were the transfers from the electricity sector, (ii) the generating event of the rate is the effective use of water for generation: there was no continuous generation 365 days a year, but only on specific days; and (ii) measurement commitments were met, and therefore, CAR did not have the right to calculate the rate on the entire flow under concession.

The five lawsuits (two for 2016, one for 2017 and two for 2018) have as of 31 December 2021 an amount of $13,285,410,850 (fee and interest), and are estimated as possible risks due to their probability of loss (between 20% and 45%). The two processes against the 2016 liquidations started before the administrative contentious jurisdiction in September 2019 and April 2021, while the process against the 2017 liquidation started in December 2020 and that of 2018 in August and November 2021. There is no first instance sentence in any of them yet.

e. Class Action Zipaquirá – Public Lighting

A class action was filed against Codensa S.A. E.S.P.and the Municipality of Zipaquirá, with the claim that the Public Lighting Tax collected between 1979 and 2012 in the Municipality be returned, based on a regulation that had been annulled in 2008. Codensa S.A. E.S.P.maintains that (i) It is only a collecting agent in favor of the Municipality, and that (ii) the plaintiffs have already lost the right to a refund (the action expired.)

The favorable first instance ruling was issued in June 2019, concluding that Codensa S.A. E.S.P. is only a collecting agent and that it is the Municipality that must return the tax collected between 2008 and 2012. The class action is currently known by the Administrative Court of Cundinamarca in Second instance.

The litigation has an amount of $11,933,000 (tax and interest) as of 31 December 2021, and is estimated as a possible risk due to its probability of loss (18%).

f. VAT litigation in 2016.

The DIAN proposed a challenge to the bimonthly VAT liquidations for the year 2016, under the understanding that the reconnection services charged to users should have been taxed with VAT. Codensa S.A. E.S.P. has argued that this position is incorrect in light of the regulatory qualification of the service. In 2021, the Council of State also stated that the DIAN's position was not adjusted.

The two lawsuits (one for the first to the fifth two-month period of 2016 and the other for the sixth two-month period of 2016) one for 2017 and one for 2018) have as of 31 December 2021 an amount of $ 3,686,250,176 (higher tax, penalty and interest), and their probability of loss is estimated as possible risks (44% and 26%). The respective lawsuits were filed in November and October 2020. There is no first instance sentence in any of them yet.

Litigations as Plaintiff:

As of 31 December 2021, Codensa S.A. E.S.P. acts as a plaintiff in three lawsuit that, in the event of being decided favorably, could generate a revenue. that in the event of a favorable ruling could generate income. These lawsuits correspond to actions for nullity and reestablishment of rights filed against the resolutions through which the Superintendence of Residential Public Utilities and the CREG settled the special contribution referred to in Article 85 of Act 142 of 1994 for 2013 and 2020, as well as the contribution in favor of the CREG for 2021. Codensa S.A. E.S.P. argues that these contributions were calculated on a taxable base higher than that established in the Law. If a favorable ruling is obtained, the Superintendencia de Servicios Públicos Domiciliarios and CREG must return what the judge determines as the amount paid in excess. The amount under discussion is (i) $520,000 for Special Contribution SSPD 2013 (litigation assumed on the occasion of the merger with the EEC), (ii) $8,076,525 for Special Contribution SSPD 2020 and (iii) $1,982,044,397 for Contribution CREG 2021. The litigation for the 2013 refund had a favorable first instance ruling in September 2021, while the litigation against the SSPD and CREG for the 2020-2021 refund began in June and September 2021, respectively.

36. Risk Management

The Group is exposed to certain risks it manages through the implementation of identification, measurement, concentration limitation, and supervision systems.

The basic principles defined by the Group to implement its risk management policy include the following:

- Comply with good corporate governance standards.
- Comply strictly with the entire corporate regulatory system.
- Each management, corporate area and business line defines:

a) Markets in which it can operate on the basis of sufficient knowledge and skills to ensure effective risk management.

b) Criteria about counterparties.

c) Authorized operators.

- Managements, corporate areas and business lines establish for each market where they operate their risk exposure consistent with the defined strategy.
- All managements corporate areas and business line are performed within the limits approved in each case.
- Managements, corporate areas and business lines establish risk management controls as necessary to ensure that market transactions are carried out in accordance with the Group's policies, standards and procedures.

Interest Rate Risk

The variations of interest rates change the fair value of such assets and liabilities earning a fixed interest rate, as well as the flow of assets and liabilities referenced at variable interest rate.

The purpose of risk management relative to interest rates is to reduce the volatility of the financial cost reflected in the consolidated income statement.

Depending on the estimates by the Group and the objectives of debt structure, hedging operations were undertaken through the contracting of derivatives that mitigate such risks. Instruments that can be used correspond to rate swaps, setting from variable to fixed rates.

The following chart shows the sensitivity analysis of the financial cost associated with issued debt, relative to the per cent variation of interest rates as follows:

	As of 31 December 2021		As of 31 December 2020	
TInterest rate	**Variation (basic points)***	**Sensitivity**	**Variation (basic points)***	**Sensitivity**
IPC	+/-3,47%	(+/-) $35.847.423	+/- 1,91 %	(+/-)$ 23.418.265
IBR	+/- 2,62%	(+/-) $22.530.426	+/- 2,00 %	(+/-)$ 4.588.118

(*) Changes or movements in interest rates were calculated based on their historical volatility over a three-year period (2019-2021 and 2018-2020 for the 2021 and 2020 calculations, respectively), taking twice the standard variation of the series.

Currently the Group contracts hedges for interest rate SWAP (IBR), to cover the loan acquired with Scotiabank Colpatria S.A. for a notional amount of $400,000,000 with maturity in May 2026 whose valuation as of 31 December 2021 corresponds to $19,011,240 in favor of Codensa S.A. E.S.P.

Exchange Rate Risk

The type of exchange risks can be presented essentially with the following transactions:

a) Debt contracted by the Group in a currency other than that at which its flows are indexed to.

b) Payments to be made for the acquisition of materials associated with projects in a currency other than that at which its flows are indexed to.

c) Revenues directly related to the evolution of currencies other than that of its flows.

Taking into account that the functional currency of the Group is the Colombian peso, it is necessary to mitigate the exchange rate risk by minimizing the exposure of the flows to the risk of changes in the exchange rate.

The instruments that may be used correspond to exchange rate and interest rate derivatives (forwards and swaps), respectively.

The Group contracts exchange rate hedges to cover the payment of invoices in dollars for the purchase of assets in foreign currency. Currently the Group has contracted exchange rate hedges for a notional amount of USD 13,988,489 with maturities between January and September 2022 whose valuation as of December 31, 2021 corresponds to $3,766,712 in favor of Codensa S.A. E.S.P.

Commodity Risks

The Group is exposed to the risk of price variation of commodities, mainly through energy purchase and sale operations carried out in local markets.

The Group performs most of its energy purchase transactions through contracts where a price has been previously agreed upon, thus mitigating this risk. Currently, the Group does not have any type of contracted commodities.

Liquidity Risk

The Group has in place a consistent liquidity policy for contracting long-term credit facilities, cash and temporary financial investments, for amounts that are sufficient to support the needs projected for a period depending on the situation and expectations of debt and capital markets.

The resources available must cover the needs of net financial debt service (principal plus interest), i.e., after financial derivatives.

Included below are the contractual cash flows of financial liabilities with third parties, undiscounted:

Item	Less than 90 days	Over 90 days	Total current	1 to 3 years	3 to 5 years	5 to 10 years	Over 10 years	Total Non-current
Issued bonds (principal + interest)	$ 320.070.501	$ 90.310.637	$ 410.381.138	$ 1.112.544.654	$ 488.797.968	$ 685.675.120	$ -	$ 2.287.017.742
Bank loans (principal + interest)	29.394.876	614.502.810	643.897.686	373.964.836	1.100.591.821	-	-	1.474.556.657
Lease obligations IFRS 16 (principal + interest)	5.801.304	17.151.138	22.952.442	28.584.830	15.193.639	65.579.840	28.999.492	138.357.801
Trade accounts payable and other payables	1.135.305.710	-	1.135.305.710	-	-	-	-	-
Total	**$1.490.572.391**	**$721.964.585**	**$ 2.212.536.976**	**$ 1.515.094.320**	**$ 1.604.583.428**	**$ 751.254.960**	**$ 28.999.492**	**$ 3.899.932.200**

Credit Risk

The Group performs a detailed follow-up of credit risk.

Commercial Accounts Receivable

To mitigate significant risks of defaults in the electricity business, we deploy a robust scheme of payment reminder preventive measures, which seeks that our customers prioritize payment avoiding delinquency. Faced with non-payment, in the first instance we proceed with persuasive actions such as the suspension of electricity service and the early management of collection on high amounts of debt. Subsequently, failure to receive payment or reach an agreement, judicial debt collection begins, by assigning the debts to specialized collection firms, thus reducing the possibility of high portfolio impairment. The evolution of the portfolio is periodically monitored and, if required, complementary recovery management actions are defined on amounts and situations that may represent a high impact of non-payment for the Group.

To mitigate significant credit risks and defaults in the commercial portfolio, a credit analysis is made of the financing applications on VAPS and the guarantee is requested in each business. The Group deploys a robust scheme of payment reminder preventive measures, which seeks that our customers prioritize payment avoiding delinquency. Faced with non-payment, in the first instance, persuasive actions are taken, such as early collection management on high amounts of debt. Subsequently, failure to receive payment or reach an agreement, judicial debt collection begins, by assigning the debts to specialized collection firms, thus reducing the possibility of high portfolio impairment. Periodic monitoring of credit performance is performed and, if required, complementary recovery management actions are defined on amounts and situations that may represent a high impact of non-payment for the Group.

Financial Assets

Investment of the Group's available resources (treasury investments), originated in the operation and in other non-operating revenues and the operation of financial derivatives are carried out with national and foreign first line entities that meet the minimum risk rating required by the Group.

The minimum risk rating of their financial counterparties must be long-term international investment level, or its equivalent at local scale, taking into account the minimum international rating in foreign currency for the Republic of Colombia. The investment can be made only in counterparties with lower ratings, within the limits established for counterparty's risks, level of investment or prior approval through a valid "Waiver" granted on risks. The local risk ratings must be issued by a risk-rating agency that is well recognized and legally established in Colombia. For international risk rating, those granted by Moody's, S&P and Fitch are acceptable. The following rules apply to determine the rating awarded to counterparties:

- If the counterparty has only one rating, this rating is chosen.
- If the counterparty has two ratings, the best rating of the two available is taken.
- If the counterparty has more than two ratings, the second best available rating is taken.

The liquidity surplus operations must meet the following general criteria:

Safety: In order to preserve the value of the investment portfolio, the available resources for placement must meet the credit rating requirements set forth herein.

Liquidity: The instruments that are part of the investments must have high liquidity in the market.

Profitability: Within the risk limits allowed for, the highest possible return on investment must be sought.

Diversification: Risk concentration must be avoided in a given type of issuer or counterparty.

Transparency: All operations and commitments undertaken for management of available resources must be explicitly registered and supported, and shall be governed by the norms and procedures in force.

Risk Measurement

The Group adopted IFRS 9 as of 1 January 2018, which introduced a new hedge accounting model, with the objective of aligning accounting more closely with the companies' risk management activities and establishing an approach more based in principles.

Under the new approach, a hedging relationship is effective if and only if it meets the following criteria:

a) There is an economic relationship between the hedged item and the hedging instrument

b) The effect of credit risk does not predominate over the changes in value that come from that economic relationship

c) The hedge ratio, understood as the relationship between the notional of the hedged item and the notional of the hedging instrument, is the same as the one used by the Group for risk management purposes and this ratio is adequate for hedge accounting purposes.

37. Information on fair value

The fair value of financial assets and liabilities is presented for the value at which the instrument could be swapped in a current transaction between the parties, by mutual consent rather than in a forced transaction or liquidation, in accordance with the defined policy.

Below are the financial assets and liabilities with variations between the book value and the fair value as of 31 December 2021:

Financial assets (1)		Book value		Fair value
Net commercial accounts and other receivables	$	1.087.140.646	$	1.092.283.965

Financial liabilities (2)		Book value		Fair value
Issued bonds	$	2.232.324.246	$	2.246.638.355
Bank loans		1.897.229.798		1.678.438.103
Lease obligations		128.256.749		125.436.139
Total liabilities	**$**	**4.257.810.793**	**$**	**4.050.512.597**

(1) The Group evaluates accounts receivable and other long-term receivables, classifying them under level 2 of hierarchy considering that they are observable in similar markets. This measurement is based on parameters such as the lowest interest rates in the market for products with similar characteristics at the end of December 2021, risk factors of each particular country, the solvency of the client and the risk characteristics of the financed portfolio. Based on this assessment, allowances are recorded to account for expected losses on these receivables.

(2) Financial obligations and capital leases are classified as level 2 since they are tradable in active markets at market prices at the measurement date. The fair value is estimated by discounting future cash flows using rates available for debt with similar terms, credit risk and maturities. The Group uses the discount rates of the zero-coupon curve according to the maturities of each issue.

The fair value of cash and cash equivalents and commercial accounts payable are rounded up to their book value, due to the short-term maturities of these instruments.

As of 31 December 2021, the Group has no financial assets or financial liabilities measured at fair value in its statement of financial position.

38. Categories of financial assets and financial liabilities

The categories under IFRS 9 of financial assets and financial liabilities are as follows:

	As of 31 December 2021				of 31 December 2020			
Financial Assets		Current		Non-Current		Current		Non-Current
Amortized cost								
Cash and cash equivalents	$	381.350.611	$	-	$	490.315.106	$	-
Commercial accounts receivable and other receivables		1.020.995.963		66.144.683		913.032.969		101.090.676
Accounts receivable from related entities		21.470.048		-		26.355.793		-
Other financial assets		252.338.724		2.284		3.620.989		-
Total financial assets at amortized cost	**$**	**1.676.155.346**	**$**	**66.146.967**	**$**	**1.433.324.857**	**$**	**101.090.676**

	Al 31 de diciembre de 2021				Al 31 de diciembre de 2020			
Activos Financieros		Corriente		No corriente		Corriente		No corriente
Valor Razonable con cambios en ORI								
Otros activos financieros	$	-	$	26.856.558	$	-	$	6.602
Total Activos Financieros a Valor Razonable con cambios en ORI	**$**	**-**	**$**	**26.856.558**	**$**	**-**	**$**	**6.602**

		As of 31 December 2021				of 31 December 2020		
Financial Assets		**Current**		**Non-Current**		**Current**		**Non-Current**
Amortized cost								
Other financial liabilities	$	916.281.961	$	3.342.560.898	$	663.606.761	$	2.476.606.801
Commercial accounts payable and other payables		1.135.305.710		-		1.032.755.942		-
Accounts payable to related entities		63.499.211		-		185.011.975		
Total financial liabilities at amortized cost	**$**	**2.115.086.882**	**$**	**3.342.560.898**	**$**	**1.881.374.678**	**$**	**2.476.606.801**

39. Approval of Financial Statements

The general-purpose Financial Statements of the Group as of 31 December 2021 were approved by the Board of Directors as per Minutes No. 324 of 24 February 2022 for presentation to the General Shareholders' Meeting, pursuant to the Code of Commerce.

40. Relevant Issues

Merger Process

On 1 October 2021, the request for authorization of the merger by absorption between Emgesa S.A. E.S.P., (as absorbing company) and the companies Codensa S.A. E.S.P., Enel Green Power Colombia S.A.S. E.S.P. and ESSA 2 SpA (as absorbed companies) was filed with the Superintendence of Companies of Colombia. Once the merger is approved and perfected by public deed, the absorbed companies will be dissolved without liquidation and the absorbing company will acquire their assets, rights and obligations in accordance with Article 178 of the Code of Commerce."

Covid-19 impact measures

On March 11, 2020, the World Health Organization declared the Coronavirus COVID-19 outbreak a pandemic, due to its rapid spread throughout the world, having affected more than 150 countries. Most governments are taking restrictive measures to contain the spread, which include: isolation, confinement, quarantine and restriction of the free movement of people, closure of public and private premises, except those of basic necessity and health, closure of borders and reduction drastic air, sea, rail and land transport. In Colombia, the Government has adopted various legislative measures to alleviate the adverse effects, both human and economic-financial, that could occur, where appropriate, caused by this health crisis caused by COVID-19.

To mitigate the economic-financial impacts of this crisis, the Colombian Government has adopted various measures at the business, financial and fiscal-tax level, aimed at ensuring the continuity of business activity; and, in particular, in certain sectors of activity in the country.

Measures that the Group has been taking to face the new market conditions due to COVID-19

Regarding the measures that the Group has taken regarding the mitigation of COVID-19 and complying with the measures established by the National Government, the Contingency Plan implemented by the Group is detailed below, which is structured in four main focal points:

a) Personnel Protection:

After the activation of the Business Continuity Plan on March 9, 2020, the first measures adopted by the Group were the cancellation of national and international trips, corporate events, internal group training, and made a strong call for individual self-care through campaigns that he activated through internal means. These measures have been maintained during 2021, in addition to Covid prevention, the Group has promoted information on vaccination as a measure to mitigate the impact of Covid infection.

To date, although the government has made the measures more flexible, the Group maintains biosafety measures such as a distance of 1.5 meters in the facilities, the prevalence of working at home for people whose duties allow it, self-care campaigns, and certification in biosecure operations with ICONTEC. In total, 61% of the workers are performing their tasks through this modality. Twenty-nine percent carry out their work in the field or in the Group's offices.

The Group continues to develop the coordination of travel shifts, ensuring that crews start and close at different times, and the rotation of personnel, ensuring that a different person leaves each day. In addition, 100% of the support areas or staff are working from home, providing normal service to their customers.

There is ongoing health monitoring and prevention campaigns led by HSEQ management, with special monitoring of workers with vulnerability criteria, in order to minimize the risk of infection. In addition, other measures have been taken, such as cellularization (teams of a maximum of 5 people in a specific space with sufficient distance between them). As part of the cellularization, we have also been adjusting the conditioning of the sites to minimize contact. In addition to this, we have been strictly complying with all cleaning and disinfection protocols for common areas.

As of 31 December 2021, 98% of employees have at least one dose. In addition, the Group, through ANDI, has ensured the vaccination of 5,287 people; this process began in July and the goal is to vaccinate employees, their families and some essential contractors who have not yet been vaccinated with the national government. In the month of November 2021 we began to support the vaccination of the children of workers over 3 years old. The value of the complete scheme per person is $ 213,718 which covers 2 doses Sinovac: includes purchase of the biological, transportation and logistics of application. As of December 30, 3,135 people have been vaccinated through this scheme, distributed among 604 direct workers, 1,474 contractors, 824 family members, 166 children between 3 and 17 years of age and 69 former workers who started the vaccination process while they were employed by the Group.

b) Financial soundness and access to financing:

Despite the possible impacts due to the circulation of the Omicron variant, the Group maintains a stable financial position, which allows it to effectively face the challenges of the COVID-19 contingency. Additionally, as a preventive measure, on 15 April 2021, the Group closed a committed line of credit for USD$61 million for immediate use if necessary, with a one-year term. It should also be mentioned that the Group has ample access to financing to meet future cash needs in the local and international market and has an "AAA" risk rating on a national scale ratified by Fitch Ratings in June 2021. To date, there are no material impacts on revenues, net income, cash flow and equity. In the event of any significant impact, the market will be informed in a timely manner.

c) Customer Service:

Responsible virtual and face-to-face customer service

During 2021 we continued to strengthen our customer service model leveraged on the Group's digital tools, positioning among customers the range of digital channels such as WhatsApp Business, the service chat, the attention of requests through the contact form and email.

Additionally and in line with the digitalization strategy, virtual assistants were implemented in the FB Messenger and WEB Chat channels and new transactions were incorporated, such as the generation of payment agreements in the virtual assistants, the generation of payment deadlines in the WEB and APP, the generation of requests and the follow-up of supply failures in the WEB, virtual assistants and IVR, among others. In this way, all customer inquiries, requirements or claims can be solved without the customer having to travel to a commercial office, ensuring a simple and agile experience in each contact.

As of 31 December 2021, transactions in digital channels represent 84.46% of total customer service.

We currently have 11 Service Centers in Cundinamarca in the municipalities of Soacha, Girardot, Facatativá, Chía, Fusagasugá, Ubaté, Puerto Salgar, Mesitas, Madrid, Zipaquirá and Villeta. In Bogotá we have the Suba Avenue and Venecia CSCs, the Super Cades Cr 30, Américas, Suba, Bosa and 20 de Julio and the Plaza Américas, Servitá and Fontibón Cades, for a total of 10 service points in the capital city.

All of the Group's service centers are certified in biosecure operations.

Factura Virtual y Pagos Electrónicos

La adopción de hábitos digitales por parte de los clientes continúa en evolución, principalmente influenciada por las campañas de transformación digital y el impulso generado por las condiciones de la pandemia. Al 31 de diciembre de 2021, contamos con 730,7 mil clientes inscritos a factura virtual, así como un promedio de 1,4 millones de pagos mensuales a través de medios electrónicos, que corresponde a una penetración del 42,4% en el año 2021.

41. Subsequent events

Crédito Fácil Codensa S.A. Capitalization

On 28 January 2022, the second capitalization was made to Crédito Fácil Codensa S.A. Compañía de Financiamiento corresponding to the remaining 50% of the capital contribution for $7,841,000 according to the Investment Framework Agreement and resolution 054 of January 2021 of the Financial Superintendence of Colombia.

Repurchase of Bonds

On 14 January 2022 Codensa S.A. E.S.P. repurchased Sub-series E5-17 Bonds for $24,000,000.

Delivery of Electroterminal

In accordance with the concession contract No. 107 and 108 of 2021, signed with Empresa de Transporte del Tercer Milenio-Transmilenio S.A. (TMSA) on 27 January 2007. (TMSA) on 27 January 2021; for the non-exclusive and joint concession in the provision of the public land, automotive, urban, mass passenger transportation service of the Integrated Public Transportation System SITP in its zonal component for the operational functional unit - UFO 7 Fontibón IV , on 01 February 2022 made the delivery of the electroterminal, located in the urban area AC31N°135b-20 (Predio Venecia) with a fleet of 172 electric buses to the Company "Mueve Fontibón S. A.S." with the purpose of starting operations as of 12 February 2022.

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