SEPARATE FINANCIAL STATEMENTS
Emgesa S.A. E.S.P.

To and for the year ended December 31, 2021

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

With the report of the Fiscal Reviewer

KPMG S.A.S.
Calle 90 No. 19C - 74
Bogotá D.C. - Colombia

Teléfono 57 (1) 6188000
57 (1) 6188100
home.kpmg/co

INFORME DEL REVISOR FISCAL

Señores Accionistas
Emgesa S.A. E.S.P.:

Informe sobre la auditoría de los estados financieros Opinión

He auditado los estados financieros separados de Emgesa S.A. E.S.P. (la Compañía), los cuales comprenden el estado separado de situación financiera al 31 de diciembre de 2021 y los estados separados de resultados, de otro resultado integral, de cambios en el patrimonio y de flujos de efectivo por el año que terminó en esa fecha, y sus respectivas notas, que incluyen las políticas contables significativas y otra información explicativa.

En mi opinión, los estados financieros separados que se mencionan, preparados de acuerdo con información tomada fielmente de los libros y adjuntos a este informe, presentan razonablemente, en todos los aspectos de importancia material, la situación financiera separada de la Compañía al 31 de diciembre de 2021, los resultados separados de sus operaciones y sus flujos separados de efectivo por el año que terminó en esa fecha, de acuerdo con Normas de Contabilidad y de Información Financiera aceptadas en Colombia, aplicadas de manera uniforme con el año anterior.

Bases para la opinión

Efectué mi auditoría de conformidad con las Normas Internacionales de Auditoría aceptadas en Colombia (NIAs). Mis responsabilidades de acuerdo con esas normas son descritas en la sección “Responsabilidades del revisor fiscal en relación con la auditoría de los estados financieros separados” de mi informe. Soy independiente con respecto a la Compañía, de acuerdo con el Código de Ética para profesionales de la Contabilidad emitido por el Consejo de Normas Internacionales de Ética para Contadores (Código IESBA - *International Ethics Standards Board for Accountants*, por sus siglas en inglés) incluido en las Normas de Aseguramiento de la Información aceptadas en Colombia junto con los requerimientos éticos que son relevantes para mi auditoría de los estados financieros separados establecidos en Colombia, y he cumplido con mis otras responsabilidades éticas de acuerdo con estos requerimientos y el Código IESBA mencionado. Considero que la evidencia de auditoría que he obtenido es suficiente y apropiada para fundamentar mi opinión.

Asunto clave de auditoría

Asuntos clave de auditoría son aquellos que, según mi juicio profesional, fueron de la mayor importancia en mi auditoría de los estados financieros separados del período corriente. Estos asuntos fueron abordados en el contexto de mi auditoría de los estados financieros separados como un todo y al formarme mi opinión al respecto, y no proporciono una opinión separada sobre estos asuntos.

KPMG S.A.S.
Nit 860.000.846 - 4

KPMG S.A.S.
Calle 90 No. 19C - 74
Bogotá D.C. - Colombia

Teléfono 57 (1) 6188000
57 (1) 6188100
home.kpmg/co

Estimación del ingreso por venta de energía entregada y no facturada (Ver Nota 2.4 a los estados financieros separados)

Asunto clave de Auditoría	Cómo fue abordado en la auditoría
La Compañía ha establecido un procedimiento para el reconocimiento de ingresos estimados al cierre de cada mes, asociados a la venta de energía entregada y no facturada en los mercados mayorista y no regulado al cierre de cada mes, cuya facturación es realizada en el mes siguiente. Al cierre de diciembre de 2021, los ingresos estimados no facturados reconocidos ascienden a $268.092 millones. Consideré la estimación del ingreso por venta de energía entregada y no facturada como un asunto clave de auditoría por la significancia de las variables incorporadas en la determinación de éste ingreso, especialmente con respecto a: a) la cantidad de energía consumida calculada con base en el histórico de los consumos promedio de los últimos meses o la curva típica de consumos, dependiendo del tipo de cliente y b) los precios pactados con los clientes, que para el mercado mayorista y para el mercado no regulado corresponden al Índice de Precios al Productor (IPP).	Mis procedimientos de auditoría para evaluar la estimación del ingreso por venta de energía entregada y no facturada incluyeron, entre otros, los siguientes: 1. Evaluación del diseño, implementación y efectividad operativa de ciertos controles internos establecidos por la Compañía, para la estimación del ingreso, tales como: 1) la revisión de consumos mensuales base para el cálculo de la estimación por cliente y contrato; 2) la revisión y aprobación de las variables del precio que se incorporan en los acuerdos contractuales de cada cliente (IPP); 3) la preparación, revisión y aprobación del ingreso estimado al cierre de cada mes; y 4) comparación de la estimación del ingreso con la facturación final, incluida la validación de las variables incorporadas para el proceso de estimación del ingreso de la energía entregada y no facturada. 2. Para una selección de contratos se realizó la comparación del Índice de Precios al Productor (IPP) utilizado para la estimación del ingreso al cierre del año frente al dato real del mes publicado por el Departamento Administrativo Nacional de Estadística – DANE, para identificar posibles desviaciones y la justificación por parte de la Compañía sobre las mismas. 3. Comparación del consumo utilizado en la estimación versus la información reportada por el operador y administrador del mercado eléctrico colombiano (XM). 4. Recálculo del ingreso estimado al cierre del año. 5. Comparación de la exactitud del ingreso estimado reconocido al cierre del año versus la facturación real emitida en el mes de enero del año siguiente y seguimiento a la explicación por parte de la Compañía sobre las posibles desviaciones. 6. Análisis de la antigüedad de la cartera originada en el reconocimiento de la energía entregada y no facturada.

KPMG S.A.S.
Nit 860.000.846 - 4

Otros asuntos

Los estados financieros separados al y por el año terminado el 31 de diciembre de 2020 se presentan exclusivamente para fines de comparación, fueron auditados por otro contador público, miembro de KPMG S.A.S. quien en su informe de fecha 24 de febrero de 2021 expresó una opinión sin salvedades sobre los mismos.

Responsabilidad de la administración y de los encargados del gobierno corporativo de la Compañía en relación con los estados financieros separados

La administración es responsable por la preparación y presentación razonable de estos estados financieros separados de acuerdo con Normas de Contabilidad y de Información Financiera aceptadas en Colombia. Esta responsabilidad incluye: diseñar, implementar y mantener el control interno que la administración considere necesario para permitir la preparación de estados financieros separados libres de errores de importancia material, bien sea por fraude o error; seleccionar y aplicar las políticas contables apropiadas, así como establecer los estimados contables razonables en las circunstancias.

En la preparación de los estados financieros separados, la administración es responsable por la evaluación de la habilidad de la Compañía para continuar como un negocio en marcha; de revelar, según sea aplicable, asuntos relacionados con la continuidad de la misma; y de usar la base contable de negocio en marcha a menos que la administración pretenda liquidar la Compañía o cesar sus operaciones, o bien no exista otra alternativa más realista que proceder de una de estas formas.

Los encargados del gobierno corporativo son responsables por la supervisión del proceso de reportes de información financiera de la Compañía.

Responsabilidades del revisor fiscal en relación con la auditoría de los estados financieros separados

Mis objetivos son obtener una seguridad razonable sobre si los estados financieros separados, considerados como un todo, están libres de errores de importancia material, bien sea por fraude o error, y emitir un informe de auditoría que incluya mi opinión. Seguridad razonable significa un alto nivel de aseguramiento, pero no es una garantía de que una auditoría efectuada de acuerdo con NIAs siempre detectará un error material, cuando este exista. Los errores pueden surgir debido a fraude o error y son considerados materiales si, individualmente o en agregado, se podría razonablemente esperar que influyan en las decisiones económicas de los usuarios, tomadas sobre la base de estos estados financieros separados.

Como parte de una auditoría efectuada de acuerdo con NIAs, ejerzo mi juicio profesional y mantengo escepticismo profesional durante la auditoría. También:

- Identifico y evalúo los riesgos de error material en los estados financieros separados, bien sea por fraude o error, diseño y realizo procedimientos de auditoría en respuesta a estos riesgos y obtengo evidencia de auditoría que sea suficiente y apropiada para fundamentar mi opinión. El riesgo de no detectar un error material resultante de fraude es mayor que aquel que surge de un error, debido a que el fraude puede involucrar colusión, falsificación, omisiones intencionales, representaciones engañosas o la anulación o sobrepaso del control interno.
- Obtengo un entendimiento del control interno relevante para la auditoría con el objetivo de diseñar procedimientos de auditoría que sean apropiados en las circunstancias.
- Evalúo lo apropiado de las políticas contables utilizadas y la razonabilidad de los estimados contables y de las revelaciones relacionadas, realizadas por la administración.
- Concluyo sobre lo adecuado del uso de la hipótesis de negocio en marcha por parte de la administración y, basado en la evidencia de auditoría obtenida, sobre si existe o no una incertidumbre material relacionada con eventos o condiciones que puedan indicar dudas significativas sobre la habilidad de la Compañía para continuar como negocio en marcha. Si concluyera que existe una incertidumbre material, debo llamar la atención en mi informe a la revelación que describa esta situación en los estados financieros separados o, si esta revelación es inadecuada, debo modificar mi opinión. Mis conclusiones están basadas en la evidencia de auditoría obtenida hasta la fecha de mi informe. No obstante, eventos o condiciones futuras pueden causar que la Compañía deje de operar como un negocio en marcha.

KPMG S.A.S.
Calle 90 No. 19C - 74
Bogotá D.C. - Colombia

Teléfono 57 (1) 6188000
57 (1) 6188100
home.kpmg/co

- Evalúo la presentación general, estructura y contenido de los estados financieros separados, incluyendo las revelaciones, y si los estados financieros separados presentan las transacciones y eventos subyacentes para lograr una presentación razonable.
- Obtengo evidencia de auditoría suficiente y apropiada respecto de la información financiera de las entidades o actividades de negocios dentro del Grupo para expresar una opinión sobre los estados financieros del Grupo. Soy responsable por la dirección, supervisión y realización de la auditoría del Grupo. Sigo siendo el único responsable por mi opinión de auditoría.

Comunico a los encargados del gobierno de la Compañía, entre otros asuntos, el alcance planeado y la oportunidad para la auditoría, así como los hallazgos de auditoría significativos, incluyendo cualquier deficiencia significativa en el control interno que identifique durante mi auditoría.

También proporciono a los encargados del gobierno corporativo la confirmación de que he cumplido con los requerimientos éticos relevantes de independencia y que les he comunicado todas las relaciones y otros asuntos que razonablemente se pueda considerar que influyen en mi independencia y, cuando corresponda, las salvaguardas relacionadas.

A partir de los asuntos comunicados con los encargados del gobierno corporativo, determino los asuntos que fueron de la mayor importancia en la auditoría de los estados financieros separados del período actual y, por lo tanto, son los asuntos clave de auditoría. Describo estos asuntos en mi informe del revisor fiscal a menos que la ley o regulación impida la divulgación pública sobre el asunto o cuando, en circunstancias extremadamente excepcionales, determino que un asunto no debe ser comunicado en mi informe porque las consecuencias adversas de hacerlo serían razonablemente mayores que los beneficios al interés público de tal comunicación.

Informe sobre otros requerimientos legales y regulatorios

Con base en el resultado de mis pruebas, en mi concepto durante 2021:

a) La contabilidad de la Compañía ha sido llevada conforme a las normas legales y a la técnica contable.

b) Las operaciones registradas en los libros se ajustan a los estatutos y a las decisiones de la Asamblea de Accionistas.

c) La correspondencia, los comprobantes de las cuentas y los libros de actas y de registro de acciones se llevan y se conservan debidamente.

d) Existe concordancia entre los estados financieros que se acompañan y el informe de gestión preparado por los administradores, el cual incluye la constancia por parte de la administración sobre la libre circulación de las facturas emitidas por los vendedores o proveedores.

e) La información contenida en las declaraciones de autoliquidación de aportes al sistema de seguridad social integral, en particular la relativa a los afiliados y a sus ingresos base de cotización, ha sido tomada de los registros y soportes contables. La Compañía no se encuentra en mora por concepto de aportes al sistema de seguridad social integral.

Para dar cumplimiento a lo requerido en los artículos 1.2.1.2. y 1.2.1.5. del Decreto Único Reglamentario 2420 de 2015, en desarrollo de las responsabilidades del Revisor Fiscal contenidas en los numerales 1°) y 3°) del artículo 209 del Código de Comercio, relacionadas con la evaluación de si los actos de los administradores de la Sociedad se ajustan a los estatutos y a las órdenes o instrucciones de la Asamblea de Accionistas y si hay y son adecuadas las medidas de control interno, de conservación y custodia de los bienes de la Sociedad o de terceros que estén en su poder, emití un informe separado de fecha 23 de febrero de 2022.

Sandra Marcela Barragán Cellamén
Revisor Fiscal de Codensa S.A. E.S.P.
T.P. 177728 – T
Miembro de KPMG S.A.S.

23 de febrero de 2022

Emgesa S.A. E.S.P.
Separate Statement of Financial Position
(Comparative figures as at 31 December 2020)

(In thousands of pesos)

	Note		As of December 31, 2021		As of December 31, 2020
ACTIVE					
Current asset:					
Cash and cash equivalents, net	4	$	211.368.752	$	819.735.786
Other financial assets, net	5		12.765.018		14.934.264
Other non-financial assets, net	6		47.804.809		43.338.273
Business accounts and other accounts receivable, net	7		278.492.004		227.826.186
Accounts receivable to related entities, net	8		18.351.128		3.169.422
Inventories, net	9		94.157.639		102.199.837
Income tax assets	10		2.420.336		-
Total current assets			**665.359.686**		**1.211.203.768**
Non-Current Asset:					
Other financial assets, net	5		481.721		517.050
Other non-financial assets, net	6		29.243.896		28.668.245
Commercial accounts receivable and other accounts receivable, net	7		14.614.865		13.767.293
Investments in subsidiaries, joint ventures and associates	11		9.439.165		8.555.631
Intangible assets other than capital gain, net	12		179.399.291		103.047.880
Properties, plant and equipment, net	13		8.137.844.703		8.128.422.830
Total non-current assets			**8.371.023.641**		**8.282.978.929**
Total Assets		**$**	**9.036.383.327**	**$**	**9.494.182.697**
Liabilities and equity					
Current liabilities:					
Other current financial liabilities	14		632.995.321		906.950.399
Business accounts payable and other accounts payable	15		299.977.613		314.751.725
Accounts payable to related entities	8		45.442.837		265.747.118
Provisions	16		79.148.948		99.567.986
Current tax liabilities	10		276.650.021		241.244.328
Other non-financial liabilities	17		145.403.686		93.341.192
Provisions for employee benefits	18		39.827.607		38.215.623
Total current liabilities			**1.519.446.033**		**1.959.818.371**
Non-current liabilities:					
Financial liabilities	14		1.771.817.266		1.858.512.467
Provisions	16		249.309.459		212.052.096
Provisions for employee benefits	18		76.236.137		90.438.803
Deferred taxes, net	19		317.707.109		217.924.275
Total non-current liabilities			**2.415.069.971**		**2.378.927.641**
Total liabilities		**$**	**3.934.516.004**	**$**	**4.338.746.012**

Emgesa S.A. E.S.P.
Separate Statement of Financial Position
(Comparative figures as at 31 December 2020)

(In thousands of pesos)

	Note	As of December 31 , 2021	As of December 31, 2020
Heritage			
Issued capital	20	$ 655.222.313	$ 655.222.313
Issue premiums		113.255.816	113.255.816
Reserves	20	542.975.682	551.693.678
Other Comprehensive Result (ORI)		(18.019.694)	(31.165.913)
Utility of the period		1.712.321.388	1.283.152.110
Retained profits		615.482.071	1.113.058.151
Profit for conversion effect to NCIF		1.480.629.747	1.470.220.530
Accumulated profits		3.808.433.206	3.866.430.791
Total Equity		**5.101.867.323**	**5.155.436.685**
Total liabilities and equity		**$ 9.036.383.327**	**$ 9.494.182.697**

The notes are an integral part of the separate Financial Statements.

The undersigned Legal Representative and Public Accountant certify that we have previously verified the statements contained in these separate financial statements and that they have been faithfully taken from the Company's accounting books.

Lucio Rubio Díaz
Legal Representative

Alba Lucia Salcedo Rueda
Public Accountant
Professional Card 40562–T

Sandra Marcela Barragán Cellamén
Tax Reviewer
Professional Card 177728–T
Member of KPMG S.A.S.
(See my report of 23 February 2022)

Emgesa S.A. E.S.P.
Income Statement, by Nature, Separate
(Comparative figures for the year ended 31 December 2020)

(In miles of pesos, except for earnings per share)

	Note	For the year ended December 31, 2021		For the year ended December 31, 2020	
Income from ordinary activities	21	$	4.722.685.057	$	4.247.728.253
Other operating income	21		3.914.790		33.555.945
Total income from ordinary and other activities operating income			**4.726.599.847**		**4.281.284.198**
Provisions and services	22		(1.531.514.275)		(1.523.686.747)
Contribution margin		**$**	**3.195.085.572**	**$**	**2.757.597.451**
Other work carried out by the entity and capitalized			9.712.839		10.112.190
Staff costs	23		(107.771.244)		(115.459.351)
Other fixed operating expenses	24		(142.071.486)		(163.292.208)
Gross operating result			**2.954.955.681**		**2.488.958.082**
Depreciation and amortization	25		(246.442.689)		(244.744.036)
Financial and non-financial impairment	25		(4.807.677)		(1.215.007)
Operating result			**2.703.705.315**		**2.242.999.039**
Financial income	26		11.063.566		20.183.899
Financial expenses	26		(182.295.033)		(281.472.774)
Difference on the other hand, net	26		(5.082.019)		872.438
Financial result, net			**(176.313.486)**		**(260.416.437)**
Result from other uncontrolled investments			883.534		(594.616)
Asset sales results	27		(1.637.912)		(1.191.079)
Results before taxes			**2.526.637.451**		**1.980.796.907**
Income tax expense	28		(814.316.063)		(697.644.797)
Usefulness of the exercise		**$**	**1.712.321.388**	**$**	**1.283.152.110**
Basic utility per share					
Basic utility per share	29		11.436,70		8.563,26
Number of outstanding common shares			**148.914.162**		**148.914.162**

The notes are an integral part of the separate Financial Statements.

The undersigned Legal Representative and Public Accountant certify that we have previously verified the statements contained in these separate financial statements and that they have been faithfully taken from the Company's accounting books.

Lucio Rubio Díaz
Legal Representative

Alba Lucia Salcedo Rueda
Public Accountant
Professional Card 40562–T

Sandra Marcela Barragán Cellamén
Tax Reviewer
Professional Card 177728–T
Member of KPMG S.A.S.
(See my report of 23 February 2022)

Emgesa S.A. E.S.P.
Separate Comprehensive Income Statement
(Comparative figures for the year ended 31 December 2020)

(In thousands of pesos)

	Note	Por the year ended December 31, 2021	Por the year ended December 31, 2020
Usefulness of the exercise		**$ 1.712.321.388**	**$ 1.283.152.110**
Components of another comprehensive result that will not be reclassified to the result of the year, before taxes:			
Losses on new measurements of financial instruments measured at fair value with changes in the ORI	5-30	(35.329)	(37.369)
Gains (Losses) from new measurements of defined benefit plans	30	14.150.443	(1.712.482)
Another result of the period, before taxes		$ 14.115.114	$ (1.749.851)
Components of another comprehensive result that will be reclassified to the result of the year, before taxes:			
Gains (Losses) from cash flow hedges	30	4.311.953	(1.474.375)
Another result to be reclassified to the profit or loss for the year, before tax		**4.311.953**	**(1.474.375)**
Income tax on components of another comprehensive income that will not be reclassified to the profit or loss for the year, before tax			
(Losses) Earnings from new defined benefit plan measurements	30	(3.841.325)	457.577
Total income taxes relating to components of another comprehensive income that will not be reclassified to the tax for the year		**(3.841.325)**	**457.577**
Income tax related to cash flow hedges of another comprehensive income	30	(1.439.523)	2.999.382
Taxes on profits relating to components of other full-income for the year		**(1.439.523)**	**2.999.382**
Total another comprehensive result		**13.146.219**	**232.733**
Total comprehensive result	**30**	**$ 1.725.467.607**	**$ 1.283.384.843**

The notes are an integral part of the separate Financial Statements.

The undersigned Legal Representative and Public Accountant certify that we have previously verified the statements contained in these separate financial statements and that they have been faithfully taken from the Company's accounting books.

Lucio Rubio Díaz
Legal Representative

Alba Lucia Salcedo Rueda
Public Accountant
Professional Card 40562–T

Sandra Marcela Barragán Cellamén
Tax Reviewer
Professional Card 177728–T
Member of KPMG S.A.S.
(See my report of 23 February 2022)

Emgesa S.A. E.S.P.
Status of Changes in Separate Equity
(Comparative figures for the year ended 31 December 2020)

(In thousands of pesos)

				Other reservations				Another comprehensive result				
	Note	Issued capital	Issue premium	Legal Reserve	Statutory Reserve	Occasional Booking	Total Reservations	Gains and losses on new measurements of financial instruments measured at fair value and cash flow coverage	Gains and losses on defined benefit plans	Total Other comprehensive result	Accumulated profits	Total Equity
Initial equity as of January 01, 2020		**$ 655.222.313**	**$ 113.255.816**	**$ 327.611.157**	**$ 178.127**	**$ 232.564.241**	**$ 560.353.525**	**$ (1.907.152)**	**$ (29.491.494)**	**$ (31.398.646)**	**$ 3.445.785.234**	**$ 4.743.218.242**
Changes in equity												
Comprehensive result												
Utility of the period		-	-	-	-	-	-	-	-	-	1.283.152.110	1.283.152.110
Another comprehensive result		-	-	-	-	-	-	1.487.638	(1.254.905)	232.733	-	232.733
Comprehensive result		-	-	-	-	-	-	1.487.638	(1.254.905)	232.733	1.283.152.110	1.283.384.843
Dividends recognized as distributions to owners		-	-	-	-	-	-	-	-	-	(871.166.400)	(871.166.400)
Increases (decreases) due to other changes, equity		-	-	-	-	(8.659.847)	(8.659.847)	-	-	-	8.659.847	-
Total increase (decrease) in equity		-	-	-	-	(8.659.847)	(8.659.847)	1.487.638	(1.254.905)	232.733	420.645.557	412.218.443
Final Patrimony as of December 3,2020		$ 655.222.313	$ 113.255.816	$ 327.611.157	$ 178.127	$ 223.904.394	$ 551.693.678	$ (419.514)	$ (30.746.399)	$ (31.165.913)	$ 3.866.430.791	$ 5.155.436.685
Initial equity as of January 01, 2021		**$ 655.222.313**	**$ 113.255.816**	**$ 327.611.157**	**$ 178.127**	**$ 223.904.394**	**$ 551.693.678**	**$ (419.514)**	**$ (30.746.399)**	**$ (31.165.913)**	**$ 3.866.430.791**	**$ 5.155.436.685**
Changes in equity												
Comprehensive result												
Utility of the period		-	-	-	-	-	-	-	-	-	1.712.321.388	1.712.321.388
Another comprehensive result		-	-	-	-	-	-	2.837.101	10.309.118	13.146.219	-	13.146.219
Comprehensive result		-	-	-	-	-	-	2.837.101	10.309.118	13.146.219	1.712.321.388	1.725.467.607
Dividends recognized as distributions to owners (note 20)		-	-	-	-	-	-	-	-	-	(1.779.036.969)	(1.779.036.969)
Increases (decreases) due to other changes, equity		-	-	-	-	(8.717.996)	(8.717.996)	-	-	-	8.717.996	-
Total increase (decrease) in equity		**-**	**-**	**-**	**-**	**(8.717.996)**	**(8.717.996)**	**2.837.101**	**10.309.118**	**13.146.219**	**(57.997.585)**	**(53.569.362)**
Final Equity as of December 31, 2021		**$ 655.222.313**	**$ 113.255.816**	**$ 327.611.157**	**$ 178.127**	**$ 215.186.398**	**$ 542.975.682**	**$ 2.417.587**	**$ (20.437.281)**	**$ (18.019.694)**	**$ 3.808.433.206**	**$ 5.101.867.323**

The notes are an integral part of the separate Financial Statements.

The undersigned Legal Representative and Public Accountant certify that we have previously verified the statements contained in these separate financial statements and that they have been faithfully taken from the Company's accounting books.

Lucio Rubio Díaz
Legal Representative

Alba Lucia Salcedo Rueda
Public Accountant
Professional Card 40562–T

Sandra Marcela Barragán Cellamén
Tax Reviewer
Professional Card 177728–T
Member of KPMG S.A.S.
(See my report of 23 February 2022)

Emgesa S.A. E.S.P.
Separate Cash Flow Statement, Direct Method
(Comparative figures for the year ended 31 December 2020)

(In thousands of pesos)

	Por the year ended December 31, 2021	Por the year ended December 31, 2020
Cash flows from operating activities		
Types of charges for operating activities		
Charges from sales of goods and provision of services	$ 4.680.492.011	$ 4.495.018.456
Collections from royalties, fees, commissions and others income from ordinary activities	102.805.691	20.211.730
Types of cash payments from operational activities:		
Payments to suppliers for the supply of goods and services	(1.634.065.037)	(1.658.328.638)
Payments and/or on behalf of employees	(107.037.584)	(101.155.328)
Payments for premiums and benefits, annuities and other obligations derived from the subscribed policies	(25.468.313)	(23.983.502)
Other payments for operating activities	(9.519.371)	(7.430.179)
Net cash flows from the transaction	**3.007.207.397**	**2.724.332.539**
Taxes on earnings paid	(673.206.045)	(635.951.777)
Other cash outflows	(44.076.770)	(49.191.098)
Net cash flows from the transaction	**2.289.924.582**	**2.039.189.664**
Cash flows used in investment activities:		
Other payments to purchase certificates of deposit on term	(105.000.000)	-
Other charges for the sale of certificates of deposit at term	105.000.000	-
Loans to related entities	-	(80.000.000)
Purchases of property, plant and equipment and intangibles	(304.683.511)	(310.358.896)
Collections to related entities	-	172.658.471
Interest received	6.292.567	14.516.613
Net cash flows used in investment activities	**(298.390.944)**	**(203.183.812)**
Cash flows used in financing activities:		
Loan amounts	1.144.525.658	-
Loans to related entities	45.000.000	-
Loan repayments	(1.520.865.658)	(241.070.000)
Dividends paid shareholders	(1.994.439.875)	(834.102.573)
Interest paid financing	(224.670.935)	(215.586.812)
Interest paid on operating leases (IFRS16)	(359.381)	(863.287)
Payments of liabilities for financial leases	(48.398)	(700.896)
Lease liability payments (IFRS 16)	(5.922.715)	(5.531.461)
Loan payments to related entities	(45.000.000)	-
Other cash inflows and outflows	1.880.632	(2.089.781)
Net cash flows used in financing activities	**(2.599.900.672)**	**(1.299.944.810)**
Net increase (decrease) in cash and cash equivalents	**(608.367.034)**	**536.061.042**
Cash and cash equivalents at the beginning of the financial year	819.735.786	283.674.744
Cash and cash equivalents at the end of the financial year	**$ 211.368.752**	**$ 819.735.786**

The notes are an integral part of the separate Financial Statements.

The undersigned Legal Representative and Public Accountant certify that we have previously verified the statements contained in these separate financial statements and that they have been faithfully taken from the Company's accounting books.

Lucio Rubio Díaz
Legal Representative

Alba Lucia Salcedo Rueda
Public Accountant
Professional Card 40562–T

Sandra Marcela Barragán Cellamén
Tax Reviewer
Professional Card 177728–T
Member of KPMG S.A.S.
(See my report of 23 February 2022)

Contents

1. Overview

1.1. Economic entity

Emgesa S.A. E.S.P. (hereinafter "the Company") is a commercial corporation incorporated in accordance with Colombian laws as a public service company, regulated by Law 142 and 143 of 1994.

The Company was incorporated by public deed No.003480 of the Notary 18 of Bogotá D.C. of October 15, 1980 and registered with the Chamber of Commerce on August 17, 2007 under number 01151755 of book IX, commercial registration No. 01730333, with contribution of the generation assets of Grupo Energía Bogotá S. A. E.S.P. (formerly Empresa de Energía de Bogotá S.A. E.S.P.) with 51.51% of the shares (ordinary and preferential non-voting) and the cash contributions of other investors with 48.49% of the shares (ordinary) (See note 20).

The Company is of Colombian origin, has its domicile and main offices in Carrera 11 No. 82-76, Bogotá D.C. Its term of duration is indefinite.

Emgesa S.A. E.S.P. is a subsidiary of Enel Américas S.A., an entity controlled by Enel S.P.A. (hereinafter referred to as Enel).

The situation of Grupo Empresarial registered in the commercial registry of the Chamber of Commerce of Bogotá, was updated by the registration of a private document of April 20, 2021 under No. 02702480 of Book IX of May 6, 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. (Subordinate) and through it exercises indirect control. on the companies EMGESA S.A. E.S.P., CODENSA S.A. E.S.P., ENEL GREEN POWER COLOMBIA S.A.S. E.S.P., and on the foreign companies ENERGIA Y SERVICIOS SOUTH AMERICA SPA, and ESSA 2 SPA (Subordinates); in turn, ENEL SPA exercises indirect control over SOCIEDAD PORTUARIA CENTRAL CARTAGENA S.A. through EMGESA S.A. E.S.P.; in turn, ENEL SPA exercises indirect control over the ENEL COLOMBIA FOUNDATION through EMGESA S.A. E.S.P., and CODENSA S.A. E.S.P., for its part ENEL SPA exercises indirect control over the company EGP FOTOVOLTAICA LA LOMA S.A.S through ENEL GREEN POWER COLOMBIA S.A.S. E.S.P.; for its part, ENEL SPA exercises indirect control over the Companies GUAYEPO SOLAR S.A.S.; ATLANTICO PHOTOVOLTAIC S.A.S E.S.P. and LATAMSOLAR FOTOVOLTAICA FUNDACION S.A.S. through the COMPANY ENEL GREEN POWER COLOMBIA S.A.S. E.S.P.; in turn, ENEL SPA exercises indirect control over INVERSORA CODENSA S.A.S. through CODENSA S.A. E.S.P.; for its part , ENEL SPA exercises indirect control over the companies USME ZE S.A.S.) and FONTIBÓN ZE S.A.S. through the company BOGOTÁ ZE S.A.S., where this in turn is controlled by CODENSA S.A. E.S.P. The update of the registration of the Business Group is in progress at the Chamber of Commerce of Bogotá.

Corporate Purpose – The Company's main purpose is the generation and commercialization of electrical energy under the terms of Law 143 of 1994 and the regulations that regulate, add and modify or repeal it, and all kinds of activities related directly, indirectly, complementary or auxiliary to the business of commercialization of fuel gas, advancing the necessary actions to preserve the environment and good relations with the community in the area of influence of its projects; and carry out works, designs and consulting in electrical engineering and market products for the benefit of its customers. Likewise, the company may, in the development of its corporate purpose, execute all activities related to the exploration, development, research, exploitation, commercialization, storage, marketing, transport and distribution of minerals and stone material, as well as the administrative, operational and technical management related to the production of minerals and the exploration and exploitation of deposits in the Republic of Colombia, including the purchase, sale, rental, distribution, import and export of raw materials, items, machinery and equipment for the mining sector; the import of liquid fuels derived from petroleum for power generation, as well as the import of natural gas for power generation and/or marketing. Likewise, the Company may promote and found establishments or agencies in Colombia and abroad; acquire in any capacity all kinds of movable or immovable property, lease it, dispose of it, encumber it and give it as collateral; exploit trademarks, trade names, patents, inventions or any other intangible property; participate in public and private tenders; enter into and execute all kinds of contracts and acts, whether civil, labor, commercial or financial or of any nature that are necessary, convenient or appropriate for the achievement of their purposes, including participation in markets for financial derivatives of energy commodities; sell any product or by-product derived from the operation of different electricity generation plants as well as any other product that has as a component any of the above; sell any product or by-product derived from the operation of different electricity generation plants as well as any other product that has as a component any of the above; give to, or receive from, its shareholders, parents, subsidiaries, and third parties money in mutual; drawing, accepting, endorsing, collecting and paying all kinds of securities, negotiable instruments, shares, enforceable securities and others; enter into company contracts or acquire shares in companies and participate as a partner in other public service companies; to split and merge with other companies having a related corporate purpose; assume any form of association or business collaboration with natural and legal persons, national or foreign, to carry out related, related or complete activities with its corporate purpose.

(In thousands of pesos)

The Company has 12 hydraulic and 2 thermal generation plants, located in the departments of Cundinamarca, Huila and Bolívar:

Central	Technology	Declared Capacity
Guavio	Hidráulica	1.250,0 MW
Betania	Hidráulica	540,0 MW
El Quimbo	Hidráulica	400,0 MW
Guaca	Hidráulica	324,0 MW
Paraíso	Hidráulica	276,0 MW
Dario Valencia	Hidráulica	150,0 MW
Tequendama	Hidráulica	56,8 MW
Salto II	Hidráulica	35,0 MW
Charquito	Hidráulica	19,4 MW
Limonar	Hidráulica	18,0 MW
Laguneta	Hidráulica	18,0 MW
Menor Guavio	Hidráulica	9,9 MW
Termozipa	Térmica	226,0 MW
Cartagena	Térmica	180,0 MW

Gas Marketing

The sales made until December 2021 were 73.56 Mm3, which meant a contribution of 0.20% to the Company's variable margin.

For 2021 the Company remains active in all processes of buying and selling the secondary market through intraday supply and transport negotiations.

1.2. Legal and regulatory framework

Strategy and Regulatory Management

The strategy and regulatory management led by the Management of Regulation and Institutional Relations, has as its main objective to define, represent and promote the position of the company in regulatory issues of the sector and environmental before Colombian guilds and Institutions, both nationally and locally.

From the gerencia are managed institutionally and regulatorily, different initiatives that contribute to the fulfillment of the objectives of the company and to the own development and evolution of the markets, these are supported and presented to the respective entities either directly or through guilds where we are registered, so that they can be considered in the development of regulatory and regulatory adjustments.

In particular and in a complementary way, the monitoring and control of the regulatory and normative novelties that are issued by the different Authorities in charge of defining the policy, regulation, surveillance and control at the national, regional and local level is carried out, socializing, identifying and managing the potential impacts with the lines of business.

Regarding the public consultation processes, the regulatory impact analyses are carried out in coordination with the business lines and the comments on the regulatory proposals are managed, so that the optimal local strategy is defined, through the management of relations with the regulatory actors (authorities and related bodies) in the Country, socializing the impacts and making proposals that contribute to the development of the sector and the Organization.

In the same sense, and considering the information that is published and / or socialized by the government entities, the Regulatory and Institutional Agendas are reviewed, analyzed, shared and disseminated so that they can be commented on within the conditions established in the public participation of each authority, so that they are taken into account within the development of the business units.

Electrical energy

For the establishment of the new framework mandated by the Constitution, the Law on Public Household Services (Law 142 of 1994) and the Electricity Law (Law 143 of 1994) were issued, which define the general criteria and policies that should govern the provision of public services at home in the country and the procedures and mechanisms for their regulation, control and surveillance.

The main institution of the energy sector is the Ministry of Mines and Energy (MME) which, through the Mining-Energy Planning Unit (UPME), prepares the National Energy Plan, the Generation-Transmission Reference Expansion Plan and the natural gas supply plan. In the case of generation this plan is indicative, while in the case of transmission it is binding. The Energy and Gas Regulation Commission (CREG) and the Superintendency of Public Services (SSPD) are responsible, respectively, for regulating and supervising companies in the sector, additionally the Superintendence of Industry and Commerce is the national authority for competition protection issues.

The Electricity Law makes the constitutional approach viable, regulates the activities of generation, transmission, distribution, and commercialization of electricity, creates an environment of market and competition, strengthens the sector and delimits the intervention of the State. Taking into account the characteristics of each of the activities or businesses, it was established as a general guideline for the development of the regulatory framework, the creation and implementation of rules that would allow free competition in the businesses of generation and commercialization of electricity, while the guideline for transmission and distribution businesses was oriented to the treatment of such activities as monopolies, seeking in any case conditions of competition where this was possible.

The electricity market is based on the fact that trading companies and large consumers can trade energy through bilateral contracts or through a short-term market called the "Energy Exchange", which operates freely according to the conditions of supply and demand. In addition, to promote the expansion of the system, there are currently two schemes: i) the firm energy expansion auctions, within the "Reliability Charge" scheme and ii) the auctions of long-term contracts defined by the Ministry of Mines and Energy (initially oriented to Non-Conventional Sources of Renewable Energy (FNCER). The operation and administration of the market is carried out by XM, which is in charge of the functions of National Dispatch Center (CND) and Administrator of the Commercial Exchange System (ASIC).

Law 1715 of 2014 regulates the integration of Non-Conventional Renewable Energy Sources (FNCER) into the national energy system. This regulation gives tax and tax incentives to the promoters of projects associated with these technologies. Likewise, it proposes the creation of a fund for the research and realization of FNCER and energy efficiency projects, and defines the general regulatory framework for the participation of self-generation in the market. Subsequently, Law 1715 was regulated through Decree 2143 of 2015.

Likewise, the CREG published Resolution 024 of 2015, which regulates large-scale self-generation activity. In addition, the CREG issued resolutions 11 and 212 of 2015, which promote demand response mechanisms. In 2015, the Ministry of Mines and Energy published Decree No. 1623, which regulates coverage expansion policies, and Decree No. 2143, which defines the guidelines for the application of tax and tax incentives established in Law No. 1715.

With the adoption of the Indicative Action Plan 2017-2022 for the development of the Rational and Efficient Use of Energy Program (PROURE) by the Ministry of Mines and Energy through Resolution 41286 of 2016, the objectives and indicative goals of energy efficiency and sectoral actions and measures and strategies are defined.

In September 2017, the Ministry of Mines and Energy issued Decree 1543, which regulates the Non-Conventional Energy and Efficient Energy Management Fund – FENOGE, whose objective is to finance FNCE programs and efficient energy management, through its promotion, promotion, encouragement and incentive, through the autonomous heritage. Programs and projects aimed at the residential sector of strata 1, 2 and 3 may be partially or fully financed, among others, both for the implementation of small-scale self-generation solutions, and for the improvement of energy efficiency through the promotion of good practices, end-use energy equipment, adaptation of internal facilities and architectural remodeling.

The Ministry of Mines and Energy, through Decree 0570 of March 2018, defines the public policy guidelines for the contracting of Long-Term Energy. The objectives of the Decree are: to strengthen the resilience of the generation matrix through risk diversification, to promote competition and efficiency in price formation through new and existing projects, to mitigate the effects of climate variability and change, through the use of available renewable resources, strengthen national energy security and reduce greenhouse gas emissions, in accordance with COP21 commitments.

Through Resolutions 41307 and 41314 of December 2018, the Ministry of Mines and Energy officially convened the first long-term contracting electricity auction, seeking to diversify, complement and boost the competitiveness of the energy matrix, making it more resistant to climate variability, contributing to the reduction of carbon dioxide emissions and guaranteeing the country's energy security. On October 22, 2019, the National Government and through the Mining-Energy Planning Unit, UPME, an entity attached to the Ministry of Mines and Energy, held the auction of non-conventional sources of renewable energy.

In May 2019, Law 1955, National Development Plan 2018-2022 "Pact for Colombia, Pact for Equity" was approved. The following topics of the final articles stand out among others: i. Tax Benefit: those who make investments in FNCER, will have the right to deduct from their income in a period not exceeding 15 years, 50% of the total investment made. ii. Energy matrix -Purchase fncer energy in long-term contracts: the marketing agents will be obliged to buy electricity from FNCER (between 8% and 10% of their purchases). In any case, the Ministry of Mines and Energy or the entity that delegates, will regulate the scope of the obligation.

In July 2019, the CREG published Resolution 060 of 2019, "By which modifications and transitory additions are made to the Operating Regulations to allow the connection and operation of photovoltaic and wind solar plants in the National Interconnected System (SIN) and other provisions are dictated." This resolution defines the operational requirements and commercial aspects for the treatment of unconventional sources in the operational office.

In July 2019, the CREG published Resolution 080 of 2019, which establishes general rules of market behavior for agents that develop the activities of domestic public services of electric energy and fuel gas. The CREG considers it necessary to establish a regulatory framework that, in addition to the specific rules of the market and obligations, defines general rules of behavior that promote and allow deepening in: free access to networks and facilities that by their nature are monopolies, the free choice of service providers and the possibility of migration of users, transparency, neutrality, economic efficiency, free competition and the non-abuse of the dominant position.

In accordance with the above, the Superintendence of Household Public Services publishes in March 2020, the document Behavior Guides – Access to electricity transmission networks. This primer provides tools for agents to assess whether their behaviors are compliant with regulation. It is not constituted as an administrative act. It does not postpone the entry into force of the obligations of Resolution CREG 080 of 2019, nor does it limit or affect in any way the exercise of the functions of inspection, surveillance and control by the Superintendence of Public Household Services.

Likewise, in September 2019, the CREG published Resolution 098 by which it defined the mechanisms to incorporate storage systems with the purpose of mitigating inconveniences presented by the lack or insufficiency of energy transmission networks in the National Interconnected System. This Resolution is issued given the urgency required for the Electric Energy Storage System with Batteries (SAEB) to enter into operation, with the sole purpose of mitigating the existing problems due to the lack or insufficiency of electricity transmission networks and will be valid until December 31, 2022.

Similarly, the CREG published Resolution 132 of October 2019, which defines the mechanism of reliability Charge takers for assignments of Firm Energy Obligations to new plants. New plants that have not been assigned with OEF in any allocation mechanism and that their estimated variable fuel costs (CVCE) do not exceed the current fuel shortage price participate, the plants will be assigned for a period of 10 years and will be remunerated at USD $9/MWh.

In September 2019, the Superintendency of Domestic Public Services SSPD published the regulation of the national surcharge of $ 4 / kWh, as part of the measures required to guarantee the provision of the electric energy service by the companies intervened by this Superintendence, this rate will be applied to strata 4.5 and 6; commercial and industrial, will be caused from November 2019 and will be retroactive to July 2019 and its collection is considered as an income received for third parties.

During the second quarter of 2020, different entities such as the Ministry of Mines and Energy, the Energy and Gas Regulation Commission and the Superintendence of Domestic Public Services, have adopted temporary measures and issued transitional regulations within the framework of the State of Economic, Social and Ecological Emergency; thus dictating different provisions on public services of electric energy and fuel gas, regarding the impact of COVID-19 mainly and in relation to the impact on the end user.

In the month of May, Resolution CREG 099 of 2020 is published, by which it calls for an OEF Purchase Reconfiguration Auction for the periods 2020-2021 and 2021-2022, and other provisions are modified. This rule is motivated by a possible deficit of OEF for the years in question, taking into account the demand projection of the UPME of October 2019 and that one of the plants that received assignment of obligations in the auction of reconfiguration of purchase that was carried out last year (Resolution 117 of 2019) did not present guarantees or fuel contract.

On June 19, 2020, the Energy and Gas Regulation Commission definitively published Resolution 125, which repeals the rules of Chapter II, Start and End of the Shortage Risk Period, of Resolution CREG 026 of 2014 and adopts a transitional rule. The Commission considers it pertinent and relevant to review and adjust the indicators and rules contained in Articles 2 to 6 of Resolution CREG 026 of 2014, in order to avoid the activation of the embalming mechanism based on the definition of a system condition based on alert levels of indices about which there are doubts about their assertiveness.

At the end of the first half of 2020, Resolution CREG 127 is issued, which defines a procedure for annual verification of the Firm Energy of the Reliability Charge (ENFICC) of generation plants with Firm Energy Obligations - OEF. This resolution originates from the need to have updated information on the Firm Energy, given that in the annual balance sheets it could be accounting for energy that the system does not have.

In August 2020, the Superintendence of Public Household Services issued Resolution 20201000033335, which establishes the rate of the special contribution to which providers of domestic public services are subject for the year 2020, and other provisions applicable to this contribution and to the additional contribution provided for in article 314 of Law 1955 of 2019 for the strengthening of the Business Fund are issued. The SSPD sets the contribution rate at 0.2186% in accordance with the provisions of Article 85 of Law 142 of 1994 modified by Article 18 of Law 1955 of 2019 and the rate of the additional contribution for the strengthening of the Business Fund is 1% in accordance with the provisions of Article 314 of Law 1955 of 2019.

XM reported the results of the purchase reconfiguration auctions held on September 10, 2020, convened by the CREG through Resolution 099 of 2020. 2 purchase reconfiguration auctions were held for the 2020-2021 and 2021-2022 terms. The firm energy allocated was 3,113,391 kWh-day for the first term and 852,288 kWh-day for the second. The allocation price for the 2020-2021 term was 16.6 USD/MWh. For the 2021-2022 term it was 15.1 USD/MWh. There was a total participation of 6 generation resources, to which all the energy offered was assigned.

In October 2020, the Ministry of Mines and Energy, through the issuance of Resolution 40311, defines the public policy guidelines for the CREG to establish the regulation for the allocation of connection points. Applies to generation and self-generation projects, as well as the owners of the assets of the STN (National Transmission System), STR (Regional Transmission System) and SDL (Local Distribution System). This standard allows the transfer of connection rights, allows the change of technology of the projects and allows the connection of lower generation capacity due to delays in transport works.

The Commission publishes in October Resolution 193 of 2020, which modifies Resolution CREG 022 of 2001, related to the expansion of the STN. The standard refers to the modifications on extensions of the facilities of the STN and aspects related to the guarantees that users must put. It allows expansion of transmission works under construction, Requires guarantees to the OR (Network Operator) for the commissioning of the connection and allows the change of configuration of SE (Sub Station) under construction without call, among other aspects.

In the month of November, Resolution CREG 209 of 2020 is published, by which new rules are adopted for the beginning and end of the period of risk of shortages of Chapter II of the Statute for Situations of Risk of Shortages, Resolution CREG 026 of 2014, and other provisions are adopted. This standard revises and adjusts the indicators and rules contained in articles 2 to 6 of Resolution CREG 026 of 2014, as well as adjustments are made to the rules applicable to the procedure for the definition of the energy to be dammed and the payment of this.

In that same month the Commission publishes Resolution 194, through which it defines an option of the Reliability Charge for plants under construction with OEF (Firm Energy Obligations), which temporarily and the IPVO (Beginning of the Period of Validity of the Obligation) will have an installed capacity lower than the CEN (Net Effective Capacity) declared, but that the level of progress of its works allows to operate and comply with the assigned OEF. Aspects to consider: installed capacity available for commercial operation on the start date of the OEF, ENFICC (Firm Energy Reliability Charge) must be sufficient to cover OEF and the progress in construction must allow it to reach the CEN in maximum two years from the IPVO.

Likewise, RESOLUTION CREG 207 is published in November 2020, which defines an audit scheme on the costs of supply and transport of fuel declared by the generating agents. Highlights: semi-annual audit, plants representing up to 96% of the security generation are audited, of the rest randomly 15%, the 2020 Audits were carried out in March 2021, the Auditor will be selected by XM according to the list that will make up the CAC (Marketing Advisory Committee), the audit costs assumed by the demand will be included in the restrictions and the functions and deadlines of the auditor are specified.

In January 2021, the CREG published Resolution 240 of 2020, which modifies and adds Resolution CREG 156 of 2012 and repeals other provisions, in relation to the methodology of calculation of transactional assets considering the financial information that is prepared under the current regulatory technical frameworks.

The Mining-Energy Planning Unit (UPME), published the National Energy Plan 2020-2050: "The energy transformation that enables sustainable development" is an indicative document of energy prospective. Whose purpose is to define a long-term vision for the Colombian energy sector and identify the possible ways to achieve it and the trade-offs between them. It presents long-term energy scenarios, through which technological and economic aspects associated with the energy transformation can be analyzed, which serve as a point of support in the strategic decisions of the sector.

In March 2021, the Ministry of Mines and Energy published Resolution 40060, which regulates article 296 of Law 1955 of 2019 and which refers to mandatory contracting with Non-Conventional Renewable Energy Sources (FNCER). The standard applies to all marketers that serve the regulated and unregulated market, which are required that 10% of annual energy purchases intended to serve end users come from Non-Conventional Sources of Renewable Energy (FNCER). The obligation will be enforceable from 2023.

In the second quarter of 2021, the issuance of Resolution MME 40141 (which modifies Resolution MME 40590/2019) stands out, through which the final conditions for the participation of generators and marketers in the third auction of Long-Term Contracts are defined; FRNCE projects with a capacity equal to or greater than 5 MW and that are registered in UPME, in phase 2 and must have a concept of connection to the grid (national or regional transmission) approved by the UPME.

Additionally, the issuance also by the MME of Final Resolution 40179 "By which the auction of long-term contracting for electricity generation projects is called and the parameters of its application are defined". It defines, among others, the following aspects:

- Implement award process: no later than October 31, 2021.
- Target demand: A target demand will be defined and revealed in the auction process along with the caps, after receiving the bids.
- Period of Supply of contracts: 15 years.
- Start date of obligations: January 1, 2023.
- Complementary mechanism: The ministry will define by administrative act the application of the complementary mechanism in case of not completing the objective demand.

In the month of July 2021, Law 2099 is issued, which aims to modernize current legislation and dictate other provisions for the energy transition, the revitalization of the energy market through the use, development and promotion of non-conventional sources of energy, the economic reactivation of the country and, in general, dictate regulations for the strengthening of the companies that provide the electricity and fuel gas service.

At the end of August 2021, the CREG presented the agents with two regulatory proposals with which it seeks to make some modifications to the Reliability Charge scheme. On the one hand, Resolution 132 of 2021 is under discussion, through which the regulator proposes to define an option for the allocation of Firm Energy Obligations to existing plants that are supported by natural gas. On the other hand, the Commission published Resolution 133 of 2021, with which it is considering defining a competitive scheme for the allocation of Firm Energy Obligations to existing plants. These proposals were still under discussion at the end of 2021.

In September, the Ministry of Mines and Energy published the booklet on the Energy Transformation Mission – MTE where recommendations and actions are proposed, with defined deadlines, which mark the roadmap to advance changes in the sector that aim, according to the Ministry, to modernize the sector and increase its dynamics and competitiveness. It presents a summary of the proposals made by the experts in Phase 1, and the Roadmap resulting from their prioritization developed in Phase 2, as well as the defined legal and policy guidelines.

Likewise, through Resolution 40279, the Ministry of Mines and Energy adopts the Transmission Generation Reference Expansion Plan 2020-2034 prepared by the UPME, through which it develops the indicative planning of the expansion in generation and contains the transmission works which must be executed through: 1. Public call or 2. Extensions of the STN.

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

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

In December 2021, the Mining-Energy Planning Unit – UPME published resolution 528 of 2021 by means of 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 Single Window.

Environmental Aspects

In environmental matters, decree 1076 of May 26, 2015 compiles the environmental standards issued by the National Government, that is, all the regulatory decrees in force that develop the laws on environmental matters and whose purpose is to avoid regulatory dispersion. The content is divided into three sections (books):

1. Structure of the environmental sector,

2. Regulatory regime of the environment sector and

3. Final Provisions.

Section (book) 2 develops the regulations for the use, management and management of natural resources, as well as financial, economic and tax instruments and sanctioning regime.

Through Law 1819 of 2016 on tax reform, the reduction in income tax is introduced for the promotion of Non-Conventional Sources of Energy and exclusion of VAT on equipment, technologies and services that offer an environmental benefit; as well as the carbon tax on all fossil fuels used for energy purposes and defines the guidelines for the non-causation of the tax to users who certify to be carbon neutral, which is subsequently regulated by Decree 926 of 2017.

Based on the provisions of Article 174 of Law 1955 of 2019 (National Development Plan) and Article 130 of Decree 2106 of November 22, 2019, those interested in accessing the tax incentives established in Law 1715 of 2014, associated with VAT and special deduction of income and complementary, for investments in projects of Non-Conventional Sources of Renewable Energy - FNCER, and Efficient Energy Management - GEE; they no longer require obtaining the environmental certification issued by the National Environmental Licensing Authority, because only the certification issued by the Energy Mining Planning Unit - UPME is required to access the aforementioned incentives.

Likewise, the Ministry of Environment and Sustainable Development – MADS, published on August 11, 2016, Resolution 1312, which adopts the terms of reference for the preparation of the Environmental Impact Study (EIA), required for the processing of the environmental license of projects for the use of continental wind energy sources, as well as Resolution 1670 of August 15, 2017 by which it adopted the terms of reference for the preparation of the Environmental Impact Study - EIA, required for the processing of the environmental license of projects for the use of photovoltaic solar energy.

Additionally, this Ministry by Decree 2462 of December 28, 2018 establishes that only projects for exploration and use of alternative energy sources that come from biomass for energy generation with an installed capacity of more than 10 MW will require Environmental Diagnosis of Alternatives – DAA, excluding solar, wind, geothermal and tidal energy sources.

Through Law 2099 of July 10, 2021, it was established that the MADS will determine the environmental parameters that must be met by projects developed with geothermal energy, in addition It prioritizes environmental licensing and its modifications to projects with an entry date of entry into operation less than 2 years and establishes that THE CONNECTION ASSETS TO THE SIN will not require DAA, of those electricity generation projects that decide to share these connection assets in the terms defined by the regulation issued by the CREG. Finally, it establishes that the Clean Production Seal is created: assigned to all those who use only non-conventional sources of renewable energies as energy sources in production processes and who invest in improving their energy efficiency, to be regulated by the MME. In this sense, the Ministry of Environment through Resolution 1060 of 2021 establishes the Terms of Reference for the preparation of the Environmental Impact Study – EIA for the environmental license process of projects for the use of biomass for energy generation.

For its part, the UPME through Resolution 703 of 2018 establishes the procedure and requirements to obtain the certification that endorses the projects of Non-Conventional Sources of Renewable Energy (FNCER), with a view to obtaining the benefit of the exclusion of VAT and the exemption from tariff taxation that articles 12 and 13 of Law 1715 of 2014 deal with.

The Ministry of Mines and Energy, issued Decree 421 of April 22, 2021 "By which Decree 1073 of 2015 is added Sole Regulatory of the Administrative Sector of Mines and Energy, in relation to transfers from the electricity sector to the municipalities and districts benefiting from FNCER projects. For its part, the Ministry of Environment and Sustainable Development - MADS, issued Decree 644 of June 16, 2021 related to the financing and allocation of resources for the integral management of the páramos in Colombia through transfers from the electricity sector where for hydropower plants, whose destination was 6% (3% for municipalities and 3% for corporations), has established that 3% of corporations must be divided between corporations and National Natural Parks in the jurisdiction of the project.

Finally, it is important to highlight the statement made by the Constitutional Court through Communiqué 18, by which it declares exequible Article 125 of Decree 2106 of 2019, which establishes that environmental authorities may not demand additional requirements to those provided for in environmental regulations.

Natural gas

The regulation in the natural gas sector is aimed at fulfilling the objectives defined in Law 142 of 1994: i) guarantee the quality of the service to ensure the improvement of the quality of life of users, ii) the permanent expansion of coverage, iii) the continuous and uninterrupted provision of the service, (iv) efficient provision, (v) freedom of competition and non-misuse of a dominant position.

Since the issuance of Decree 2100 of 2011, a regulation has been issued aimed especially at ensuring and guaranteeing the supply, reliability and continuity of service in the natural gas sector. In this sense, regulatory instruments have been defined in order to encourage imports and the increase in gas production, standardization of contractual modalities in order to ensure the attention of the essential demand in firm, definition of negotiation mechanisms that promote competition and efficient pricing, and the creation and consolidation of a market manager in order to have operational information in a timely manner. and commercial of the sector.

This is materialized by the Energy and Gas Regulation Commission –CREG with the issuance of Resolution 089 of 2013, through which commercial aspects of the wholesale natural gas market are regulated, which are part of the natural gas operation regulation. Likewise, and according to studies carried out by the CREG, and given the concentration of the natural gas market, this resolution is necessary to promote competition among those who participate in that market, designing mechanisms that tend to greater transparency and liquidity of the market, and the identification of the need to promote a more efficient use of the gas supply and transport infrastructure.

On the other hand, and in accordance with the analysis, monitoring of transactions and result of the negotiations of the natural gas market, in August 2017 the CREG through Resolution 114 adjusted some aspects related to the commercialization of the wholesale natural gas market and compiled Resolution CREG 089 of 2013 with all its adjustments and modifications.

The CREG, continuing with its evaluation and proposing adjustments to the natural gas market, and as a result of the process of consultation, analysis and comments of the agents, published on February 20, 2019 Resolution 021 of 2019, which modifies Resolution 114 of 2017 where the main adjustments are highlighted: makes the duration, start date and termination date of bilateral bilateral secondary market contracts more flexible; incorporates a contract with interruptions to negotiate bilaterally in the secondary market; incorporate the contract of carriage with conditional firmness on the secondary market; make the start date of long-term contracts negotiated bilaterally in the primary market more flexible; incorporate supply contracts with conditional firmness and gas purchase option in the primary gas supply market.

On the other hand, the Commission has issued Resolution 068 of 2020, through which additional transactional information is established to be declared by the participants in the wholesale natural gas market provided for in Annex 2 of Resolution CREG 114 of 2017, including a) Payment currency agreed in the Contracts and b) Exchange rate agreed in the contract for the purposes of the conversion of dollars to pesos Colombians for settlement and invoicing.

Through Resolution CREG 135 of July 3, 2020, the Commission formalizes the selection of the Mercantile Exchange of Colombia as the Natural Gas Market Manager, for a period of five (5) years that will begin its validity on January 6, 2021.

The Ministry of Mines and Energy during the month of October 2020, publishes Resolution 40304, by which the Natural Gas Supply Plan is adopted and other provisions are adopted. The works that are considered relevant there and that are included are: Pacific Regasification Plant, gas pipeline between Yumbo and Buenaventura, 3 transport infrastructure works with bidirectionalities, interconnection of the markets of the Atlantic Coast and the center of the country and 2 reinforcements for valle de Cauca and Tolima Grande.

In November, the Commission publishes Resolution 185 of 2020, which establishes provisions on the commercialization of transport capacity in the wholesale natural gas market. This standard reflects greater transparency in allocation mechanisms, streamlines transport capacity allocations when requests exceed the available capacity of the system, establishes mechanisms to allocate the capacity of projects in the supply plan, allows to improve long- and short-term use or sell processes for transport capacity and encourages the efficient allocation of transport capacity among gas market participants.

In the same month, RESOLUTION CREG 186 of 2020 is published, which regulates commercial aspects of the supply of the wholesale market (primary and secondary) of natural gas. This standard compiles the modifications made to date on Resolution CREG 114 of 2017 (Resolutions CREG 140 and 153 of 2017, 008 of 2018 and 021 of 2019).

In December 2020, the Superintendence of Domestic Public Services publishes Resolution 20201000057975 which defines the assimilation of new activities to the fuel gas service supply chain, establishes the information reporting criteria for these agents and dictates other provisions. Its effects will be those established in article 17 of Law 1955 of 2019, for the development of the functions of inspection, surveillance and control, and for compliance with the regulation. It assimilates the activity of Regasification, to the activity of Transporte, complementary activity to the domestic public service of fuel gas, and assimilates the activity of Commercialization of Imported Gas, to the activity of COMMERCIALIZATION, complementary activity to the domestic public service of fuel gas.

In January 2021, Resolution CREG 001 is published, which regulates the mechanism for allocating natural gas transmission capacity when contractual congestion occurs in a standard quarter in the primary market, in accordance with the provisions of Resolution CREG 185 of 2020.

On May 31, 2021, the MME issues Resolution 00014 by which it publishes the information corresponding to the Declaration of Natural Gas Production for the period 2021-2030, certified by the Producers and Producers – Marketers of natural gas, analyzed, adjusted and consolidated by the Ministry of Mines and Energy through the System for the Capture and Consolidation of the Natural Gas Production Declaration – SDG. Highlights:

- Declared natural gas production forecasts for 184 fields.
- Total Production Available for Sale - PTDV declared for 85 fields (46% of the fields that submitted the Production Declaration). Of these, 21 are located in Costa and 64 are in the interior.
- Declaration of 50 Gbtud as Imported Quantities Available for Sale - CIDV by Calamarí LNG.

On August 4, 2021, Law 2128 "Through which the supply, continuity, reliability and coverage of fuel gas in the country is promoted" is promulgated. This new Law aims to encourage the supply of fuel gas in the country and expand its use, in order to generate positive impacts on the environment, on the quality of life and health of the population, as well as access to public service, as established in Law 1955 of 2019.

On August 30, 2021, the MME, through Resolution 40286, established conditions through which the Ministry can authorize the withdrawal of the projects of the Natural Gas Supply Plan executed through selection processes, if situations arise that have their origin in irresistible and unpredictable events, beyond the control of the successful bidder that prevent the execution of the projects, that are duly verifiable.

In September, the CREG published Resolutions 127 and 128; through which it makes adjustments to some of the aspects contained, both in Resolution CREG 107 of 2017, and in Resolution CREG 152 of 2017, in accordance with the characteristics of the projects included by the Ministry of Mines and Energy in the Natural Gas Supply Plan, and the introduction of mechanisms that encourage compliance with the anticipated dates of entry into operation.

Finally, in October 2021, the CREG published Resolution CREG 175 of 2021, which establishes the general criteria for the remuneration of the natural gas transport service and the general scheme of charges of the National Transport System, and other provisions on the transport of natural gas are dictated.

2. Presentation bases

The Company presents its separate general-purpose financial statements in Colombian pesos and the values have been rounded up to the nearest unit of thousands of pesos (COP$000), except where otherwise indicated.

The separate financial statements include comparative information for the prior period.

The accounting principles applied in its preparation are those detailed below:

2.1. Accounting principles

The company's separate general purpose financial statements as of December 31, 2021, have been prepared in accordance with the Accounting and Financial Reporting Standards accepted in Colombia (NCIF), established in Law 1314 of 2009, regulated by single Regulatory Decree 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), together 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.

The Company applies to these separate 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 made 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 and following and, in the case of partial pension commutations in accordance with the provisions of paragraph 5 of article 2.2.8.8.31 of the Decree 1833 of 2016, informing the variables used and the differences with the calculation made in the terms of the technical framework under NCIF.

The Company belongs to Group 1 according to the definitions of Decrees 2784 of December 28, 2012 and 3024 of December 27, 2013, as required the Company issued the first comparative financial statements under the NCIF as of December 31, 2015.

These separate general-purpose financial statements have been prepared on an ongoing business principle by applying the cost method, with the exception, in accordance with the NCIF, of assets and liabilities that are recorded at fair value.

The preparation of separate financial statements in accordance with the NCIF requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of enforcing accounting policies.

The Company does not present transactions of a cyclical, stationary or occasional nature that must be disclosed independently in the general purpose financial statements.

For legal purposes in Colombia, the separate financial statements are the main financial statements.

2.2. Causation accounting basis

The Company prepares its separate financial statements, using the basis of causation accounting, exceptor for the information of cash flows.

2.3. New rules incorporated into the accounting framework accepted in Colombia whose effective application is from January 1, 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 2018.

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 ranking is not affected by the entity's expectations or events after the date of the report. The changes also clarify what the "settlement" of a liability refers to in terms of the rule. The Company 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 16 Properties, Plant and Equipment - Amounts obtained prior to intended use

The amendment published in May 2020 prohibits the deduction of the cost of an element of property, plant and equipment from any amount from the sale of items produced while that asset is taken to the place and conditions necessary for it to operate in the manner envisaged by management. Instead, an entity would recognize the amounts of those sales in the result of the period. The Company 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 Levies; and confirm that contingent assets should not be recognized on the date of acquisition. The Company 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 performing 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 assessing whether a contract is onerous; clarifies that the direct costs of performing a contract include both the incremental costs of performing a contract and an allocation of other costs that relate directly to the performance of the contract. Before recognizing a separate provision for a onerous contract, for a onerous contract, the entity must recognize impairment losses on the assets used to perform the contract. The Company does not expect significant impacts from this modification, in any case it is evaluating the impact that they could have on the financial statements.

Reform of the reference interest rate

After the financial crisis, reforming and replacing benchmark interest rates such as GBP LIBOR and other interbank rates (IBOR) has become a priority for global regulators. There is currently uncertainty about the timing and precise nature of these changes. In order to transition existing contracts and agreements that refer to LIBOR, adjustments to term differences and credit differences may be necessary to allow the two reference rates to be economically equivalent in the 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 to the reform of the reference interest rate. Alternatives relate to hedge accounting and have the effect that reforms generally should not cause hedge accounting to end. However, any coverage ineffectiveness must continue to be recorded in the income statement. Given the pervasive nature of hedges involving interbank rate (IBOR)-based contracts, alternatives will affect businesses across industries.

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

The Company 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 cycle 2019–2021

The following improvements were completed in May 2021:

• IFRS 9 Financial instruments: clarifies which fees should be included in the 10% test for write-off financial liabilities accounts.

• IFRS 16 Leases: modifies illustrative example 13 of the standard to remove the illustration of landlord payments related to improvements to goods taken on lease, to eliminate any confusion about the treatment of lease incentives.

• IFRS 1 Adoption for the first time of International Financial Reporting Standards: allows entities that have measured their assets and liabilities by the carrying value recorded in the accounts of their parent company, also measure the accumulated conversion differences using the amounts reported by the parent. This amendment will also apply to associates and joint ventures with some conditions.

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

The Company does not expect 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 that will be used in decisions to establish standards with immediate effect. Key changes include:

• Increase 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;

• Remove the probability threshold for recognition and add guidelines on decomplication;

• Add guides on different measurement bases, and

• Indicate that profit or loss is the primary 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 not otherwise covered by the accounting standards will be required to apply the revised Framework as of January 1, 2021. These entities should consider whether their accounting policies remain appropriate under the revised Framework.

2.4. Estimates and relevant accounting criteria

In the preparation of the financial statements, certain estimates made by the Company's management have been used to quantify some of the assets, liabilities, income, expenses and commitments recorded therein.

The estimates basically refer to:

- The assumptions used in the actuarial calculation of liabilities and obligations to employees, such as discount rates, mortality tables, salary increases, among others (See Note 3.1.13.).
- The useful life of intangible assets and properties, plant and equipment (See Notes 3.1.7. and 3.1.8.).
- The expected credit loss of commercial receivables and other financial assets (See Note 3.1.9. (b)).
- The assumptions used for the calculation of the fair value of financial instruments (See Note 3.1.14.).
- The estimated revenues and expenses derived from the generation activity that come mainly from energy sales through bilateral contracts to the wholesale and unregulated market, from the energy exchange, from the secondary frequency regulation service (AGC) and from the reliability charge, as well as the energy purchases necessary to meet such contracts, are estimated by applying elements of judgment for their determination, (See Note 3.1.18.).
- The probability of occurrence and the amount of uncertain or contingent liabilities (See Note 3.1.11.).
- Future disbursements for environmental commitments arising from the environmental license mainly for new projects, as well as the discount rates to be used (See Note 3.1.8.).
- The tax results, which will be reported to the respective tax authorities in the future, which have served as the basis for the recording of the different balances related to income taxes in these financial statements (See Note 3.1.12).

Judgments and estimates have been made with the information available on the date of issuance of these financial statements, it is possible that future events may force them to modify upwards or downwards in future periods, doing so prospectively, recognizing the effects of the change of judgment or estimate in the next financial statements.

3. Accounting Policies

3.1. Accounting policies applicable to general-purpose financial statements

The main accounting policies applied in the preparation of the attached separate general purpose financial statements have been as follows:

3.1.1. Financial instruments

3.1.1.1. Cash and other equivalent means of liquidity

Under this heading of the statement of financial position, cash in cash, bank balances, term deposits and other short-term investments, equal to or less than 90 days from the date of investment, of high liquidity that are quickly achievable in cash and that have a low risk of changes in their value.

3.1.1.2. Financial assets

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

3.1.1.2.1 Debt instrument

With the application of IFRS 9 as of January 1, 2018, 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 the following criteria are met: the objective of the Company's business model is to hold the asset to obtain the contractual cash flows, and the contractual terms give rise on specified dates to receiving cash flows that are solely payments of principal and interest on outstanding principal.

The nature of the derivatives implicit in a debt investment is considered to determine whether the cash flows of the investment are solely principal and interest payments, and in that case are not accounted for separately.

(b) Financial assets at fair value with changes in another comprehensive result

Financial assets that are held for the collection of contractual cash flows and to sell the assets, where the cash flows of the assets represent only principal and interest payments, and which are not designated at fair value with changes in results, are measured at fair value with changes in other comprehensive income. Movements in the carrying amount are taken through another comprehensive result, except for the recognition of impairment gains or losses, interest income, and foreign exchange gains and losses on the amortized cost of the instrument that are recognized in the income statement. When the financial asset is written off, the accumulated gain or loss previously recognized in another comprehensive result is reclassified from equity to the income statement. Interest income from these financial assets is included in "interest income" using the effective interest rate method.

(c) Financial assets at fair value with changes in results

Assets that do not meet the requirements for amortized cost or fair value with changes in other comprehensive income are measured at fair value with changes in results. A loss or gain on a debt instrument that is subsequently measured at fair value with changes in results and is not part of a hedge ratio 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 are not held for trading. Interest income from these financial assets is included in "interest income" using the effective interest rate method.

3.1.1.2.2 Heritage instrument

All equity instruments are measured by their fair value. Equity instruments held for trading are valued at fair value with changes in results. For all other equity instruments, the Company may make an irrevocable choice at the initial recognition to recognize changes in fair value against the other comprehensive results in equity.

3.1.1.2.3 Derivative financial instruments and hedging activities

Derivatives are initially recognised at fair value on the date the contract is concluded and are permanently measured at their fair value.

If derivative financial instruments do not qualify to be recognized through hedge accounting treatment, they are recorded at fair value through the income statement. Any change in the fair value of these derivatives is immediately recognized in the income statement as "other gains/losses, net". Whether they are designated for hedging the method of recognizing the gain or loss resulting from changes in the fair values of derivatives depends on the nature of the risk and item being hedged.

The Company designates certain derivatives as:

a) Fair value hedges of recognized assets or liabilities (fair value coverage).

b) Hedging of a particular risk associated with a recognised asset or liability or of a highly likely anticipated transaction (cash flow hedging) or

c) Net investment hedges in a foreign transaction (net investment coverage).

The Company documents, at the outset of hedging, the relationship between hedging instruments and hedged items, as well as its objectives and risk management strategy that support its hedging transactions. The Company further documents its assessment, both at the beginning of hedging and periodically, of whether derivatives used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

The total fair value of derivatives used as hedge is classified as non-current assets or liabilities when the maturity of the remainder of the hedged item is greater than 12 months, and is classified as current assets or liabilities when the maturity of the remainder of the hedged item is less than 12 months. Derivatives that are not used for hedging or that are held for trading are classified as current assets or liabilities.

(a) Fair value hedges

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the income statement, and the gain or loss of the hedged item attributable to the hedged risk adjusts the carrying amount of the hedged item and is recognized in the results for the period.

The gain or loss related to the actual portion of the derivatives is recognized in the income statement as "financial expenses", as is the ineffective portion that is also recognized in the income statement, but as "other gains/(losses), net".

If the hedge no longer meets the criteria to be recognized through hedge accounting treatment, the adjustment in the carrying value of the covered item is amortized in the results using the effective interest method, in the period remaining until maturity.

(b) Cash flow hedges

The actual portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in other comprehensive results. The gain or loss relative to the ineffective portion is immediately recognized in the income statement as "other gains/losses), net".

Amounts accumulated in equity are recorded in the income statement in the periods in which the covered item affects them (for example, when the projected covered sale occurs). However, when the intended covered transaction results in the recognition of a non-financial asset, previously recognized gains or losses in equity are transferred from the estate and included as part of the initial cost of the asset. Capitalized amounts are ultimately recognized in the cost of sales when products are sold, if it is inventory, or in depreciation, if it is property, plant and equipment.

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

(c) Net investment hedges abroad

Net investment hedges from overseas operations are accounted for in a similar manner to cash flow hedges. Any gains or losses of the hedging instrument related to the effective portion of the hedge are recognized in other comprehensive results. Gain or loss related to the ineffective portion of hedging is immediately recognized in results as "other gains/losses, net."

The gains and losses accumulated in the equity are transferred to the income statement when the foreign transaction is sold or partially decommissioned.

As of the date of these financial statements, the Company has no instruments for hedging net investments from overseas operations.

3.1.1.3. Financial liabilities

Financial liabilities are classified as measured after amortized cost, except for financial liabilities at fair value with changes in results; this classification applies to derivatives constituted to cover obligations that reflect the Company's strategy to hedge market risks associated with the interest rate or exchange rate.

3.1.1.3.1 Debts (Financial Obligations)

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

The costs incurred in obtaining the debts are recognized as transaction costs to the extent that it is likely that some or all of the debt will be received. In this case the fees are deferred until the loan is received. To the extent that there is no evidence that some or all of the debt is likely to be received, the fees are capitalized as expenses paid in advance for services to obtain liquidity and are amortized in the period of the loan to which they relate. If the costs incurred are immaterial, they may be carried forward at the time of issuance of the securities.

Loans are classified as current liabilities unless the Company has the unconditional right to defer payment of the obligation for at least 12 months from the balance sheet date.

General and specific debt costs directly attributable to the acquisition, construction or production of eligible assets, which are those that require a substantial period of time to be prepared for their intended use or sale, are added to the cost of such assets, until such time as the assets are substantially prepared for use or sale. Investment income from the temporary investment of resources obtained from specific debts that have not yet been invested in qualifying assets is deducted from capitalization interest costs. 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

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

3.1.1.5. Commercial accounts payable

Commercial accounts payable are payment obligations for goods or services that have been acquired from suppliers in the ordinary course of business. Accounts payable are classified as current liabilities, if the payment must be made over a period of one year or less (or in the normal operating cycle of the company if it is longer). If the payment must be made in a period longer than one year, they are presented as non-current liabilities.

Commercial accounts payable are initially recognized at fair value and subsequent measurement is at their 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 trading date, which is the date on which the Company undertakes to acquire or sell the asset. Financial assets are written off when the rights to receive cash flows have matured or have been transferred and the Company has substantially transferred all risks and benefits inherent in the property.

At the initial recognition, the Company values the financial assets at their fair value; however, in the case of a financial asset that is not measured at fair value with changes in results, transaction costs that are directly attributable to the acquisition of the financial asset will affect the value of the asset. Transaction costs of financial assets that are measured at fair value with changes in results are accounted for directly in the income statement.

Gains or losses on a debt instrument that is subsequently valued at fair value and is not part of a hedging ratio are recognized in the results and are presented in the income statement within "other (loss) / net gains" in the period in which they occur.

Gains or losses on a debt instrument that is subsequently valued at its amortized cost and is not part of a hedging relationship are recognized in the results of the period when the financial asset is written off or deteriorated and through the amortization process using the effective interest method.

The Company subsequently measures all equity instruments at fair value. Where management has chosen to present unrealised and realized fair value gains or losses and losses on equity instruments in other comprehensive results, fair value gains and losses may not be recorded in the results for the period. Dividends from equity instruments are recognized in the results, as long as they represent a return on investment.

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

3.1.1.7. Clearing of financial instruments

Financial assets and liabilities are offset and their net amount is presented in the statement of financial position when there is a legally enforceable right to set off the recognized amounts and the agency intends to liquidate the net amount or to realize the asset and cancel the liability simultaneously.

3.1.1.8. Fair investment values

The fair values of listed investments are based on their current listing price. If the market for a financial instrument is not active (or the instrument is not listed on the stock exchange) the Company establishes its fair value using valuation techniques appropriate to the circumstances.

These techniques include the use of the values observed in recent transactions carried out under the terms of free competition, the reference to other instruments that are substantially similar, analysis of discounted cash flows and option models making maximum use of market information and placing the highest possible degree of confidence in internal information specific to the entity.

3.1.2. Inventories

Inventory stocks include goods for sale or domestic consumption, on which the typical risks and benefits of the property have been acquired, in this classification are materials, fuels and carbon reduction certificates (CERs).

Inventories are shown in current assets in the financial statements, even if they are made after 12 months, to the extent that they are considered to belong to the ordinary operating cycle.

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

In the case of CERs, the initial cost is determined by the fair value of the certificates on the date of issuance of the certificates, which is identifiable for each of them.

The cost of goods other than CERs, is measured according to the "weighted average" method, which considers the units of an item purchased on different dates and at different costs, belonging to a set in which individual purchases are no longer identifiable, but equally available.

The weighted average cost should include additional charges, for example: sea freight costs, customs charges, insurance, etc. attributable and relating to procurement during the period.

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

Obsolete materials are understood as those that are not expected to be sold or used in the Company's ordinary operating cycle, such as, for example, scrap and technologically out-of-date materials. Surplus materials are considered as slow-moving at a stock level that can be considered reasonable, according to the normal use expected in the ordinary operating cycle. Obsolete and slow-moving inventories have the possibility of use or realization, which in some cases represent their value as a sale of scrap.

Inventory items that are consumed in maintenance affect the Company's results.

3.1.3. Non-current assets held for sale and discontinued activities

The Company classifies as non-current assets held for sale property, plant and equipment, intangibles, investments in associates, joint ventures and groups subject to dispossession (group of assets to be disposed of together with their associated liabilities), for which at the closing date of the statement of financial position active steps have been initiated for their sale and it is estimated that it is highly probable.

These assets or groups subject to being inappropriate are carried at a disadvantage between the carrying amount and fair value minus costs until sale, and cease to be amortized or depreciated from the moment they are classified as non-current assets held for sale.

Non-current assets held for sale and components of groups subject to dispossession classified as held for sale are presented in the statement of financial position as follows: Assets in a single line called "Non-current assets or groups of assets for disposal classified as held for sale" and liabilities also in a single line called "Liabilities included in groups of assets for their disposal" and liabilities also in a single line called "Liabilities included in groups of assets for their disposition classified as kept for sale."

In turn, the Company considers discontinued activities to significant and separable business lines that have been sold or otherwise disposed of or that meet the conditions to be classified as held for sale, including, where appropriate, those other assets that together with the business line are part of the same sale plan. Likewise, discontinued activities are considered those entities acquired exclusively for the purpose of reselling them.

Results after tax from discontinued activities are presented in a single line of the comprehensive income statement called "Profit (loss) from discontinued operations".

As of the date of these financial statements, the Company has no non-current assets held for sale or discontinued activities.

3.1.4. Investments in subsidiaries

A subsidiary is an entity controlled by the Company, control exists when it has the power to direct the relevant activities of the subsidiary, which are generally the activities of operation and financing for the purpose of obtaining benefits from its activities and is exposed, or entitled, to the variable returns of the latter.

Investments in subsidiaries are initially recorded at cost and subsequently the method of participation in the Company's separate financial statements is applied as established in Decree 2420 of 2015 added by Decree 2496 of 2015 and modified by Decrees 2131 of 2016 and 2170 of 2017.

The dividends received from these companies are recorded by reducing the value of the investment and the results obtained by them, which correspond to the Company according to its participation, are recorded under the heading "Result for other investments". The measurement of the participation method is evaluated according to the materiality of the figures and taking into account the participation in each subsidiary.

3.1.5. Investments in partners and joint ventures

An associate is an entity over which the Company has significant influence over financial policy and operating decisions, without having joint control or control.

Joint agreements are those entities in which the Company exercises control thanks to the agreement with third parties and jointly with them, that is, when decisions on their relevant activities require the unanimous consent of the parties that share control. Joint agreements are classified into:

Joint Venture: It 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 are entitled to the net assets of the entity. At the date of acquisition, the excess of the acquisition cost over the net fair value share of the identifiable assets, liabilities and contingent liabilities assumed by the associate or joint venture is recognized as a goodwill. The commercial credit is included in the carrying value of the investment, is not amortized and is individually subjected to impairment tests.

Joint Transaction: Agreement whereby the parties exercising joint control are entitled to the assets and obligations with respect to the liabilities related to the agreement.

Joint control: It is the distribution of contractually decided control of an agreement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Company currently has joint venture agreements of the jointly controlled operation type represented in trusts. A joint operator shall recognize in connection with its participation in a joint transaction: (a) its assets, including its participation in the assets held jointly; (b) your liabilities, including your share of liabilities incurred jointly; (c) its income from ordinary activities from the sale of its interest in the proceeds arising from the joint venture; (d) its share of the income from ordinary activities from the sale of the product that carries out the joint operation; and (e) your expenses, including your sharing of expenses incurred jointly.

Investments in associates or joint ventures are measured in the individual financial statements at cost, in the case of joint agreement the type of jointly controlled operation represented in trusts is measured at fair value.

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

3.1.6. Business Combination

The Company in a business combination records at fair value the acquired assets and assumed liabilities of the subsidiary company, on the date of takeover, except for certain assets and liabilities that are recorded following the valuation principles set out in other NCIFs. If the fair value of the transferred consideration 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 a capital gain. In the case of a low-priced purchase, the resulting profit is recorded on credit to results, after reassessing whether all 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 whether to value the non-controlling interests of the acquired at fair value or by the proportionate share of the identifiable net assets of the acquired. If it is not possible to determine the fair value of all assets acquired and liabilities assumed on the date of acquisition, the company shall report the provisional values recorded. During the measurement period, which shall not exceed one year from the date of acquisition, the recognized provisional values shall be retrospectively adjusted and additional assets or liabilities shall also be recognized, to reflect new information obtained on facts and circumstances that existed on the date of acquisition, but were not known to management at that time. In the case of business combinations carried out in stages, on the date of acquisition, the previously held stake in the assets of the acquired company is measured at fair value and the resulting gain or loss, if any, is recognized in the result of the year.

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

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

3.1.7. Intangible Assets

Intangible assets are initially recognized by their cost of acquisition or production and are subsequently valued at the net cost of their corresponding accumulated depreciation and impairment losses, if any, incurred.

Intangible assets are amortized linearly over their useful life, from the moment they are in conditions of use. The Company 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 the recognition of impairment losses on these assets and, where appropriate, recoveries of impairment losses recorded in previous years are explained in the impairment policy.

(a) Research and development expenditure

The Company follows the policy of recording as intangible assets in the statement of financial position the costs of projects in the development phase, provided that their technical viability and economic profitability are reasonably assured. Research expenditure is recognised directly in the results of the financial year.

(b) Other intangible assets

These assets correspond primarily to software and rights. Their accounting recognition is initially made by the cost of acquisition or production and, subsequently, they are valued at the net cost of the corresponding accumulated amortization and impairment losses that, where appropriate, have been incurred.

The remaining average useful lives used for amortization are:

	Average years of estimated service life	
Concept	**2021**	**2020**
Rights *	22	23
Development costs	-	1
Licences	5	4
Software	3	3
Other identifiable assets	-	1

(*) They refer to the rights that the Company has registered to obtain the usufruct of the largest flow of useful water from the Chingaza and Río Blanco projects. Its amortization is recognized by the straight-line method. Similarly, in this area, the legal stability premium for Quimbo is classified, which allows tax benefits to be obtained for the investments made in this plant; this premium has a useful life of 20 years according to the validity of the tax benefits.

Gains or losses arising from sales or withdrawals of property, plant and equipment are recognized as other gains (losses) in the income statement and are calculated by deducting from the amount received by the sale, the net book value of the asset and the corresponding selling expenses.

3.1.8. Properties, plant and equipment

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

In addition to the price paid for the acquisition of each element, the cost also includes, where appropriate, the following concepts:

(In thousands of pesos)

- General and specific interest costs that are directly attributable to the acquisition, construction or production of eligible assets, which are those that necessarily require a substantial period of time before being prepared for the intended use or sale, are added to the cost of those assets, until the time comes when the assets are substantially prepared for the intended use or sale. The Company defines a substantial period as one that exceeds twelve months. The interest rate used is that corresponding to the specific financing or, if it does not exist, the average financing rate of the company that makes the investment.
- Personnel costs directly related to ongoing constructions.
- Future disbursements that the Company will have to face in connection with the closure of its facilities are incorporated into the value of the asset for the updated value, recognizing the corresponding provision for dismantling or restoration. The Company annually revises its estimate of such future disbursements, increasing or decreasing the value of the asset based on the results of such estimate.
- Future disbursements for environmental commitments for new projects, as well as discount rates to be used.
- They are components of property, plant and equipment spare parts when they meet the characteristics of recognition of the assets, these parts are not part of the inventory of materials.

Constructions in progress are transferred to assets in operation after the end of the trial period, that is, when they are available for use and under the conditions provided by management.

The costs of expansion, modernization or improvement that represent an increase in productivity, capacity, efficiency or an extension of the useful life of the goods are capitalized as a higher cost of the corresponding assets.

Replacements or renewals of complete elements that increase the useful life of the good, or its economic capacity, are recorded as greater value of the respective goods, with the consequent accounting withdrawal of the replaced or renewed elements.

Periodic disbursements of maintenance, maintenance and repair are recorded directly in the income statement as the cost of the period in which they are incurred.

The Company, based on the result of the impairment tests, considers that the book value of the assets does not exceed the recoverable value of the assets. The property, plant and equipment, net in its case of the residual value, depreciates by distributing linearly the cost of the different elements that compose it between the years of estimated useful life, which constitute the period in which the Company expects to use them. The estimated service life and residual values are reviewed periodically and, if appropriate, adjusted prospectively. The Company does not consider the residual value of its fixed assets to be significant.

The remaining average useful lives used for depreciation are:

	Average years of life useful of estimated years	
Property, plant and equipment classes	**2021**	**2020**
Plants and equipment		
Civil works plants and equipment	54	55
Electromechanical equipment hydroelectric power plants	30	30
Central electromechanical equipment Thermoelectric	19	18
Buildings	54	56
Fixed installations, accessories and others	11	10
Assets for IFRS 16 use		
Buildings	62	1
Vehicles	2	2

The Company defined that the flooded properties located in the hydraulic generation plants are depreciable because they do not have a specific use after the end of the useful life of the plant, so their cost is depreciated within the line of plants, pipelines and tunnels to 74 years. Likewise, it was defined that based on the environmental requirements established in Decree 1076 of 2015 applicable to Quimbo, there is an obligation to dismantle the powerhouse, in a time that the Company has estimated, in the most conservative scenario, of 50 years. (See Note 1(6).

The excess of the tax depreciation over the accounting one generates a tax effect that is recorded as a passive deferred tax.

Gains or losses arising from sales or withdrawals of property, plant and equipment are recognized as other gains (losses) in the income statement and are calculated by deducting from the amount received for the sale, the net book value of the asset and the corresponding selling expenses

3.1.9. Impairment of assets

(a) Non-financial assets (except inventories and deferred tax assets).

Throughout the year and mainly on the closing date of the same, it is evaluated if there are indicators that any asset could have suffered a loss due to impairment. In the event that there is an indicator, an estimate of the recoverable amount of said asset is made to determine, where appropriate, the amount of impairment. In the case of identifiable assets that do not generate cash flows independently, the recoverability of the Cash Generating Unit (UGE) to which the asset belongs is estimated, understanding as such the smallest identifiable group of assets that generates independent cash inflows.

In the Company all assets operate in an integral manner and cannot be considered the cash flows of a central independent of the rest of the generation assets; therefore, the Company as a whole is taken as the UGE Cash Generating Unit.

The recoverable amount is the largest between the fair value minus the cost necessary for its sale and the value in use, meaning the present value of the estimated future cash flows. For the calculation of the recovery value of the property, plant and equipment, the capital gain, and the intangible asset, the value in use is the criterion used by the Company in practically all cases.

To estimate value in use, the Company prepares projections of future pre-tax cash flows from the most recent budgets available. These budgets incorporate management's best estimates of Cash Generating Units' revenues and costs using sector projections, past experience, and future expectations.

These projections cover, in general, the estimation of flows for the following years applying reasonable growth rates. These flows are discounted to calculate their current value at a pre-tax rate that collects the cost of capital of the business. For its calculation, the current cost of money and the risk premiums used in a general way among analysts for the business are taken into account.

In the event that the recoverable amount of the UGE is less than the net carrying value of the asset, the corresponding provision for impairment loss for the difference is recorded, charged to the item "Impairment" of the income statement. This provision is assigned, first, to the value of the capital gain of the UGE, if it exists, and then to the other assets that compose it, prorated according to the book value of each of them, with the limit of its fair value less the costs of sale, or its use value, and without being able to turn out to be a negative value.

Impairment losses recognized in an asset in previous years are reversed when there is a change in the estimates of its recoverable amount, increasing the value of the asset with payment to results with the limit of the carrying value that the asset would have had if the accounting adjustment had not been made. In the case of capital gains, the accounting adjustments that would have been made are not reversible.

(b) Financial assets

The Company determines the expected credit loss in all of its debt securities, loans and commercial receivables, either for 12 months or for the life of the assets, recognizing the impairment in advance from day one and not waiting for any event that indicates the impairment of the financial asset.

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

Individual simplified model

This model performs a homogeneous and consistent calculation to each of the counterparties that make up the commercial portfolio. Since the Company manages its trading portfolio individually, the group defined that the most appropriate way to manage the expectation of credit risk for the Company is to conduct an individual assessment of each of the counterparties with which the Company has transactions resulting from its trading operations.

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

Probability of Default (PD): May be provided by a third-party vendor if available, or by evaluating the counterparty's financial statements; in case of not having a specific PD by the aforementioned mechanisms, according to the group guidelines, the country qualification minus three categories (notches) will be used. If there are signs of deterioration, they will be reflected in this variable, reaching one hundred percent in cases that merit it.

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

General collective model

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

- Public administrations.
- Institutional counterparts.
- Loans to employees and
- Other assets.

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

Probability of Non-compliance (PD): It is determined according to the group guidelines for each category that consider the rating of the Company, the financial institution and the country, in some cases deducting from the last three categories (notches). If there are signs of deterioration, they will be reflected in this variable, reaching one hundred percent in cases that merit it.

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

3.1.10. Leases

IFRS 16 - Leases establishes specific criteria for the lessor and the lessee as follows:

Tenant

IFRS 16 establishes principles for the measurement, recognition, presentation and disclosure of leases and requires tenants to evaluate the following parameters under a single leasing model.

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

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

If the parameters mentioned above are not met, the contracts shall not constitute a lease under the parameters set out in IFRS 16.

If a financial lease is set up, the lessee must recognize at the beginning of the contract the assets for rights of use and liabilities for financial lease.

The rule includes two exemptions from recognition for tenants:

- Leases of "low value" assets
- Short-term leases (i.e., leases with a term of 12 months or less)

In this case they are recognized in the income statement, and there is no place for assets for use, nor liabilities for lease.

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

Right-of-use assets are measured at the initial time at cost, which comprises: (i) lease liability, (ii) lease payments made before or from the commencement date, less lease incentives received, (iii) 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.

Right-of-use assets depreciate linearly over the shortest period between the term of the lease and the estimated useful life of the assets.

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

Lessor

A landlord classifies leases as operational or financial. A lease is classified as financial, when the risks and benefits inherent in ownership of the underlying asset are substantially transferred. In the event that the risks and benefits associated with the underlying asset are not transferred, the lease will be considered as operational.

Financial Leases

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

When a lessor is a manufacturer or distributor, it recognizes income from ordinary activities at the fair value of the underlying assets delivered on lease discounted at a market interest rate. It also recognizes the cost of sales by cost or carrying value if it is different from the underlying asset.

Operating Leases

The lessor recognizes the income on a linear basis for the payments received corresponding to the lease of the underlying assets.

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

3.1.11. Provisions, liabilities and contingent assets

Obligations existing at the date of the financial statements, arising as a result of past events from which material damages of probable materialization may arise for the Company, the amount and timing of cancellation of which are uncertain, are recorded in the statement of financial position as provisions for the present value of the most likely amount that it is estimated that the Company will have to disburse to cancel the obligation.

Provisions are quantified taking into account the information available on the date of issuance of the financial statements, on the consequences of the event in which they are caused and are reestimated at each subsequent accounting close.

As part of the provisions, the Company includes the best estimate of the risks for civil, labor and tax litigation, so it is not expected that additional liabilities to those registered will arise from them; given the characteristics of the risks covered by these provisions, it is not possible to determine a certain date of cancellation of the estimated obligation. When assessing the likelihood of loss, the available evidence, jurisprudence and legal assessment should be considered.

The risks from civil and labor litigation that are considered eventual are disclosed in the notes to the financial statements (See Note 16).

Contingent liabilities are obligations arising from past events, the existence of which is subject to the occurrence or otherwise of future events that are not entirely under the control of the Company, or present obligations arising from past events of which the amount of the obligation cannot be reliably estimated, or an outflow of resources for cancellation is not likely to take place. Contingent liabilities are not disclosed in the financial statements, but are disclosed in notes to the financial statements, except for those individually included in the purchase price report, made in a business combination, the fair value of which can be reliably determined.

A contingent asset is given by the occurrence, or non-occurrence, of one or more uncertain events in the future, which are not entirely under the control of the entity. It is revealed when the entry of benefits is likely; if the realization of the income is practically certain, it is recognized in the financial statements.

The Company shall refrain from recognizing any contingent assets.

3.1.12. Taxation

It includes the value of the mandatory general taxes in favor of the State and in charge of the Company, for the concept of the private settlements that are determined on the tax bases of the fiscal period, in accordance with the tax rules of the national and territorial order that govern in the places where the Company operates.

3.1.12.1. Income and supplementary tax and deferred tax

The income tax expense for the period comprises income tax and deferred tax; which results from the application of the tax rate on the taxable base of the period, once the deductions that are taxable for taxation have been applied, plus the variation of the assets and liabilities for deferred taxes and tax credits. The differences between the book value of the assets and liabilities and their tax base generate the balances of deferred taxes of assets or liabilities, which are calculated using the tax rates that are expected to be in force when the assets and liabilities are realized, considering for this purpose the rates that at the end of the reporting period have been approved or for which the process of approval.

The provision for income tax is calculated at the rate in force at the end of the year, by the causation method and is determined based on the commercial profit purified in accordance with current tax regulations in order to properly relate the income of the period with its corresponding costs and expenses, and is recorded by the amount of the estimated liability.

Deferred tax assets are recognized because of all deductible temporary differences, losses and unused tax credits, to the extent that there are likely to be sufficient future tax gains to recover deductions for temporary differences and make the tax credits effective, except that the deferred tax asset relating to the deductible temporary difference, arises from the initial recognition of an asset or liability in a transaction that:

(a) It is not a business combination and;

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

With respect to deductible temporary differences, relating to investments in subsidiaries, associates and joint agreements, deferred tax assets are recognized only to the extent that the temporary differences are likely to reverse for the foreseeable future and that tax gains are available against which the temporary differences can be used.

Deferred tax liabilities are recognized for all temporary differences, except those derived from the initial recognition of capital gains and those whose origin is given by the valuation of investments in subsidiaries, associates and joint ventures, in which the Company can control the reversal of the same and it is likely that they will not be reversed in the foreseeable future.

Current tax and changes in deferred taxes on assets or liabilities are recorded in results or in items of total equity in the statement of financial position, depending on where the gains or losses that have originated it have been recorded.

The rebates that can be applied to the amount determined as a liability for current tax, are imputed in results as a payment to the item "Expense for taxes on profits", unless there are doubts about their tax realization, in which case they are not recognized until their effective materialization, or correspond to specific tax incentives, registering in this case as subsidies.

At each accounting close, the deferred taxes recorded, both assets and liabilities, are reviewed in order to verify that they remain in force, making the appropriate corrections to them in accordance with the result of the aforementioned analysis.

Income tax is presented net, after deducting the advances paid and withholdings at source in favor.

Deferred tax assets and deferred tax liabilities are presented in net form in the statement of financial position, if you have the legally enforceable right to offset current tax assets against current tax liabilities, and only if these deferred taxes relate to income taxes of the same tax authority.

3.1.12.2. Industry and commerce tax

In application of article 86 of Law 2010 of 2019, the Company recognized as an expense of the year the entire industry and commerce tax caused in the year, the value that can be imputed as a tax discount is treated as a non-deductible expense in the determination of income tax in the year, the tax discount applied decreases the value of the current income tax expense of the period; on the balances that could be applied as a tax discount for the following year, an asset was recognized for deferred tax.

3.1.13. Employee Benefits

(a) Pension

The Company has pension commitments, both defined benefit and defined contribution, which are basically instrumented through pension plans. For defined benefit plans, the Company records the expense corresponding to these commitments following the accrual criterion during the working life of the employees, at the date of the financial statements, there are actuarial studies calculated applying the method of the projected credit unit; the costs for past services that correspond to variations in benefits, are recognized immediately, the commitments for defined benefit plans represent the present value of the accrued obligations. The Company does not possess assets related to these plans.

(b) Other post-employment obligations

The Company grants its retired employees pension benefits, educational assistance benefits, energy relief and health aid. Entitlement to the above benefits generally depends on whether the employee has worked until retirement age. The expected costs of these benefits accrue during the period of employment using a methodology similar to that of defined benefit plans. Actuarial gains and losses arising from adjustments from experience and changes in actuarial assumptions are charged or credited to other comprehensive results in the period in which they arise. These obligations are valued annually or when the parent company requires it, by independent and qualified actuaries.

The retroactivity of the severances, considered as post-employment benefits, is liquidated to those workers belonging to the labor regime prior to Law 50 of 1990 and who did not take advantage of the change of regime, this social benefit is liquidated for all the time worked based on the last salary earned. In the latter case only a small number of workers and actuarial gains and losses arising from adjustments from experience and changes in actuarial assumptions are charged or paid to the other comprehensive result.

The Company implements voluntary retirement plans that within its benefits contemplate temporary income for employees who take advantage of them and who lack the time stipulated in the plan to be entitled to the old-age pension. The benefit consists of the payment of a temporary rent for the time established in the minutes according to plan guidelines; the value of the rent will be paid on the average salary of each worker at the date of retirement. These payments will be made through the resources placed by the Company in a private fund account and allocated to each employee who joined the plan; you are given the treatment of a post-employment benefit since it is the responsibility of the Company to provide the additional resources that are required to the fund to cover this obligation or to receive the reimbursement in case of surpluses.

The defined benefit obligation is calculated by independent actuaries using the projected unit of credit method.

(c) Long-term benefits

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

Actuarial gains and losses arising from adjustments for experience and changes in actuarial assumptions are charged or credited to the outcome of the period in which they arise. These obligations are valued annually or when the parent company requires it, by qualified independent actuaries.

(d) Employee Credit Benefits

The Company grants its employees credits at rates lower than those of the market, which is why the present value of the same is calculated by discounting future flows at the market rate, recognizing as profit paid in advance the differential between the market rate and the rate awarded, charged to the accounts receivable. The benefit is amortized over the life of the loan as the greater value of personnel expenses and the accounts receivable are updated at amortized cost reflecting their financial effect on the income statement.

3.1.14. Fair value estimation

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 orderly transaction between market participants on the measurement date.

Fair value measurement assumes that the transaction to sell an asset or transfer a liability takes place in the main market, i.e. the market with the highest volume and level of activity for the asset or liability. In the absence of a main market, it is assumed that the transaction takes place in the most advantageous market to which the entity has access, that is, the market that maximizes the amount that would be received to sell the asset or minimizes the amount that would be paid to transfer the liability.

For the determination of fair value, the Company uses valuation techniques among which those used for financial obligations that are recorded at fair value at the time of disbursement, as contractually defined, according to an active market for liabilities with similar characteristics; in both cases (assets and liabilities) with sufficient data to perform the measurement, maximizing the use of relevant observable input data and minimizing the use of non-observable input data.

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

Tier 1: Quoted (unadjusted) price on an active market for identical assets and liabilities;

Level 2: Input data other than the quoted prices that are included in level 1 and that are observable for assets or liabilities, either directly (i.e. as a price) or indirectly (i.e. derived from a price). The methods and assumptions used to determine Tier 2 fair values, by financial asset class or financial liabilities, take into account the estimation of future cash flows, discounted by the zero interest rate coupon curves of each currency. All ratings described are made through external tools, such as "Bloomberg"; and

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

When measuring fair value, the Company takes into account the characteristics of the asset or liability, in particular:

- For non-financial assets, a fair value measure takes into account the market participant's ability to generate economic benefits by using the asset to its maximum and best use, or by selling it to another market participant that would use the asset in its maximum and best use;
- For liabilities and equity instruments, fair value assumes that the liability will not be liquidated and the equity instrument will not be cancelled, nor will it otherwise be extinguished on the measurement date. The fair value of the liability reflects the effect of default risk, i.e. the risk that an entity will fail to meet an obligation, which includes, but is not limited to, the Company's own credit risk.

- In the case of financial assets and liabilities with offset positions at market risk or credit risk of the counterparty, fair value is allowed to be measured on a net basis, consistent with how market participants would price the net risk exposure on the measurement date.

3.1.15. Functional and presentation currency

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

The financial statements are presented in "Colombian Pesos" which at the same time is the functional and presentation currency of the Company. Its figures are expressed in thousands of Colombian pesos, except net income per share, the representative market rate that are expressed in Colombian pesos, and currencies (for example, dollars, euros, pounds sterling etc.) that are expressed in units.

3.1.16. Foreign currency conversion

Transactions carried out by the Company in a currency other than its functional currency are recorded at the exchange rates in force at the time of the transaction. During the year, the differences that occur between the exchange rate accounted for and the one in force at the date of collection or payment are recorded as differences of change in the income statement.

3.1.17. Classification of balances into current and non-current

The Company presents in its Statement of Financial Position the assets and liabilities classified into current and non-current, excluding the assets available for sale as well as the liabilities available for sale. Assets are classified as current when intended to be made, sold or consumed during the normal cycle of the Company's operations or within 12 months after the reporting period, all other assets are classified as non-current. Current liabilities are those that the Company expects to settle within the normal operating cycle or within 12 months after the reporting period, all other liabilities are classified as non-current.

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

3.1.18. Revenue Recognition

The Company applies a model of recognition of income from ordinary activities from contracts with clients based on 5 stages that are:

Step 1: Identify the contract or contracts with customers.

Stage 2: Identify performance obligations in the contract.

Stage 3: Determine the transaction price.

Stage 4: Assign the transaction price between the contract performance obligations.

Stage 5: Recognize the income from ordinary activities when (or as) the entity satisfies a performance obligation.

The model for the recognition of income from ordinary activities from contracts with customers includes the following:

(a) Portfolio approach:

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

These categories are determined using the following typifications: (a) Type of goods or services offered (electricity, value-added services); (b) Market typology (regulated, non-regulated); or c) Type of customer (size, type, sector).

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

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

(c) Satisfaction of performance obligations:

The satisfaction of performance obligations in accordance with the pattern of transfer of control of the goods and / or services committed to customers, is carried out:

- Over time.
- At one point in time.

Performance obligations over time are met when:

- The client simultaneously consumes the benefits provided by the performance of the entity as the Company realizes them.
- The Company's performance creates or enhances an asset that the client controls as it is created or improved.
- The Performance of the Company creates or enhances an asset with an alternative use for it. The Company has the enforceable right to payment of the performance it has completed to date.

Income is recognized according to the measure of satisfaction of performance obligations. Measuring the satisfaction of performance obligations over time is done by two types of methods:

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

(d) Variable considerations:

If the consideration promised in a contract includes a variable amount, the Company will estimate the amount of the consideration to which it will be entitled in exchange for the transfer of goods and/or services committed to customers.

(e) Contracts with modifications:

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

(f) Consideration as principal or agent:

Where a third party is involved in providing goods and/or services to a client, the Company shall determine whether the commitment to comply with performance obligations is at its expense or at the expense of a third party. In the event that the Company controls the goods and/or services committed to the clients and satisfies the performance obligations by itself, it acts as principal. Otherwise it acts as an agent.

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

Contract costs:

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

Contractual assets and liabilities:

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

- Contractual asset: It is presented as the right that the Company 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 liabilities: Corresponds to the Company's obligation to transfer goods and/or services to clients, for which the Company has received consideration from clients.

3.1.19. Income and financial costs

Interest income (expense) is accounted for considering the effective interest rate applicable to the principal outstanding during the corresponding accrual period.

3.1.20. Recognition of costs and expenses

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

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

Expenses include taxes, utilities, among others. All of them incurred by the processes responsible for the sale or provision of services.

Included as an investment are those 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 on debt intended to finance projects, and higher maintenance costs that increase the useful life of existing assets, among others, are capitalized as ongoing constructions.

3.1.21. Share capital

Common shares with or without a preferential dividend are classified in equity.

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

3.1.22. Reserves

Appropriations authorized by the General Shareholders' Meeting are recorded as reserves, charged to the results of the year for compliance with legal provisions or to cover expansion plans or financing needs.

The legal provision that contemplates the constitution of reserves applicable to the Company is the following:

- The Commercial Code requires the Company to appropriate 10% of its annual net profits determined under local accounting rules as a legal reserve until the balance of this reserve is equivalent to 50% of the subscribed capital. The mandatory legal reserve is not distributable prior to the liquidation of the Company, but may be used to absorb or reduce annual net losses. Reserve balances in excess of 50% of the subscribed capital are freely available to shareholders.
- Until 2016, Article 130 of the tax statute contemplated the appropriation of net profits equivalent to 70% of the highest value of the tax depreciation on the accounting depreciation, calculated under local accounting standards. This article was repealed by law 1819 of 2016 in article 376; therefore, as of 2017, this reserve is not appropriated, but the reserves of previous years are maintained.

3.1.23. Utility per share

Basic income per share is calculated as the ratio of net profit for the period attributable to the Company's shareholders to the weighted average number of ordinary shares outstanding during that period, after the appropriation of the preferred dividends corresponding to the number of shares at the end of the year.

3.1.24. Dividend distribution

The commercial laws of Colombia establish that, once the appropriations for the legal reserve, statutory reserve or other reserves and the payment of taxes have been made, the remainder will be distributed among the shareholders, in accordance with the project of distribution of shares presented by the management of the Company and approved by the General Assembly. The payment of the dividend will be made in cash, in the periods agreed by the General Assembly when decreeing it and to whoever has the quality of shareholder at the time each payment becomes due.

(In thousands of pesos)

When it is appropriate to absorb losses, these will be covered with the reserves that have been specially destined for that purpose and, failing that, with the legal reserve. Reserves intended to absorb certain losses may not be used to cover other losses, unless the General Assembly so decides.

At the end of the year, the amount of the obligation to shareholders is determined, net of the provisional dividends that have been approved in the course of the year, and is recorded in the accounts under the heading "commercial accounts payable and other accounts payable" and under the heading "accounts payable to related entities", as appropriate, charged to the total patrimony. Provisional and definitive dividends are recorded as the lowest value of the "total equity" at the time of their approval by the competent body, which in the first instance is by the Board of Directors of the Company and in the second instance the Ordinary General Meeting of Shareholders.

3.1.25. Operating segments

An operation segment is a component of an entity:

a) that carries out business activities from which it may derive income from ordinary activities and incur expenses (including income from ordinary activities and expenses for transactions with other components of the same entity).

b) whose operating results are regularly reviewed by the highest operating decision-making authority of the entity, to decide on the resources to be allocated to the segment and to evaluate its performance; and

c) on which differentiated financial information is available.

The Company for all purposes, in accordance with the guidelines of IFRS 8, has a single operating segment associated with the energy business; since, although the Company records operations in the gas business, to date the amount of transactions of this line of business is not representative, therefore, it is not considered as an independent segment.

4. Cash and cash equivalent, net

A summary of cash and cash equivalents, net as of December 31, 2021 and 2020, is as follows:

		As of December 31, 2021		As of December 31, 2020
Bank balances	$	189.499.353	$	657.377.534
Other cash and cash equivalents (1)		21.868.464		52.357.384
Cash in cash		935		868
Short-term deposits (2)		-		110.000.000
	$	**211.368.752**	**$**	**819.735.786**

The equivalent detail in pesos by type of currency of the previous balance is as follows:

Cash and cash equivalents are held mainly in banks and financial institutions, which are rated between the AA- and AAA+ range, according to the rating agencies (Standard & Poors, Fitch Rating).

Detail by Currency (*)		As of December 31, 2021		As of December 31, 2020
Colombian Pesos	$	203.204.499	$	818.375.253
U.S. Dollars		8.164.253		1.360.533
	$	**211.368.752**	**$**	**819.735.786**

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

(In thousands of pesos)

The variation in cash and equivalents corresponds to: i) Collection for goods, services and other $4,783,297,702 ii) payments (energy, variable costs, O&M, capex, fuels, insurance, remuneration and others) for ($1,766,570,934), Purchases of property, plant and equipment and Intangibles (304,683,511) iii) Payment of dividends balance year 2019 and total of the year 2020 for ($1,994,439,875),, iv) interest payment for bonds, bank debt and lease liabilities ($231,001,429) v) income tax ($673,206,045), vi) Takes financial debt $1,144,525,658 vii) payment of principal debt (1,520,865,658) viii) other disbursements (yields, derivative compensation and others) ($45,422,942).

(1) The other cash and cash equivalent is mainly composed of the collective portfolios that correspond to usual operations carried out daily by the treasury to these entities, in order to channel the resources from the collection.

As of December 31, 2021 and 2020, the amount of the impairment provision for cash and cash equivalents is $4,688 and $12,613, respectively.

(2) Short-term deposits mainly correspond to fixed-term certificates of deposit (CDT's) that mature within a period equal to or less than 90 days from their date of acquisition and accrue market interest for this type of short-term investments. As of December 31, 2021, the Company has no short-term deposits in effect.

As of December 31, 2021, the Company presents guarantees to support futures trading with Trading (See Note 35).

The following table details changes in liabilities arising from EMGESA's financing activities as of December 31, 2021 and 2020, including those changes that represent cash flows and changes that do not represent cash flows. Liabilities arising from financing activities are those for which cash flows were, or will be, classified in the statement of cash flows as cash flows from financing activities:

		Cash flows			Non-cash changes			
	Balance as of January 1, 2021	Loan amounts	Payment of loans and interest	Other amounts associated with cash	Interest caused	Lease agreements	MTM Valuation	Balance as of December 31, 2021
Bonuses	$ 2.755.823.708	$ -	$ (1.036.511.149)	$ (2.376.605)	$ 153.553.825	$ -	$ -	$ 1.870.489.779
Lease liabilities	7.729.440	-	(6.330.494)	8.995.556	359.381	72.020.709	-	82.774.592
Bank Loans and Obligations	-	1.100.000.000	(664.387.780)	-	15.840.680	-	-	451.452.900
Derivative instruments	1.741.469	-	1.880.632	(1.880.632)	-	-	(1.699.605)	41.864
Line of Credit	168.249	-	-	(168.249)	53.452	-	-	53.452
Linked loans	-	45.000.000	(45.112.006)	-	112.006	-	-	-
Securitization	-	44.525.658	(44.525.658)	-	-	-	-	-
Total, liabilities for financing activities	**$ 2.765.462.866**	**$ 1.189.525.658**	**$ (1.794.986.455)**	**$ 4.570.070**	**$ 169.919.344**	**$ 72.020.709**	**$ (1.699.605)**	**$ 2.404.812.587**

	Balance at 1 of January 2020	Payment of loans and interest	Other amounts associated with cash	Interest caused	Lease agreements	MTM Valuation	Balance at 31 of December 2020
Bonuses	$ 3.001.765.481	$ (451.604.539)	$ -	$ 205.662.766	$ -	$ -	$ 2.755.823.708
Lease liabilities	11.550.325	(7.095.644)	(10.445)	863.287	2.421.917	-	7.729.440
Derivative instruments	-	(2.089.781)	2.089.781	-	-	1.741.469	1.741.469
Line of Credit	-	-	168.249	-	-	-	168.249
Total liabilities for financing activities	**$ 3.013.315.806**	**$ (460.789.964)**	**$ 2.247.585**	**$ 206.526.053**	**$ 2.421.917**	**$ 1.741.469**	**$ 2.765.462.866**

5. Other financial assets, net

	As of December 31, 2021		As of December 31, 2020	
	Stream	No Current	Stream	No Current
Trusts	$ 5.134.456	$ -	$ 12.913.907	$ -
Trusts (1)	5.135.164	-	12.920.287	-
Impairment of trusts (*)	(708)	-	(6.380)	-
Other assets	4.162.635	-	965.635	-
Other assets (2)	4.192.500	-	968.288	-
Impairment of other assets (*)	(29.865)	-	(2.653)	-
Hedging derivative instruments (3)	2.612.348	-	-	-
Guarantees energy derivative markets	855.579	-	1.054.722	-
Financial investments - unlisted or illiquid companies (4)	-	481.721	-	517.050
	$ 12.765.018	**$ 481.721**	**$ 14.934.264**	**$ 517.050**

Emgesa S.A. E.S.P.
Notes to Financial Statements - Separate
(In thousands of pesos)

(*) See note 7, numeral 4, this value is part of the deterioration of the general collective model.

(1) As of December 31, 2021 and December 31, 2020, the balance of the trusts corresponds to:

	As of December 31, 2021	As of December 31, 2020
Tominé Reservoir Trusts (a)	$ 3.177.232	$ 6.061.327
El Quimbo Trusts (b)	919.024	922.260
Muña Reservoir Trusts (a)	691.146	550.137
Zomac Trusts (c)	347.762	5.386.563
Total	**$ 5.135.164**	**$ 12.920.287**

(a) The balance as of December 31, 2021 corresponds to the trusts with BBVA S.A. Like this:

Embalse de Tominé Fiduciaria Fideicomiso No 31636 for $ 2,652,039 and Trust No 31555 for $ 525,193, intended for the administration, operation, maintenance and improvement of the Reservoir in accordance with resolution No. 0776 of 2008. With the Muña Reservoir Fiduciary Trust No. 31683 for $ 691,146 destined for compliance with the ruling of the Council of State within the popular action filed with No. 479 of 2001 and for compliance with resolution No. 1153 of June 17, 2015 for the elaboration of the Environmental Management Plan of the Muña Reservoir.

(b) The El Quimbo Trust was established with Corficolombiana S.A. , to meet commitments arising from the construction of the hydroelectric power plant.

(c) The ZOMAC Trust was constituted from the approval of the Territory Renewal Agency (ART) of linkage for the payment of income tax and complementary for the taxable periods 2018 and 2019, through the execution of viable projects of social significance in the different municipalities located in areas most affected by the armed conflict (ZOMAC).

The company's existing trusts have a specific destination and support contracted obligations in key projects for the business, which clarify their destination.

(2) As of December 31, 2021, the amount of other assets corresponds to the judicial seizures, detailed below by financial institution for $4,192,500:

Embargo	Process	Bench	Judicial deposit value
Axia Energia SAS	Oficio 950 Proceso Ejecutivo 11001	BBVA S.A.	$ 1.800.000
Axia Energia SAS	Oficio 950 Proceso Ejecutivo 11001	Corpbanca S.A.	904.085
Axia Energia SAS	Oficio 950 Proceso Ejecutivo 11001	Helm Bank S.A.	895.915
Agencia Nacional de Minería ANM	Auto No. 594 del 01-08-2019	Davivienda S.A.	492.682
Gabriel Chaux Campos	Oficio No. 0761	BBVA S.A.	36.000
Juzgado Primero Civil Municipal Garzón - Huila	No. 412984003001 207-0341-00	Davivienda S.A.	25.000
Juzgado Primero Civil Municipal Garzón - Huila	No. 412984003001 207-0341-00	Bancolombia S.A.	15.089
Juzgado Segundo Civil del Circuito Garzón - Huila	Oficio No. 0728	Bancolombia S.A.	8.000
Juzgado Veintinueve Civil del Circuito de Bogotá	No. 110013103029201700441-00	Banco Caja Social S.A.	4.335
Corporación Aut. Reg. Magdalena	Neiva 2018-082	BBVA S.A.	3.246
Corporación Aut. Reg. Magdalena	Neiva 2018-082	Colpatria S.A.	3.246
Corporación Aut. Reg. Magdalena	Neiva 2018-082	Colpatria S.A.	3.246
Corporación Aut. Reg. Magdalena	Proceso admin coactivo Expt No. 2021-031	Colpatria S.A.	1.205
Gabriel Chaux Campos	Proceso ejecutivo oficio No. 0761	Banco de Occidente S.A.	451
Total			**$ 4.192.500**

(3) The Company as of December 31, 2021 has thirteen (13) actively valued cash flow hedging derivatives as follows:

Derivative	Underlying	Bench	Risk Factor	Active Notional	Coin	Fixed Rate	MTM
Forward	Cobertura FX Pago CERE Agosto 2022	B_DEBOGOTA_CO	Tipo de cambio	2.000.000	USD	3.847,46	494.342
Forward	Cobertura FX Pago CERE Septiembre 2022	B_DEBOGOTA_CO	Tipo de cambio	1.500.000	USD	3.863,38	372.777
Forward	Cobertura FX Pago CERE Agosto 2022	B_DEBOGOTA_CO	Tipo de cambio	1.500.000	USD	3.831,67	370.720
Forward	Cobertura FX Pago CERE Junio 2022	B_DEBOGOTA_CO	Tipo de cambio	900.000	USD	3.852,25	189.947
Forward	Cobertura FX Pago CERE Mayo 2022	B_DEBOGOTA_CO	Tipo de cambio	900.000	USD	3.837,10	189.137

(In thousands of pesos)

Derivative	Underlying	Bench	Risk Factor	Active Notional	Coin	Fixed Rate		MTM
Forward	Cobertura FX Pago CERE Marzo 2022	B_DEBOGOTA_CO	Tipo de cambio	900.000	USD	3.812,72		184.502
Forward	Cobertura FX Pago CERE Febrero 2022	B_DEBOGOTA_CO	Tipo de cambio	900.000	USD	3.800,48		183.356
Forward	Cobertura FX Pago CERE Enero 2022	B_DEBOGOTA_CO	Tipo de cambio	750.000	USD	3.791,09		151.106
Forward	Cobertura FX Pago CERE Mayo 2022	B_DEBOGOTA_CO	Tipo de cambio	650.000	USD	3.824,85		135.334
Forward	Cobertura FX Pago CERE Agosto 2022	COLPATRIA_CO	Tipo de cambio	2.900.000	USD	4.075,14		34.913
Forward	Cobertura FX Pago CERE Junio 2022	COLPATRIA_CO	Tipo de cambio	2.900.000	USD	4.062,82		19.414
Forward	Cobertura FX Pago CERE Agosto 2022	B_DEBOGOTA_CO	Tipo de cambio	3.000.000	USD	4.098,62		17.315
Forward	Cobertura FX Pago CERE Mayo 2022	COLPATRIA_CO	Tipo de cambio	2.800.000	USD	4.049,85		7.758
	Total valoración						**$**	**2.350.621**

As of December 31, 2021, it has four (4) cash flow hedging derivatives with active valuation of category MTM+1 as follows:

Derivative	Underlying	Bench	Risk Factor	Active Notional	Coin	Fixed Rate		MTM
Forward MTM+1	Cobertura FX Pago CERE Diciembre 2021	COLPATRIA_CO	TIPO CAMBIO	400.000	USD	3.651,38		131.942
Forward MTM+1	Cobertura FX Pago CERE Diciembre 2021	B_DEBOGOTA_CO	TIPO CAMBIO	500.000	USD	3.853,70		63.744
Forward MTM+1	Cobertura FX Pago CERE Diciembre 2020	BANCO_ITAU_CO	TIPO CAMBIO	100.000	USD	3.564,44		41.681
Forward MTM+1	Cobertura FX Pago CERE Diciembre 2020	BANCO_ITAU_CO	TIPO CAMBIO	100.000	USD	3.737,62		24.360
	Total valoración						**$**	**261.727**

(4) Financial investments in unlisted companies are:

Equity securities	Economic activity	Common shares	% Participation		As of December 31, 2021		As of December 31, 2020
Derivex S.A. (1)	Comercial	35.764	4,99%	$	481.721	$	517.050
Electrificadora del Caribe S.A. E.S.P. (2)	Energía	109.353.394	0,22%		-		-
				$	**481.721**	**$**	**517.050**

(1) (The Company in May 2019 acquired 35,764 shares of Derivex S.A. for $579,377, is a private entity whose corporate purpose is the administration of a trading system for operations on derivative financial instruments, whose underlying assets are electricity, gas, fuel and other energy commodities and registration of operations on such instruments. As of December 31, 2021, the adjustment to the valuation of the investment was made and a decrease of $35,329 was recorded.

(2) In 2019, a decrease originated in the investment in Electrificadora del Caribe S.A E.S.P. was reflected, as a result of the valuation calculated at fair value based on the Company's participation in the assets of said company, this being the most appropriate method to measure the investment by the conditions of the counterparty, this Company was intervened by the Colombian State and in its financial statements with cut as of September 30, 2021 presents a negative equity, for this reason its fair value is $0.

6. Other non-financial assets, net

	As of December 31, 2021				As of December 31, 2020			
		Stream		No Current		Stream		No Current
Advances for the acquisition of goods (1)	$	33.379.216	$	-	$	11.765.629	$	-
Other debtors		13.872.478		879.431		31.048.061		800.000
Other debtors (2)		18.268.475		3.623.044		35.128.529		3.671.532
Impairment of other debtors (*)		(4.395.997)		(2.743.613)		(4.080.468)		(2.871.532)
Employee Benefits for Loans (3)		553.115		7.011.612		524.583		6.443.788
Accounts receivable other taxes (4)		-		21.352.853		-		21.424.457
	$	**47.804.809**	**$**	**29.243.896**	**$**	**43.338.273**	**$**	**28.668.245**

(In thousands of pesos)

(*) See note 7, numeral 4, this value is part of the deterioration of the general collective model.

(1) Within the balance of the advances are the guarantees delivered to XM for negotiations in energy operations for $10,191,237, advance for energy purchases from Gecelca for $20,781,818 and advance to other suppliers $2,406,161.

This is the detail of the advances to December 31, 2021:

	As of December 31, 2021	As of December 31, 2020
Gecelca S.A. ESP	$ 20.781.818	$ -
XM Escrow	10.191.237	10.027.584
JFRG S.A.S.	527.627	-
Oscar Arturo Solarte	527.627	-
Yepes Julio Hernando	477.812	-
Ortiz Atuesta Andrea	272.813	-
Chamber of Commerce of Bogotá	268.197	-
Mosquera Casas Cristian	251.953	251.953
Vanti S.A. ESP.	50.000	50.000
Volunteer Fire Department	8.295	-
Ramirez Carlos Alberto	7.800	-
Gallagher Consulting	3.577	-
Global Consulting an	-	657.705
Cass Constructores S.A.S	-	248.396
Solarte Nacional de Construcciones	-	248.396
Agencia De Aduanas Suppla S.A.S.	-	99.405
National Environmental Fund – Fonam	-	95.370
Municipal Companies of Cartago E.S.P	-	45.167
Pereira Energy Company	-	22.478
Other	10.460	19.175
	$ 33.379.216	**$ 11.765.629**

(2) As of December 31, 2021, the other debtors are mainly made up of: corporate building advance for $9,026,977, account receivable from the Ministry of Finance for payments made by the Company, product of the rulings against Betania corresponding to the processes in force on the date of the contract for the sale of shares in 1997 for $2,876,666, fines and penalties of contracts for $1,916,868, sale of scrap $1,348,030, leases $1,100,580 and other concepts for $1,535,654.

Within the balance of other non-current debtors as of December 31, 2021, is mainly the account receivable to the Municipality of Guachené for $ 2,737,817, deteriorated to 100%.

The impairment of other assets corresponds to the application of IFRS 9 under the collective model, general assessment.

(3) Benefits for loans granted to employees are awarded at rates between 0% and 7%, which is why the Company discounts future flows at the market rate, recognizing as profit paid in advance the differential between the market rate and the awarded rate and amortizing them during the life of the loan.

(4) As of December 31, 2021, the tax discount corresponds to $21,352,853 in accordance with article 83 of Law 1943 of 2018, the opportunity for a tax discount on the VAT paid on the acquisition, construction or formation and import of real productive fixed assets including the associated services was created to put them in conditions of use. To take this discount on income you must meet three requirements: (i) That it is a productive real fixed asset, (ii) that vat is paid, (iii) that the asset is depreciating.

(In thousands of pesos)

7. Business accounts and other accounts receivable, net

	Al 31 de diciembre de 2021		Al 31 de diciembre de 2020	
	Corriente	No Corriente	Corriente	No Corriente
Business accounts, gross (1)	$ 283.714.775	$ 43.242.362	$ 228.098.924	$ 43.242.362
Other accounts receivable, gross (2)	3.567.748	14.677.819	3.634.180	13.858.379
Portfolio funded retired employees, gross	301.230	-	271.174	-
Commercially financed portfolio, gross (3)	-	55.747.757	300.639	55.747.757
Total business and other accounts receivable, gross	**$ 287.583.753**	**$ 113.667.938**	**$ 232.304.917**	**$ 112.848.498**
Impairment provision for trading accounts (4)	(9.008.346)	(43.242.362)	(4.388.274)	(43.242.362)
Impairment provision for other accounts receivable (*)	(81.220)	(62.954)	(87.867)	(91.086)
Impairment provision funded portfolio employee retired (*)	(2.183)	-	(1.241)	-
Impairment provision for commercially financed portfolio (4)	-	(55.747.757)	(1.349)	(55.747.757)
Total impairment provision	**$ (9.091.749)**	**$ (99.053.073)**	**$ (4.478.731)**	**$ (99.081.205)**
Business accounts, net	274.706.429	-	223.710.650	-
Other accounts receivable, net	3.486.528	14.614.865	3.546.313	13.767.293
Portfolio funded retired employees, net	299.047	-	269.933	-
Commercially financed portfolio, net	-	-	299.290	-
Total business and other accounts receivable, net	**$ 278.492.004**	**$ 14.614.865**	**$ 227.826.186**	**$ 13.767.293**

(*) See, numeral 4, this value is part of the deterioration of the general collective model.

As of December 31, 2021, the composition of the accounts and trading portfolio is as follows:

	Wallet In effect	Overdue portfolio			Total current portfolio	Non-current wallet
		1-180 days	181-210 days	>360 days		
Trading accounts, gross	**$ 279.852.172**	**$ 786.638**	**$ -**	**$ 3.075.965**	**$ 283.714.775**	**$ 98.990.119**
- Large clients	93.249.101	77.565	-	-	93.326.666	98.990.119
- Institutional clients	31.889.136	659.190	-	-	32.548.326	-
- Other	154.713.935	49.883	-	3.075.965	157.839.783	-
- Provision deterioration	(5.877.249)	(55.132)	-	(3.075.965)	(9.008.346)	(98.990.119)
Business Accounts, net	**$ 273.974.923**	**$ 731.506**	**$ -**	**$ -**	**$ 274.706.429**	**$ -**

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

	Wallet In effect	Overdue portfolio			Total current portfolio	Non-current wallet
		1-180 days	181-210 days	>360 days		
Trading accounts, gross	**$ 224.992.414**	**$ 33.447**	**$ 446.083**	**$ 2.927.619**	**$ 228.399.563**	**$ 98.990.119**
- Large clients	84.913.690	-	-	-	84.913.690	98.990.119
- Institutional clients	14.115.208	-	-	-	14.115.208	-
- Other	125.963.516	33.447	446.083	2.927.619	129.370.665	-
- Provision deterioration	(1.281.764)	(33.447)	(146.793)	(2.927.619)	(4.389.623)	(98.990.119)
Business Accounts, net	**$ 223.710.650**	**$ -**	**$ 299.290**	**$ -**	**$ 224.009.940**	**$ -**

(1) As of December 31, 2021, the portfolio of current commercial accountswill present a variation of $55,615,851, which corresponds mainly to the increase in the estimated portfolio of the wholesale market and unregulated market as of December 2021 by $53,961,714, mainly due to greater energy contracted for the wholesale market for 34.3 GWh and for the non-regulated market for 20.5 GWh; additionally, there is an increase in the PPI indexation factor of December 2021 compared to December 2020 by 15.7%.

(In thousands of pesos)

On the other hand, as of December 31, 2021, the non-current commercial accounts correspond to the wholesale market portfolio of Electricaribe for $43,242,362, provisioned at 100%.

(2) Within the balance of the other non-current receivables as of December 31, 2021, is mainly housing loans to employees for $13,438,371.

(3) Regarding the balance of the long-term financed portfolio as of December 31, 2021, there are the supply contracts of Energy No. EDCC-111-2012 and EDCC-154-201 and the other yes number EDCC-136-2013/EM-13-213, held with the customer of the wholesale market Electrificadora del Caribe S.A. E.S.P., which due to internal cash flow difficulties of the client agrees to extend the payment of the invoice by $ 55,747,757, provisioned at 100%.

(4) For the provision of impairment the models defined by the Company are:

- Individual simplified model
- General collective model

The evolution of the impairment of portfolio under IFRS 9 and other assets is as follows::

Concept		As of December 31, 2021		As of December 31, 2020
Individual Simplified Model (a)	$	107.998.465	$	103.379.742
Collective General Model (b)		7.321.228		7.153.840
Total	**$**	**115.319.693**	**$**	**110.533.582**

As of December 31, 2021, there is a variation in the portfolio impairment corresponding to: Provision endowment for $6,804,210, recovery of provision for ($2,018,099). The increase occurs due to the updating of the probability given the default of the clients, under the simplified individual model, based on financial information of these, or on the country risk minus three (3) notches, established in the risk models that are used to measure the counterparties.

(a) The individual simplified model provides for impairment under IFRS 9 of commercial accounts receivable.

(b) The general collective model contemplates impairment under IFRS 9 of: Cash and cash equivalent, other financial and non-financial assets, other accounts receivable and related accounts receivable.

The punishment of delinquent debtors is carried out once all collection procedures, judicial procedures and the demonstration of the insolvency of the debtors have been exhausted.

As of December 31, 2021, no significant effects have been evidenced that affect the calculation of portfolio impairment, for this reason the models suggested under IFRS 9 have been maintained.

Guarantees granted by debtors:

For energy and gas customers depending on the outcome of the credit risk assessment and the final decision of the lines of business, when necessary the portfolio is backed up with a security. As of December 31, 2021 and 2020, the Company supports the sale of energy and gas with blank promissory notes and bank guarantees.

For loans to employees, guarantees are covered with mortgages, promissory notes and pledges.

(In thousands of pesos)

8. Balances and transactions with related parties

Accounts receivable to related entities, net

Related Company Name	Linked Type	Country of Origin	Transaction Type	As of December 30, 2021	As of December 31, 2020
				Stream	Stream
Enel Green Power Colombia S.A.S. E.S.P. (1)	Other (*)	Colombia	Sale of Energy	$ 13.680.336	$ -
Enel Green Power Colombia S.A.S. E.S.P. (2)	Other (*)	Colombia	Commercial Representation	3.090.008	2.191.489
Enel Green Power Colombia S.A.S. E.S.P.	Other (*)	Colombia	Other Services	-	234.612
Enel Generación Perú (3)	Other (*)	Peru	Provision of Services	854.000	-
Enel Generación Perú (4)	Other (*)	Peru	Expatriates	25.245	-
Enel Gl Th Generation (4)	Other (*)	Italy	Expatriates	597.120	347.583
Enel S.P.A. (4)	Controller	Italy	Expatriates	-	216.365
Enel S.P.A. (5)	Controller	Italy	Refunds covid19 policy	40.383	19.406
Enel Chile S.A (4)	Other (*)	Chile	Expatriates	24.176	24.176
Sociedad Portuaria Central Cartagena S.A. (6)	Subsidiary	Colombia	Management Services	-	103.773
Codensa S.A. E.S.P. (7)	Other (*)	Colombia	Emergency Care Contract	21.803	28.831
New Energy, Clean Energy (4)	Other (*)	Mexico	Expatriates	18.057	-
Enel Global Trading SPA	Other (*)	Italy	Other services	-	3.187
			Total	**$ 18.351.128**	**$ 3.169.422**

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

Related accounts receivable are impaired in accordance with IFRS 9 amounting to $1,244,368.

(1) The variation corresponds to the sale of energy for the month of December for $13,680,336, taking into account the start of the contract in July 2021.

(2) The variation corresponds to the net billing and collection effect of the contract for the provision of assistance services in the management and operation of the administration processes between Enel Green Power Colombia S.A.S. E.S.P. and the Company for the period January to December 2021 for $898,519.

(3) In 2021, a contract for the provision of services for $854,000 was signed.

(4) The balance corresponds to the provision for expatriate staff costs in Italy, Chile, Peru and Mexico.

(5) The variation corresponds to the reimbursements associated with the payment made to the employees that the covid-19 policy is effective.

(6) The variation corresponds mainly to the crossing of accounts made, for administration services June to December 2020 for $ 103,773, the services generated in 2021 were paid in the same year.

(7) The variation corresponds to the net billing and collection effect of the contract for the provision of emergency services between Codensa S.A. E.S.P. and the Company for the period January to December 2021 for $7,028.

Accounts payable to related entities

Related Company Name	Country of Origin	Linked Type	Transaction Type	As of December 31, 2021	As of December 31, 2020
				Stream	Stream
Codensa S.A. E.S.P. (1)	Colombia	Other (*)	Power purchase	$ 17.837.662	$ 17.208.261
Codensa S.A. E.S.P. (2)	Colombia	Other (*)	Other services	-	1.592.240
Enel Gl Th Generation SRL (3)	Italy	Other (*)	IT Services	9.352.988	4.417.151
Enel Gl Th Generation SRL (4)	Italy	Other (*)	Engineering Services	4.414.185	4.094.834
Enel Gl Th Generation SRL (5)	Italy	Other (*)	Expatriates	1.011.096	1.056.071
Enel Green Power Colombia S.A.S. (6)	Colombia	Other (*)	Power purchase	3.435.831	9.022.577
Enel Green Power Colombia S.A.S.	Colombia	Other (*)	Other services	-	53.160
Enel Global Trading SPA (3)	Italy	Other (*)	IT Services	2.919.022	1.725.599
Enel Global Trading SPA (5)	Italy	Other (*)	Expatriates	214.958	184.989
Enel Generación Chile S.A. (7)	Chile	Other (*)	Studies and projects	1.057.476	882.100
Enel Generación Chile S.A. (5)	Chile	Other (*)	Expatriates	653.988	757.582
Enel SPA (3)	Italy	Controller	IT Services	1.538.755	1.786.709
Enel SPA (5)	Italy	Controller	Expatriates	203.498	188.755

(In thousands of pesos)

Related Company Name	Country of Origin	Linked Type	Transaction Type	As of December 31, 2021 Stream	As of December 31, 2020 Stream
Enel SPA	Italy	Controller	Covid19 Policies	50.984	23.289
Enel Brazil (8)	Brazil	Other (*)	Expatriates	726.456	-
Enel Global Services (3)	Italy	Other (*)	IT Services	714.580	1.521.162
Enel Italia SRL (3)	Italy	Other (*)	IT Services	556.465	1.152.847
Enel Produzione Spa (5)	Italy	Other (*)	Expatriates	377.801	350.468
Enel Produzione Spa (9)	Italy	Other (*)	Studies and projects	-	2.877.291
Enel Iberia (5)	Spain	Other (*)	Expatriates	242.398	447.464
Grupo Energía Bogotá S.A. E.S.P.	Colombia	(**)	Other services	134.694	166.600
Grupo Energía Bogotá S.A. E.S.P.	Colombia	(**)	Dividends	-	110.965.845
Enel Americas S.A.	Chile	Controller	Dividends	-	104.434.894
Enel Green Power Brasil Participações (8)	Brazil	Other (*)	Expatriates	-	587.297
Sociedad Portuaria Central Cartagena S.A. (10)	Colombia	Subsidiary	Dispon. Infrastructure	-	242.872
Cesi SPA	Italy	Other (*)	Engineering Services	-	7.061
			Total	**$ 45.442.837**	**$ 265.747.118**

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

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

(1) The variation corresponds to the increase in the estimates of tolls, Regional Transmission System (STR), Local Distribution System (SDL) and energy billing for $ 629,401.

(2) The variation corresponds mainly to the payment made by AWS Cloud Services for ($875,077) and Backup services through Voluntary Disconnection Demand (DDV) for ($258,521).

(3) The variation corresponds mainly to the provisions of the computer services from January to December 2021 related to the Projects Digital Worker Transformation, Governance-E4E SAP Renovables, Global CKS-SAP-TAM-SYSTEM, Online Monitoring and Infrastructure, Cyber Security-Digital Enebler Services, Intranet Applications and Global Travel.

(4) The variation corresponds to the increase by difference instead to the engineering services provided for the BEPP (Best Environmental Practice Project) and Life Extension projects of the Termozipa Power Plant for $319,351.

(5) The variation corresponds to the movements of provision year 2021 and payments made for the costs of expatriate personnel from Spain, Italy, Brazil and Chile in Colombia.

(6) The variation corresponds to the net billing and collection effect of the power purchase contract of the El Paso Solar power plant of EGP Colombia and the Company for the period from January to December 2021 for ($5,586,746).

(7) The variation corresponds to the engineering services for the Power Generating Plants Termozipa project environmental adaptation and extension of the useful life, during the first half of 2021 the payment was made for ($882,100) and $1,057,476 was provisioned.

(8) The variation corresponds to the transfer of the account payable by expatriates to Enel Brasil, taking into account that during 2021 the companies EGP Brasil and Enel Brasil carried out the merger process, leaving the latter as the current company.

(9) The variation corresponds to the payment of engineering services for the BEPP (Best Environmental Practice Project) and Life Extension projects of the Termozipa Power Plant for $(2,877,291).

(10) The variation of $(242,872) corresponds mainly to the payment of the concept of availability of port infrastructure, for the year 2020.

Transactions with economic related effects corresponding to results:

(In thousands of pesos)

Income/ Company	Concept of the Transaction	As of December 31, 2021	As of December 31, 2020
Codensa S.A. E.S.P.	Sale of Energy	$ 1.364.166.667	$ 1.196.504.187
Codensa S.A. E.S.P.	Other services	130.910	138.889
Codensa S.A. E.S.P.	Financial Income	842	899.998
Enel Green Power Colombia S.A.S.	Sale of Energy	66.624.347	-
Enel Green Power Colombia S.A.S.	Management Services	767.486	862.960
Enel Generación Perú	Provision of Services	854.000	-
Enel Generación Perú	Expatriates	25.245	-
Enel GL TH Generation	Expatriates	249.537	192.092
Enel GL TH Generation	Difference instead	108.405	188.712
Sociedad Portuaria Central Cartagena S.A.	Operation and interests	132.912	130.806
Enel Global Trading SPA	Difference instead	95.624	17.775
Enel S.P.A.	Difference instead	55.118	46.965
Enel S.P.A.	Expatriates	17.351	42.989
Enel Generación Chile S.A.	Difference instead	24.369	44.267
Enel Global Services	Difference in Change	14.543	78.852
Energía Nueva, Energía Límpia	Expatriates	18.058	-
Enel Iberia	Difference in Change	7.048	21.732
Enel Italia SRL	Other services	3.097	-
Cesi SPA	Difference instead	725	26.199
Enel Italia SRL	Difference instead	588	-
EGP SPA	IT Services	-	352.950
C.G. Term. Fortaleza	Expatriates	-	186.451
Enel Produzione S.P.A.	Difference instead	-	120.517
Enel Green Power Brasil Participações	Expatriates	-	135.634
		$ 1.433.296.872	**$ 1.199.991.975**

Costs and Expenses/Company	Concept of the Transaction	As of December 31, 2021	As of December 31, 2020
Codensa S.A. E.S.P.	Energy transport	$ 213.885.551	$ 162.728.117
Codensa S.A. E.S.P.	Other Services	1.188.321	990.226
Codensa S.A. E.S.P.	Financial Expenses	120.437	-
Enel Green Power Colombia S.A.S.	Power Purchase	32.473.690	31.330.975
Enel Gl Th Generation SRL	IT Services	4.913.855	2.244.676
Enel Gl Th Generation SRL	Expatriates	639.998	1.230.326
Enel Gl Th Generation SRL	Difference in Change	591.706	80.950
Enel Global Trading SPA	IT Services	2.520.639	1.715.443
Enel Global Trading SPA	Expatriates	433.778	349.688
Enel Global Trading SPA	Difference instead	271.110	11.464
Enel S.P.A.	IT Services	1.537.236	808.637
Enel S.P.A.	Expatriates	412.296	615.978
Enel S.P.A.	Difference instead	138.968	74.342
Sociedad Portuaria Central Cartagena S.A.	Dispon. Infrastructure	1.495.246	1.471.554
Fundación Enel	Donations	1.012.999	2.618.000
Enel Global Services	IT Services	334.373	1.940.152
Enel Global Services	Difference in Change	79.562	5.803
Enel Iberia	Expatriates	521.697	490.800
Enel Iberia	Difference in Change	6.714	-
GEB	Betania Fiber Optics	267.750	474.810
Enel Brasil	Expatriates	139.159	-
Enel Italia SRL	Difference instead	81.205	60.167
Enel Italia SRL	IT Services	-	324.096
Enel Italia SRL	Expatriates	-	67.650
Enel Produzione S.P.A.	Difference instead	51.966	201.151
Enel Produzione S.P.A.	Expatriates	27.333	43.497
Enel Generación Chile S.A.	Difference instead	41.576	134.191
Cesi SPA	Difference instead	-	45.922
Cesi SPA	Engineering Services	-	14.732
		$ 263.187.165	**$ 210.073.347**

Board of Directors and key management personnel

Board

The Company has a Board of Directors composed of seven (7) main members, each with a personal alternate, elected by the General Shareholders' Meeting through the electoral quotient system. As long as the company has the status of issuer of securities, 25% of the members of the Board of Directors will be independent under the terms of the law. The appointment of members of the Board of Directors will be made for periods of two (2) years, they can be re-elected indefinitely and without prejudice to the power of the Shareholders' Meeting to remove them freely at any time.

(In thousands of pesos)

The Board of Directors, effective December 31, 2021, was elected by the General Shareholders' Meeting in ordinary session held on March 24, 2021. In the Company a president is appointed, who is elected by the Board of Directors from among its members for a certain period, and may be re-elected indefinitely or freely removed before the expiration of the term. Likewise, the Board of Directors has a secretary, who may or may not be a member of the Board. The appointment of the president was approved by the Board of Directors in session on May 26, 2015. The appointment of the secretary was approved at the session of July 15, 2020.

In accordance with the provisions of Article 55 of the bylaws, it is the function of the General Shareholders' Meeting to set the remuneration of the members of the Board of Directors. The remuneration in force, as approved by the Shareholders' Meeting in ordinary session of March 24, 2021, is USD$1,000(*), after taxes, for attendance at each session of the Board of Directors.

(*) Figures in full dollars.

In accordance with the minutes of the 105th General Shareholders' Meeting held on March 24, 2021, the Board of Directors was approved in the terms set forth below:

Line	Main	Understudy
First	Andrés Caldas Rico	Diana Marcela Jiménez
Second	Lucio Rubio Díaz	Fernando Gutiérrez Medina
Third	José Antonio Vargas Lleras	Michelle Di Murro
Room	Luisa Fernanda Lafaurie	Oscar Sanchez Arévalo
Fifth	Juan Ricardo Ortega López	Jaime Alfonso Orjuela*
Sixth	Álvaro Villasante Losada	Mónica Leticia Contreras*
Seventh	Martha Veleño Quintero	Luis Javier Castro Lachner

* New appointments approved by the General Meeting of Shareholders in ordinary session held on March 24, 2021.

The composition of the Board of Directors is duly registered with the Chamber of Commerce of Bogotá.

Fees paid to the Board of Directors:

Third	As of December 31, 2021	As of December 31, 2020
Lafaurie Luisa Fernanda	$ 55.147	$ 50.430
Rubio Diaz Lucio	55.147	50.430
Vargas Lleras José Antonio	55.147	50.430
Villasante Losada Alvaro	55.147	50.430
Veleño Quintero Martha Yaneth	51.017	38.173
Ortega López Juan Ricardo	50.718	20.851
Caldas Rico Andrés	50.615	46.627
Jimenez Rodriguez Diana Marcela	4.533	3.810
Alfonso Orjuela Jaime	4.429	-
Castro Lachner Luis Javier	4.131	-
Moreno Restrepo Ernesto	-	17.322
Alvarez Hernández Gloria Astrid	-	12.257
Alarcón Mantilla Luis Fernando	-	8.454
Galarza Naranjo Rodrigo	-	3.803
Overall total	**$ 386.031**	**$ 353.017**

(In thousands of pesos)

Key personnel of the erencia

The following is the key management personnel:

Name	Charge	Period
Lucio Rubio Díaz	Director General Colombia	January – December
Marco Fragale	Gerente General Emgesa	January – February
Eugenio Calderón	Gerente General Emgesa	March – December
Michele Di Murro	Gerente Administrativo y Financiero	January – December

The remuneration accrued by key management personnel from January 1 to December 31, 2021 amounts to $4,027,783. These remunerations include short- and long-term salaries and benefits (annual bonus for meeting objectives and LTI bonus).

		As of December 31, 2021		As of December 31, 2020
Remunerations	$	2.208.149	$	2.347.934
Long-term benefits		1.179.036		1.223.991
Short-term benefits		640.598		599.882
	$	**4.027.783**	**$**	**4.171.807**

Incentive plans for key management personnel

The Company has for its executives an annual bonus for meeting objectives. This bonus corresponds to a certain number of gross monthly remunerations.

As of December 31, 2021, the Company does not have the benefit of share-based payments to key management personnel, nor has it provided a guarantee in favor of them.

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

9. Inventories, net

		As of December 31, 2021		As of December 31, 2020
Energy elements and accessories, net (1)	$	29.631.367	$	26.963.349
Coal (2)		27.436.359		34.217.151
Fuel Oil (3)		22.399.327		22.321.322
CO2 Carbon Credits (4)		14.690.586		18.698.015
Total Inventories	**$**	**94.157.639**	**$**	**102.199.837**

(1) The elements and accessories are composed:

		As of December 31, 2021		As of December 31, 2020
Spare parts and materials (a)	$	29.631.367	$	26.981.628
Provision of Materials (b)		-		(18.279)
Total energy elements and accessories, net	**$**	**29.631.367**	**$**	**26.963.349**

(a) (a) The spare parts and materials correspond to elements that will be used in the repairs and / or maintenance of the plants, in accordance with the maintenance plan defined by the Company.

(In thousands of pesos)

(b) (b)As of December 31, 2020, the total use of the provision was made and for the 2021 term, no obsolescence provision corresponding to materials from the plants is constituted, taking into account that within the inventories carried out no obsolete material was identified to cancel.

(2) Coal (Termozipa Power Plant): As of December 31, 2021, the Plant continued with low dispatch/consumption in the National Interconnected System (SIN), due to the fact that the hydrological contributions to the reservoirs of the system continued above historical averages. This was reflected in the fact that the prices in the Energy Exchange market remained around the variable cost of generation of coal-fired power plants. At the Termozipa Power Plant, the coal inventory decreased due to the cut in coal revenues so as not to exceed the maximum storage capacity.

(3) Fuel Oil (Central Cartagena): In 2021 the inventory of fuel oil remained unchanged, at the appropriate level for the available generation units, since the accumulated consumption was offset by the purchases made. In general, the dispatch of the Central was carried out to cover the security generation of the SIN and the inventory remained with little variation with respect to that of the end of 2020.

(4) As of December 31, 2021, CO2 carbon credits are recognized, whose fair value is $38,171,558, corresponding to 2,691,628 certificates issued in November 2020 for reduction of CO2 emissions of the years 2015 – 2018 for $ 18,755,788 and 1,396,818 certificates issued in March 2021 for reduction of CO2 emissions of the years 2019 and 2020 for $ 19,415,770 of the Quimbo plants, Guavio Menor, Dario Valencia Samper, Salto II and Tequendama, likewise to date the sale of 2,795,478 CO2 certificates has been made with an impact on the inventory for ($23,480,972).

The value of the inventories recognized as an expense during the period corresponds to the consumption for the generation of energy (See Note 22).

As of December 31, 2021, the Company does not submit pledged inventories as a guarantee of debt compliance.

10. Income tax assets and liabilities

Social Investment Law

On September 14, 2021, Law 2155 on Social Investment was approved, which modified the income tax rate from the taxable year 2022 defining the 35% rate, which falls on the taxable income obtained during each year.

	As of December 31, 2021	As of December 31, 2020
Year income advance	$ 2.420.336	$ -
Current tax assets	**$ 2.420.336**	**$ -**

The current tax asset to December 2021 arises from the payment of self-withholdings in favor, of the 2020 term that will be subject to a refund request before the tax entity in 2022, worth $2,420,336.

Income Tax (Liabilities)

	As of December 31, 2021	As of December 31, 2020
Current income tax (1)	$ 738.050.937	$ 604.111.657
Tax payable previous year (2)	733.589	5.386.562
Tax discounts and withholding tax	(15.549.543)	(13.371.968)
Self-retentions other concepts	(72.740.661)	(60.251.375)
Withholding self-retention at source	(114.641.610)	(94.891.685)
Year income advance	(259.202.691)	(199.738.863)
Current tax liabilities	**$ 276.650.021**	**$ 241.244.328**

(In thousands of pesos)

(1) As of December 31, 2021, the current income tax liability consists of:

		As of December 31, 2021		As of December 31, 2020
Taxes on profits relating to the result of the period	$	737.404.690	$	603.642.348
Taxes on profits relating to components of another comprehensive result		646.247		469.309
	$	**738.050.937**	**$**	**604.111.657**

(2) Composed of $224,369 for ZOMAC and $385,826 for other accounts payable to the tax entity.

As of December 2021, a current income liability of $ 738,050,937 is presented, which will be taken into account in the income presentation in 2022.

The firmness of the tax returns for the taxable years 2016, 2017, 2018, and 2020 are open for review by the tax authorities. However, in the opinion of management in the event that an audit process occurs with the tax authorities, no significant differences are expected.

The provision for income tax is calculated at the prevailing rate. For the taxable year 2021 the rate is 31%, by the causation method and is determined based on the commercial profit purified in accordance with current tax regulations.

The effective rate as of December 31, 2020 was 30.50% and as of December 31, 2021 it was 32.23%. The change in the effective rate was mainly caused by the judgment of second instance and correction of income statements that occurred in the 2020 term, by the update in the quantification of non-deductible expenses for contracts abroad in the 2021 term and impact of the rate differential for tax reform to 35% from 2022 onwards.

The main conciliatory items between profit before tax and taxable net income that explain the difference between the corporate rate of 31% corresponding to income tax, are the following:

Concept		As of December 31, 2021 Value	Rate %		As of December 31, 2020 Value	Rate %
Accounting profit before income tax	**$**	**2.526.637.451**		**$**	**1.980.796.907**	
Items that increase net income						
Deductible provisions and expenses		49.258.766	0,62		8.300.524	0,14
Contribution to financial transactions		-	-		5.139.353	0,09
Non-deductible expenses		(2.326.475)	(0,03)		82.282.903	1,37
Alleged interests		3.785	0,00		2.013	0,00
Total items that increase net income		**46.936.076**	**0,59**		**95.724.793**	**1,59**
Items that decrease net income						
Deductions for real productive fixed assets		(9.299.191)	(0,12)		(5.288.563)	(0,09)
Depreciation and tax depreciation		(183.464.862)	(2,32)		(183.499.900)	(3,06)
Total items that decrease liquid income		**(192.764.053)**	**(2,44)**		**(188.788.463)**	**(3,15)**
Taxable net income		**2.380.809.474**			**1.887.733.238**	
Tax rate		31%			32%	
Income tax		**738.050.937**	**0,29**		**604.074.636**	**0,30**
Occasional earnings		**-**			**370.209**	
Occasional income tax rate		10%			10%	
Occasional income tax		**-**			**37.021**	
Total income tax and complementary taxes		**738.050.937**			**604.111.657**	

(In thousands of pesos)

Patrimonial Conciliation

	As of December 31, 2021		As of December 31, 2020	
Accounting assets	$	5.101.867.323	$	5.155.436.685
Estimated liabilities		330.406.118		340.444.719
Deferred tax		312.246.296		217.924.275
Parafiscal contributions and pensions and other benefits used		41.484.859		41.875.458
Provision of debtors		13.268.330		1.842.754
Tax adjustment to investments		6.159.124		7.064.961
Tax adjustment to assets (*)		(1.273.369.707)		(1.092.393.397)
Tax adjustment to deferred		-		20.398.843
Current tax liabilities	**$**	**4.532.062.343**	**$**	**4.692.594.298**

(*) It corresponds to the difference in the net cost of these between the book and tax value, given that the tax depreciation is greater than the accounting one.

Transfer pricing

Income tax payers who enter into transactions with economic partners or related parties from abroad, are obliged to determine, for income tax purposes, their income

ordinary and extraordinary, their costs and deductions, their assets and liabilities, considering for these operations the prices and profit margins that would have been used in comparable operations with independent entities.

The formal duties of the year 2020 that are presented to the DIAN were duly transmitted on September 8, 2021.

The transactions carried out during 2021 have been validated by the tax advisors and the supporting and informative documentation for the year 2021 will be presented in 2022 in the terms established by the National Government.

Legal stability contract

The following describes the main aspects of the legal stability contract concluded between the Nation (Ministry of Mines and Energy) and the Company, perfected on December 20, 2010:

Purpose: The Company undertakes to build the hydroelectric plant "El Quimbo".

Investment Amount and Terms: The Company's investments related to the El Quimbo project committed were $1,922,578,000. In the first half of 2014, an increase in the budget of $583,184,000 was approved, which together with the financial expense incurred and projected to incur $450,712,000 for the financing of the project, represents a greater value of the investment. In accordance with the provisions of paragraph 2 of clause 2 of the legal stability contract, the highest value of the investment involved paying, in December 2014, the sum of $6,299,000, as an adjustment to the premium established in the legal stability contract. In March 2016, a second adjustment of $4,657,000 was paid, on the occasion of the increase in the amount of the investment. To date, the Ministry is being asked how to proceed with the settlement and payment of the premium, based on the last approval of an additional capex for the completion of the works of El Quimbo.

Key rules subject to Legal Stability (with favourability):

a. to. Income rate (33%), exclusion from the calculation of presumptive income and special deductions for investments in scientific development and investments in the environment, among others.

b. It allows to ensure the stability of the special deduction for investment in productive real fixed assets (30%), which was dismantled as of January 1, 2011.

Obligations of the Parties

(In thousands of pesos)

a. to. Obligations of the Company:

- Comply with the amount of the planned investment for the construction and commissioning of the El Quimbo hydroelectric project.

- Pay the legal stability premium for $ 9,617,000 (consigned on December 23, 2010) and adjust it in the event that increases in the amount of the investment are made, as was done according to previous explanation. In December 2014, the Company paid $6,299,000 in premium adjustment on the occasion of the largest approved investment. In March 2016, the Company paid $4,657,000 for a second premium adjustment for the increased investment made.

In 2017, a greater investment was made than that established in the contract, which is why the exact amount of increase in said investment is currently being established in order to proceed with the request for approval of reliquidation and payment of the premium before the Legal Stability Committee.

- Pay taxes in a timely manner.
- Hire an independent audit in charge of reviewing and certifying compliance with the commitments acquired in the contract, for this purpose the Company will hire a third party specialist for the review of commitments acquired.

b. Obligations of the Nation:

- Guarantee for 20 years the stability of the rules included in the contract (with favorability) for the El Quimbo project. The audit of the 2020 legal stability contract was filed with the Ministry of Mines and Energy within of the deadline established for this, 31 March 2021. As of December 31, 2020, an additional amount for Capex was recalculated, therefore, in the month of January 2021 an additional amount of premium of $1,204,102 was paid.

11. Investments in subsidiaries

Article 2.1.2. of part 1 of book 2 of Decree 2420 of 2015 added by Decree 2496 of 2015, establishes the application of Article 35 of Law 222, which indicates that shares in subsidiaries must be recognized in the financial statements separated by the method of participation, under this guideline the Company applied the method of participation from 2016; in January 2017, the amendment to IAS 28 came into force, allowing investments to be recognized by the method of participation in the separate financial statements, eliminating the exception to IFRS that existed in the local framework compared to the standards issued by the IASB.

The details of the recognized investments are the following:

Participatory Titles in Shares	Economic activity	Relation	Common Shares	% Participation	As of December 31 Feb 2021	As of December 31 Feb 2020
Sociedad Portuaria Central Cartagena S.A.	Servicios Portuarios	Subsidiaria	851.757	94,94%	$ 9.439.165	$ 8.555.631
					$ 9.439.165	**$ 8.555.631**

The Company registered a decrease in investment, as a result of the update of the equity participation method in Sociedad Portuaria Central Cartagena for $883,534 during 2021. The result of the operations of Sociedad Portuaria Central Cartagena as of December 2021 was $127,122.

As of December 31, 2021, the financial information of the subsidiary is as follows:

Assets	$ 9.734.776
Total Assets	**$ 9.734.776**
Liabilities	$ 264.364
Heritage	9.470.412
Total Liabilities + Equity	**$ 9.734.776**

(In thousands of pesos)

Revenue	$	1.710.308
Costs and Expenses		(1.527.312)
Financial Result		2.211
Corporate and deferred taxes		(58.085)
Utility of the period	**$**	**127.122**

12. Intangible assets other than capital gain, net

		As of December 31, 2021		As of December 31, 2020
Rights (1)	$	39.986.109	$	42.875.958
Development costs		1.406.386		1.495.917
Licences		3.573.489		3.121.800
Software (2)		38.328.644		25.799.348
Other identifiable intangible assets (3)		96.104.663		29.754.857
Constructions and progress of works		96.104.663		29.672.371
Other intangible resources		-		82.486
Intangible assets, net	**$**	**179.399.291**	**$**	**103.047.880**
Cost				
Rights (1)	$	87.751.243	$	87.751.243
Development costs		5.335.542		5.335.542
Licences		22.895.740		20.965.096
Software (2)		92.905.910		65.281.842
Other identifiable intangible assets (3)		99.974.077		33.541.785
Constructions and progress of works		96.104.663		29.672.371
Other intangible resources		3.869.414		3.869.414
Intangible assets, gross	**$**	**308.862.512**	**$**	**212.875.508**
Amortization				
Rights (1)	$	(47.765.135)	$	(44.875.285)
		(3.929.156)		(3.839.625)
Development costs		(19.322.251)		(17.843.296)
Licences		(54.577.266)		(39.482.494)
Software (2)		(3.869.414)		(3.786.928)
Other identifiable intangible assets (3)	**$**	**(129.463.222)**	**$**	**(109.827.628)**
Cumulative depreciation of intangible assets				

(1) Within the rights are presented as intangible the expenditures to obtain the usufruct of the largest flow of useful water, from the Chingaza and Río Blanco projects for the production of the Pagua Power Plant, the amortization is recognized by the straight line method in a period of 50 years.

The amortization as of December 31, 2021 and 2020 corresponds to $2,889,849 and $2,889,851, respectively.

Likewise, in this category the legal stability premium of El Quimbo is classified, this premium has a useful life of 20 years according to the validity of the tax benefits.

(2) The variation in 2021 corresponds mainly to:

(a) Software additions associated with projects: Integrated service systems to ensure the efficiency and effectiveness of all activities and projects related to SAP ERP platforms $4,243,778; global ctivos energéticos $3,411,406; Cyber security (security in operation of the plants) $3,116,534; Local System Colombia (development of new solutions) $2,999,706; nuevos developments that support process of margen variable, CRM and margin of contribution $2,580,934; nuevo customer portal and portal WEB $2,136,628; Mape (development for conversion and analysis of variables) $1,791,792;

(In thousands of pesos)

DWT (central stop management portal) $1,461,573; people global travel $1,416,456; proyecto rolling- predictive $1,012,886; plan information, measurement, robotics and drones and digital report (improvement in data quality) $901,994; newcross-technology developments $737,444; global orperational (Global homogenization of processes) $577,108; VELIQ (system for market billing validations) $516,645; evolutivos energy management $370.516; desarrollos legal management $328.646.

(b) Amortization as of December 31, 2021 for $15,094,772.

The composition and movements of the intangible asset are as follows:

					Other Identifiable Intangible Assets		
	Development Costs	Rights	Licences	Software	Constructions and progress of works	Other intangible resources	Intangible Assets
Opening Balance 31/Dec/20	**$ 1.596.805**	**$ 44.561.706**	**$ 4.330.182**	**$ 36.454.551**	**$ 19.427.334**	**$ 164.969**	**$ 106.535.547**
Movements in intangible assets 2020							
Additions (*)	-	-	-	-	17.275.673	-	17.275.673
Transfers	-	1.204.103	135.984	5.690.550	(7.030.637)	-	-
Amortization	(100.888)	(2.889.851)	(1.344.366)	(16.345.752)	-	(82.483)	(20.763.340)
Total movements in identifiable intangible assets	**(100.888)**	**(1.685.748)**	**(1.208.382)**	**(10.655.202)**	**10.245.037**	**(82.483)**	**(3.487.667)**
Final Balance 31/Dec/20	**$ 1.495.917**	**$ 42.875.958**	**$ 3.121.800**	**$ 25.799.349**	**$ 29.672.370**	**$ 82.486**	**$ 103.047.880**
Movements in intangible assets 2021							
Additions (*)	-	-	-	370.515	95.616.489	-	95.987.004
Transfers	-	-	1.930.644	27.253.552	(29.184.196)	-	-
Amortization	(89.531)	(2.889.849)	(1.478.955)	(15.094.772)	-	(82.486)	(19.635.593)
Total movements in identifiable intangible assets	**(89.531)**	**(2.889.849)**	**451.689**	**12.529.295**	**66.432.293**	**(82.486)**	**76.351.411**
Final Balance 31/Dec/2021	**$ 1.406.386**	**$ 39.986.109**	**$ 3.573.489**	**$ 38.328.644**	**$ 96.104.663**	**$ -**	**$ 179.399.291**

At the end of December 2021, additions were registered corresponding to:

Main projects	**From 1 January to 31 December 2021**
Car Water Use Rights Compensation Plan	$ 76.060.047
Other corporate and commercial software for ICT, renewable and trading projects	3.422.055
Local System Colombia (development of new solutions)	2.971.346
New developments that support Variable Margin process, CRM	2.794.993
Saman Project (Fusion Colombia)	2.438.177
Centralized service systems to ensure the efficiency and effectiveness of all projects related to SAP ERP platforms	2.246.911
Cyber security (security in operation of the power plants)	1.685.777
Global Energy Assets	1.582.257
Map and Plant Data (development for conversion and analysis of variables)	1.217.053
New Web Portal	830.944
New cross-technology developments	737.444
	$ 95.987.004

(3) The variation corresponds mainly to the environmental obligations imposed by the CAR through an Administrative Act that contemplates the implementation of the compensation plan for the right to use water of the Bogotá River chain, which implies developing actions contemplated in the following programs defined by said entity:

- Restoration, recovery and management of wetlands
- Reforestation
- Conservation of areas of water importance
- Water supply
- Rehabilitation of the Bogotá River round
- Engineering

(In thousands of pesos)

As of December 31, 2021, the Company does not present intangible assets whose ownership has any restrictions or debt guarantee endorsement.

As of December 31, 2021, there are no acquisition commitments in intangible assets through an official subsidy.

As of December 31, 2021 and in accordance with the provisions of the accounting policy, the useful lives of intangible assets were evaluated, which do not present changes, as well as no signs of impairment were identified.

	Average years of estimated service life	
Concept	**2021**	**2020**
Rights *	22	23
Development Costs	-	1
Licences	5	4
Software	3	3
Other identifiable assets	-	1

13. Properties, plant and equipment, net

	As of December 31, 2021	As of December 31, 2020
Plants and equipment	$ 7.592.311.889	$ 7.587.205.160
Hydroelectric generation plants	6.831.623.604	6.872.796.819
Thermoelectric generation plants	760.688.285	714.408.341
Construction in progress (1)	121.409.999	199.527.543
Land	285.511.224	268.935.086
Buildings	51.848.693	50.792.808
Fixed and other installations	13.399.049	14.652.236
Fixed installations and accessories	5.869.945	6.994.672
Other facilities	7.529.104	7.657.564
Financial leases	73.363.849	7.309.997
Fixed and other installations	-	208.668
Assets by use IFRS 16	73.363.849	7.101.329
Buildings	71.115.493	935.088
Fixed and other installations (Means of transport)	2.248.356	6.166.241
Properties, plants and equipment, net	**$ 8.137.844.703**	**$ 8.128.422.830**
Cost		
Plants and equipment	$ 11.424.816.793	$ 11.217.694.725
Hydroelectric generation plants	10.165.029.665	10.061.067.886
Thermoelectric generation plants	1.259.787.128	1.156.626.839
Construction in progress	121.409.999	199.527.543
Land	285.511.224	268.935.086
Buildings	99.210.369	96.646.751
Fixed and other installations	78.570.229	79.246.631
Fixed installations and accessories	30.310.212	32.967.329
Other facilities	48.260.017	46.279.302
Financial leases	90.771.320	20.292.827
Fixed and other installations	839.602	2.381.818
Assets by use IFRS 16	89.931.718	17.911.009
Buildings	75.961.081	4.215.077
Fixed and other installations (Means of transport)	13.970.637	13.695.932
Properties, plants and equipment, gross	**$ 12.100.289.934**	**$ 11.882.343.563**
Depreciation		
Plants and equipment (*)	$ (3.832.504.904)	$ (3.630.489.565)
Hydroelectric generation plants	(3.333.406.061)	(3.188.271.067)
Thermoelectric generation plants	(499.098.843)	(442.218.498)
Fixed and other installations	(65.171.180)	(64.594.395)
Fixed installations and accessories	(24.440.267)	(25.972.657)
Other facilities	(40.730.913)	(38.621.738)
Buildings	(47.361.676)	(45.853.943)

(In thousands of pesos)

	As of December 31, 2021	As of December 31, 2020
Financial leases	(17.407.471)	(12.982.830)
Fixed and other installations	(839.602)	(2.173.150)
Assets by use IFRS 16	(16.567.869)	(10.809.680)
Buildings	(4.845.588)	(3.279.989)
Fixed and other installations (Means of transport)	(11.722.281)	(7.529.691)
Accumulated depreciation	**$ (3.962.445.231)**	**$ (3.753.920.733)**

(*) The depreciation of flooded land is contemplated within the depreciation of plants and equipment.

(1) It corresponds to the investments made by the Company as of December 31, 2021, in the different plants. The main assets under construction correspond to improvements, replacements and modernizations in thermal and hydroelectric power plants; the main projects underway in 2021 are: Life extension project, OCM and Beep Others of Termozipa; Turbine system and Rotor Central Cartagena; environmental provisions for the Bogotá River (Muña); automation and remote control system Guaca, Paraíso and Pagua; recovery of civil structures and additional works Quimbo plant; recovery of stator unit 5 Guavio.

Central	As of December 31, 2021	As of December 31, 2020
CC-Termozipa	$ 32.030.506	$ 83.474.871
CF-Cartagena	29.397.691	12.034.454
CH-Muña	22.731.408	23.497.719
CH-Pagua (Guaca –Paraíso)	10.973.366	9.655.964
Otras Inversiones	9.294.576	3.719.905
CH-Quimbo	5.999.272	49.751.450
CH-Guavio	4.045.151	17.334.983
CH-Tequendama	3.721.168	-
CH-Centrales menores Rio Bogotá	3.063.883	58.197
CH-Betania	152.978	-
Total Constructions in Progress	**$ 121.409.999**	**$ 199.527.543**

CH- CC Hydroelectric Power Plant- CF Coal Power Plant-Fuel Oil Power Plant

The composition and movements of the property, plant and equipment category is:

				Plants and Equipment		Fixed Installations and Accessories			
Movement in property, plant and equipment as of December 31, 2021	Construction in Progress	Land	Buildings	Hydroelectric Generation Plants	Thermoelectric Generation Plants	Fixed Installations and Accessories	Other Facilities	Financial Leases	Properties, Plant and Equipment
Opening balance 31/Dec/2019	**$ 285.060.839**	**$ 268.948.319**	**$ 50.586.126**	**$ 6.906.067.769**	**$ 593.579.462**	**$ 6.820.626**	**$ 7.947.662**	**$ 11.910.825**	**$ 8.130.921.628**
Movement in property, plant and equipment 2020									
Additions	218.998.948	-	-	-	-	-	-	-	218.998.948
Transfers	(305.172.169)	-	1.964.803	128.683.631	171.102.515	1.198.299	2.222.921	-	-
Retreats	-	(13.233)	-	(355.004)	(792.708)	(48.277)		(375.073)	(1.584.295)
Depreciation expense	-	-	(1.758.121)	(162.629.499)	(49.480.928)	(975.976)	(2.513.019)	(6.623.152)	(223.980.695)
Other increments (decreases)	639.925	-	-	1.029.922	-	-	-	2.397.397	4.067.244
Total movements	(85.533.296)	(13.233)	206.682	(33.270.950)	120.828.879	174.046	(290.098)	(4.600.828)	(2.498.798)
Final balance 31/Dec/20	**$ 199.527.543**	**$ 268.935.086**	**$ 50.792.808**	**$ 6.872.796.819**	**$ 714.408.341**	**$ 6.994.672**	**$ 7.657.564**	**$ 7.309.997**	**$ 8.128.422.830**
Movement in property, plant and equipment 2021									
Additions (a)	174.059.936	-	-	-	-	-	-	-	174.059.936
Transfers(b)	(250.525.675)	16.590.538	3.385.465	123.874.075	104.180.421	-	2.495.176	-	-
Withdrawals (c)	-	(14.400)	(226.899)	(824.719)	(568.607)	(153.898)	(58.004)	(73.684)	(1.920.211)
Depreciation expense	-	-	(2.102.681)	(157.942.913)	(57.331.870)	(970.829)	(2.565.632)	(5.893.173)	(226.807.098)
Other increments (decreases) (d)	(1.651.805)	-	-	(6.279.658)	-	-	-	72.020.709	64.089.246
Total movements	(78.117.544)	16.576.138	1.055.885	(41.173.215)	46.279.944	(1.124.727)	(128.460)	66.053.852	9.421.873
Final balance 31/Dec/2021	**$ 121.409.999**	**$ 285.511.224**	**$ 51.848.693**	**$ 6.831.623.604**	**$ 760.688.285**	**$ 5.869.945**	**$ 7.529.104**	**$ 73.363.849**	**$ 8.137.844.703**

(In thousands of pesos)

(a) As of December 31, the additions to property, plant and equipment correspond to the investments made in the adaptation, modernization, expansion, improvements in efficiency and quality of service level, in the different plants, then the most important of the period:

Central	Main projects	From 1 January to 31 December 2021
CC-Termozipa	Acquisition of electromechanical equipment, Life Extension Projects, CMO and environmental improvement BEEP	$ 46.453.466
CH-Guavio	Works Chivor Tunnel -Batatas, voltage regulator; esator system; recovery of impellers, ducts, transformers and turbine from the plant	25.830.361
CF-Cartagena	U3 Chimney System and recovery central boilers units 2 and 3, major maintenance turbine and rotor	24.784.442
CH-Quimbo	Recovery of civil structures and facilities. Necessary works were carried out to improve the performance of the civil works of the reservoir, works associated with perimeter roads, as well as to attend to additional works and commitments derived from environmental obligations generated during the construction of the plant.	19.167.540
CH-Tequendama	Recovery of intakes, impellers and turbines; Modernization of the excitation system	13.177.000
CH-Centrales menores	Modernization of Patio equipment, Bocatoma discharge structure and central turbine system, auxiliary systems, battery chargers and Dario valencia cooling system	12.473.627
CH- Paraiso	Central automation and remote control; modernization of central battery chargers Paradise; Guaca and Paraíso turbine systems; stabilization slope Paradise.	10.764.621
Edificio corporativo Q93	Advance and civil works of the Q93 building, according to turnkey contract	8.435.630
Otras inversions	Civil works and furniture hydroelectric and thermal power plants	4.880.794
CH-Guaca	Automation and remote control; turbine system	4.664.513
CH-Muña	Rotor coil change; recovery bocatomas; recovery of civil structures; Update VPN environmental provisions by tax effect according to IFRIC 1.	2.086.886
CH-Laguneta	Central auxiliary services; turbine system recovery	1.341.056
Total Variation		**$ 174.059.936**

CH- CF Hydroelectric Power Plant- Fuel Oil CC Power Plant - Coal Power Plant

(b) As of December 31, 2021, the transfers of assets from course to operation were made in the following plants and correspond to improvements in equipment, major maintenance and modernizations to improve performance, reliability and efficiency in the plants:

From January 1 to December 31, 2021

Central		Total activation
CC-Termozipa	$	97.970.272
CH-Quimbo		59.895.976
CH-Guavio		38.850.488
CH- Guaca y Paraíso		16.373.789
CH-Tequendama		10.227.611
CF-Cartagena		8.212.693
CH-Centrales menores (Rio Bogotá)		8.108.691
CH-Betania		5.389.054
CH-Muña		3.306.128
Otras inversiones		2.190.973
Total		**$ 250.525.675**

(c) As of December 31, 2021, there are cancellations of $1,920,211 corresponding to: Hydroelectric plants $824,719; thermoelectric plants $568,607; buildings $226,899; machinery and equipment $153,897; vehicles renting $73,685; furniture and civil works $58,004 and hydraulic power plants $14,400.

(d) As of December 31, 2021, the other increases/decreases correspond to: Financial leases in accordance with IFRS 16 as follows: Buildings $71,746,004 (includes Corporate Building and Barranquilla office renovation) and vehicles for $274,705; UPDATE VPN dismantling and environmental provisions Quimbo central and Muña central by rate effect, according to IFRIC 1 $6,279,658 and $1,651,805 respectively.

(In thousands of pesos)

(e) As of December 31 , 2021 , the Company presents property, plant and equipment whose ownership is restricted as follows: i) Guavio and Rio Bogotá for $713,610 and ii) Quimbo for $25,581,482.

(f) As of December 31, 2021 , the Company presents in operation the units available for generation, in hydraulic and thermal power plants.

(g) As of December 31, 2021 and in accordance with the provisions of the accounting policy, the useful lives of the property, plant and equipment were evaluated and do not present changes, as well as no signs of deterioration were identified.

The remaining average useful lives used for amortization are:

	Average years of life useful of estimated years	
Property, plant and equipment classes	**2021**	**2020**
Plants and equipment		
Civil works plants and equipment	54	55
Electromechanical equipment hydroelectric power plants	30	30
Central electromechanical equipment Thermoelectric	19	18
Buildings	54	56
Fixed installations, accessories and others	11	10
Assets for IFRS 16 use		
Buildings	62	1
Vehicles	2	2

Leasing

They correspond mainly to the financial leasing agreements of vehicles established mainly with Transportes Especializados FSG and ADL Automotive intended to support the operation of the Company and managerial vehicles; and the Q93 corporate building for the Company's offices in leasing with Bancolombia and the office in Barranquilla with Real Estate Management.

The terms of the contracts on average range between 16 and 120 months, a period in which the recognized assets are amortized.

Regarding the fleet of vehicles, it is contracted mainly with ADL Automotive in 77.0%, Transportes Especiales FSG in 12.26%, Compañía Naviera del Guavio Ltda. in 9.15%, Neanderthal with 1.25% and Avis Mareauto in 0.33%, which will be completed to amortize in a maximum period of 48 installments.

On the other hand, the balance of buildings in 99.92% belongs to the contract with Bancolombia corresponding to the Q93 Corporate Building; 0.07% with Gestión Inmobiliaria MIC S.A. S and others with 0.02% which will be completed to amortize in a maximum period of 120 installments.

Use rights assets were measured at the initial recognition for an amount equal to the lease liability, which corresponds to the present value of lease payments that were not paid on the date of adoption discounted using the interest rate implied in the lease, or the incremental interest rate on the lease start date.

The present value of future payments arising from such contracts are as follows:

Minimum lease payments, financial lease obligations	As of December 31, 2021			As of December 31, 2020		
	Brute	**Interest**	**Present value**	**Brute**	**Interest**	**Present value**
Less than one year	$ 12.508.056	$ 3.358.867	$ 9.149.189	$ 6.120.195	$ 364.387	$ 5.755.808
After one year but under five years	33.117.857	10.995.328	22.122.529	1.953.638	115.677	1.837.961
After five years under ten years old	53.197.045	8.369.107	44.827.938	-	-	-
Total	**$ 98.822.958**	**$ 22.723.302**	**$ 76.099.656**	**$ 8.073.833**	**$ 480.064**	**$ 7.593.769**

(In thousands of pesos)

Next, the movement of assets by use corresponding to 2021:

	Buildings	Fixed and other installations (Means of transport)	Fixed and other installations	TOTAL
Opening balance as of January 2021	$ 935.088	$ 6.166.241	$ 208.668	$ 7.309.997
Additions	71.657.310	281.227	-	71.938.537
Other	88.694	(6.522)	-	82.172
Depreciation and withdrawals	(1.565.599)	(4.192.590)	(208.668)	(5.966.857)
Total movements year 2021	**70.180.405**	**(3.917.885)**	**(208.668)**	**66.053.852**
Balance as of December 31, 2021	**$ 71.115.493**	**$ 2.248.356**	**$ -**	**$ 73.363.849**

Next, the movement of assets by rights of use corresponding to 2020:

	Buildings	Fixed and other installations (Means of transport)	Fixed and other installations	TOTAL
Opening balance as of January 2020	$ 4.841.529	$ 5.949.433	$ 1.119.863	$ 11.910.825
Additions	-	4.489.670	-	4.489.670
Other	(2.092.273)	-	-	(2.092.273)
Depreciation and withdrawals	(1.814.168)	(4.272.862)	(911.195)	(6.998.225)
Total movements year 2020	**(3.906.441)**	**216.808**	**(911.195)**	**(4.600.828)**
Balance as of December 31, 2020	**$ 935.088**	**$ 6.166.241**	**$ 208.668**	**$ 7.309.997**

The income statement as of December 31, 2021 and 2020, includes $109,333 and $211,811, respectively, corresponding to the payment of the following contracts:

Administrative headquarters	Start date	End date	Purchase option
Cali Office	Apr-19	Mar-22	No

These contracts are adjusted annually by the Consumer Price Index (CPI).

As of December 31, 2021, future payments derived from such contracts are as follows:

Minimum future lease payments non-cancellable, tenants	As of December 31, 2021	As of December 31, 2020
Not later than one year (*)	$ 10.943	$ 103.740
After one year but under five years (*)	-	11.086
	$ 10.943	**$ 114.826**

(*) Values do not include VAT

Leasing

(1) The Leasing increase corresponds mainly to the acquisition of the Q93 Corporate Building worth $101,500,000, contract No. 266574 signed with Bancolombia on May 24, 2021, with a purchase option of 30% and a useful life of the property of 63 years.

The lease with Bancolombia lease is 10 years.

The assets by right of use recognized as of December 31, 2021 correspond to floors 2, 3, 4, 5, 6 and parking lots received in August, September and November respectively, as follows:

a) Detail of the asset by leasing:

CONCEPT		VALUE
Recognition floor 6	$	**13.142.201**
Recognition floor 5		14.377.332
Recognition floors 2,3,4 and parking		44.137.777
Total, active		**71.657.310**
Accumulated depreciation		(265.280)
Total Assets	**$**	**71.392.030**

Insurance policies

The following are the policies for the protection of the Company's assets:

Well insured	Risks covered	Insured value (Figures expressed in thousands)	Expiration	Insurance company
Company Assets	Non-contractual liability (USD 233 million in excess of EUR 200 million)	USD 232.940	01/11/2022	Mapfre Seguros Colombia
	Non-contractual liability (usd $250 million layer in excess of USD$20 million	USD 250.000	01/11/2022	Mapfre Seguros Colombia
	Non-contractual civil liability	USD 20.000	01/11/2022	Axa Colpatria
	Environmental liability	$88.039.678	01/11/2022	SBS
Civil works, equipment, contents, warehouses and loss of profits	All risk material damage, earthquake, tsunami, HMACC – AMIT, Lost Profits and machinery breakage.	USD 1,164,700 (Indemnity Limit)	1/11/2022	Mapfre Seguros Colombia
Vehicles	Tort Liability	$3,000,000 per vehicle	03/02/2022	Mapfre Seguros Colombia
Goods and goods	Freight transport	$5,000,000 per dispatch	31/07/2022	HDI Seguros S.A.

(*) The Company's policy contracts are signed in dollars and pesos.

14. Financial liabilities

	As of December 31, 2021			As of December 31, 2020		
	Stream			Stream		
	Capital	Interests	No Current	Capital	Interests	No Current
Bonds issued (1)	$ 599.926.308	$ 13.468.287	$ 1.257.095.184	$ 826.340.000	$ 72.763.407	$ 1.856.720.301
Leasing obligations (2)	18.035.751	16.759	64.722.082	5.918.438	48.180	1.762.822
Derivative instruments (3)	41.864	-	-	1.712.125	-	29.344
Line of Credit	53.452	-	-	168.249	-	-
Bank Loans (4)	-	1.452.900	450.000.000	-	-	-
	$ 618.057.375	**$ 14.937.946**	**$ 1.771.817.266**	**$ 834.138.812**	**$ 72.811.587**	**$ 1.858.512.467**

(1) The variation of bonds as of December 2021 corresponds to the payment of the International Bond for ($736,760,000), payment of National Bond B12-09 for ($89,580,000),, interest ($59,295,120) and the amortization of transaction costs of non-current debt for $301,191. In turn, the long-term short-term reclassification for $600,000,000 is included in the variation with zero effect.

(In thousands of pesos)

In financial debt, the Company has six (6) bond issues in force in the local market, under the Company's bond issuance and placement program.

Below are the main financial characteristics of bonds issued since 2005 and in force as of December 31, 2021:

Program for the issuance and placement of the Company's ordinary bonds in the local market

The Company has a program of issuance and placement of bonds and commercial papers that allows it to carry out successive issuances of said securities under the global quota that is authorized and available, and during the period of validity of the same. As of December 31, 2018, the Company had offered and placed eight (8) bond issues (also referred to as "Tranches" in accordance with the terminology set forth in the program prospectus) under the program, which were in effect as of the aforementioned date, with the exception of the first tranche for $170,000,000 that expired on February 20, 2017. All bond issues made under the Company's Program are rated AAA (Triple A) by Fitch Ratings Colombia S.C.V., and are dematerialized under the management of Deceval S.A., in 2021 no bond issuance was presented.

The general financial conditions of the Company's bond issuance and placement program in the local market are described below:

Title Class	Ordinary Bonds
Initial approval of the Financial Superintendence	Resolution No. 1235 of 18 July 2006
Global Quota Initially Approved	$700,000,000
Approval of the extension of the quota and extension of the placement period:	Resolution No. 0833 of June 16, 2009
First Increase to the Authorized Global Quota:	An additional $1,200,000,000
First extension of the placement period	Until June 26, 2012
Approval extension of the placement period:	Resolution No. 1004 of June 29, 2012
Second extension of the placement period	Until July 18, 2015
Second increase to the Authorized Global Quota:	An additional $850,000,000
Approval increase of the placement quota:	Resolution No. 1980 of November 6, 2014
Third increase to the Authorized Global Quota:	In an additional $315,000,000
Approval of the extension of the quota and extension of the placement period:	Resolution No. 1235 of September 8, 2015.
Fourth increase to the Authorized Global Quota:	An additional $650,000,000
Third extension to the placement period:	Until September 14, 2018
Inclusion of commercial papers in the program:	Resolution No. 0173 of February 13, 2018
Approval of the extension of the quota and extension of the placement period:	Resolution No. 1193 of September 13, 2018
Fifth increase to the Authorized Global Quota:	An additional $685,000,000
Fourth extension to the placement period:	Until October 1, 2021
Total Authorized Global Quota as of Dec 31, 2019:	$4,400,000,000
Amount issued under the Program as of Dec 31, 2019	$3,315,000,000
Global quota available as of December 31, 2019:	$1,085,000,000
Administration	Deceval S.A.

The Company has issued 8 tranches of bonds under the aforementioned program, as follows:

First Section:

Total value placed	$170,000,000
Balance in effect as of December 31, 2020	Sub-series B10: $0
Face value per bond	$10,000
Issuance deadline	10 years
Date of issue:	20 February 2007
Expiration date:	February 20, 2017
Coupon Rate	CPI + 5.15% E.A.

(In thousands of pesos)

On February 20, 2017, the maturity payment of the B10 Sub-series bonds was made for $170,000,000.

Second Section:

Total value placed	$265,000,000 like this: Sub-series A5: $49,440,000 Sub series B10:$160,060,000 Sub series B15:$55.500.000
Balance in effect as of December 31, 2021	$55,500,000
Face value per bond	$10,000
Issuance deadline	Sub-series A5: 5 years Sub-series B10: 10 years Sub-series B15: 15 years
Date of issue:	February 11, 2009, for all sub-series
Expiration date:	Sub-series A5: 11 February 2014 Sub-series B10: February 11, 2019 Sub-series B15: February 11, 2024
Coupon Rate	Sub-series A5: DTF T.A. + 1.47% Sub-series B10: CPI + 5.78% E.A. Sub-series B15: CPI + 6.09% E.A.

On February 11, 2014, the maturity payment of the Sub-series A5 bonds was made for $49,440,000.

On February 11, 2019, the maturity payment of the B10 Sub-series bonds was made for $160,060,000.

Third Section:

Total value placed	$400,000,000 like this: Sub-series E5:$92,220,000 Sub-series B9:$218,200,000 Sub-series B12: $89,580,000
Balance in effect as of December 31, 2021	$0
Face value per bond	$10,000
Issuance deadline	Sub-series E5: 5 years Sub-series B9: 9 years Sub-series B12: 12 years
Issue Date	July 2, 2009 for all sub-series
Expiration date	E5 Sub-series: July 2, 2014 Sub-series B9: July 2, 2018 Sub-series B12: 2 July 2021
Coupon rate	Sub-series E5: Fixed Rate 9.27% E.A. Sub-series B9: CPI + 5.90% E.A. Sub-series B12: CPI + 6.10% E.A.

On July 2, 2014, the maturity payment of the E5 Sub-series bonds was made for $92,220,000.

On July 2, 2018, the maturity payment of the Sub-series B9 bonds was made for $218,200,000.

On July 2, 2021, the maturity payment of the B12 Sub-series bonds was made for $89,580,000.

Fourth Section:

Total value placed	$500,000,000 like this: Sub-series B10: $300,000,000 Sub-series B15: $200,000,000
Transaction costs as of Dec. 31, 2021	$157,996
Balance in effect as of December 31, 2021	$449,842,004
Face value per bond	$10,000
Issuance deadline	Sub-series B10: 10 years

(In thousands of pesos)

	Sub-series B15: 15 years
Date of issue	December 13, 2012
Expiration date	Sub-series B10: December 13, 2022
	Sub-series B15: December 13, 2027
Coupon Rate	Sub-series B10: CPI + 3.52% E.A.
	Sub-series B15: CPI + 3.64% E.A.

Fifth Tranche:

Total value placed	$565,000,000, like this:
	Sub-series B6: $201,970,000
	Sub-series B12: $363,030,000
Transaction costs as of Dec. 31, 2021	$140,286
Balance in effect as of December 31, 2021	$362,889,714
Face value per bond	$10,000
Issuance deadline	Sub-series B6: 6 years
	Sub-series B12: 12 years
Date of issue	September 11, 2013
Expiration date	Sub-series B6: September 11, 2019
	Sub-series B12: September 11, 2025
Coupon rate	Sub-series B6: CPI + 4.25% E.A.
	Sub-series B12: CPI + 5.00% E.A.

On April 24, 2020, the extraordinary payment of the sub-series B6 bonds was made for $51,050,000, and on May 16, 2020, a maturity payment was made for the sub-series B6-14 bonds of $188,520,000.

Sixth Section:

Total value placed	$590,000,000 like this:
	Sub-series B6:$241,070,000
	Sub-series B10: $186,430,000
	Sub-series B16: $162,500,000
Transaction costs as of Dec. 31, 2021	$185,780
Balance in effect as of December 31, 2021	$348,774,220
Face value per bond	$10,000
Issuance deadline	Sub-series B6: 6 years
	Sub-series B10: 10 years
	Sub-series B16: 16 years
Date of issue	May 16, 2014
Expiration date	Sub-series B6: May 16, 2020
	Sub-series B10: May 16, 2024
	Sub-series B16: 16 May 2030
Coupon rate	Sub-series B6: CPI + 3.42% E.A.
	Sub-series B10: CPI + 3.83% E.A.
	Sub-series B16: CPI + 4.15% E.A.

On September 11, 2019, the maturity payment of the Sub-series B6 bonds was made for $201,970,000.

Seventh Section:

Total value placed	$525,000,000, like this:	
	Sub-serie B3:	$234.870.000
	Sub-serie B7:	$290.130.000
Transaction costs as of Dec. 31, 2021	$57.395	
Balance in effect as of December 31, 2021	$290.072.605	
Face value per bond	$10.000	
Issuance deadline	Sub-series B3: 3 years	

(In thousands of pesos)

	Sub-series B7: 7 years
Date of issue	February 11, 2016
Expiration date	Sub-series B3: February 11, 2019
	Sub-series B7: February 11, 2023
Coupon rate	Sub-series B3: CPI + 3.49% E.A.
	Sub-series B7: CPI + 4.69% E.A.

On February 11, 2019, the maturity payment of the Sub-series B3 bonds was made for $234,870,000.

Eighth Leg (*):

Total value placed	$300,000,000 like this:	
	Sub-serie E6:	$300.000.000
Transaction costs as of Dec. 31, 2021	$27.051	
Balance in effect as of December 31, 2021	$299.972.949	
Face value per bond	$10.000	
Issuance deadline	Sub-series E6: 6 years	
Date of issue	September 27, 2016	
Expiration date	E6 Sub-Series: September 27, 2022	
Coupon rate	Sub-series E6: 7.59% E.A.	

International global bonds in pesos

On January 20, 2011, the Company placed its first bond issue on the international capital market for $736,760,000, for a term of 10 years. Bonds issued by the Company, denominated in pesos and payable in dollars.

According to the Offering Memorandum, the Company paid the interest in 2019, at a final rate of 8.71%.

The operation is part of the financial structure of the El Quimbo hydroelectric project and allowed to obtain the pre-financing resources of the project needs for 2011 and part of 2012 and to refinance other financial obligations.

Record format	144 A/ Reg S
Total value of the issue in pesos	$736,760,000
Transaction costs as of Dec. 31, 2021	$0
Balance in effect as of December 31, 2021	$0
Use of funds	Financing of new projects such as El Quimbo and refinancing of other financial obligations, in addition to other general uses of the Company.
Face value	$5,000 each bonus
Term	10 years, with amortization at maturity.
Periodicity of interests	Annual
Counting of days	365/365
Issuance Administrator, Payment Agent, Calculation and Transfer Agent	The Bank of New York Mellon
Yield	8.75% E.A.
International Qualification	BBB (stable) by Fitch Ratings and Standard & Poor's

On January 25, 2021, the payment for maturity of the foreign bonds 144 A / Reg S for $ 736,760,000 was made.

(In thousands of pesos)

The breakdown of debt bond obligations as of December 31, 2021 is as follows:

Description	EA Rate	Stream: Less than 90 days	Stream: Longer than 90 days	Total Current	1 to 2 years	2 to 3 years	3 to 4 years	4 to 10 years	Total non-current
Seventh Tranche B-7 Program	8%	$ 3.964.626	$ -	$ 3.964.626	$ 290.072.605	$ -	$ -	$ -	$ 290.072.605
Sixth Tranche B10 Programme	7%	2.099.202	-	2.099.202	-	186.351.264	-	-	186.351.264
Fifth Tranche B12 Programme	8%	2.095.772	-	2.095.772	-	-	362.889.715	-	362.889.715
Sixth Tranche B16 Programme	8%	1.893.450	-	1.893.450	-	-	-	162.392.956	162.392.956
Program Fourth Tranche B10	7%	1.343.700	299.953.359	301.297.059	-	-	-	-	-
Program Fourth Tranche B15	7%	908.000	-	908.000	-	-	-	199.888.644	199.888.644
Program Second Tranche B104-15	10%	862.637	-	862.637	-	55.500.000	-	-	55.500.000
Eighth Tranche E6 Programme	8%	300.900	299.972.949	300.273.849	-	-	-	-	-
Total bonuses		**$ 13.468.287**	**$ 599.926.308**	**$ 613.394.595**	**$ 290.072.605**	**$ 241.851.264**	**$ 362.889.715**	**$ 362.281.600**	**$ 1.257.095.184**

The breakdown of debt bond obligations as of December 31, 2020 is as follows:

Description	EA Rate	Stream: Less than 90 days	Stream: Longer than 90 days	Total Current	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	5 to 10 years	Total non-current
Z58 External Bond	9%	$ 701.841.030	$ -	$ 701.841.030	$ -	$ -	$ -	$ -	$ -	$ -
Z47 External Bond	9%	97.664.810	-	97.664.810	-	-	-	-	-	-
Seventh Tranche B-7 Program	8%	2.468.808	-	2.468.808	-	290.000.175	-	-	-	290.000.175
Program Third Tranche B105-12	10%	1.668.078	89.580.000	91.248.078	-	-	-	-	-	-
Fifth Tranche B12 Programme	8%	1.330.417	-	1.330.417	-	-	-	362.857.839	-	362.857.839
Sixth Tranche B10 Programme	7%	1.234.630	-	1.234.630	-	-	186.326.309	-	-	186.326.309
Sixth Tranche B16 Programme	8%	1.139.600	-	1.139.600	-	-	-	-	162.382.555	162.382.555
Program Fourth Tranche B10	7%	772.202	-	772.202	299.913.284	-	-	-	-	299.913.284
Program Second Tranche B104-15	10%	576.111	-	576.111	-	-	55.500.000	-	-	55.500.000
Program Fourth Tranche B15	7%	526.899	-	526.899	-	-	-	-	199.872.951	199.872.951
Eighth Tranche E6 Programme	8%	300.822	-	300.822	299.867.188	-	-	-	-	299.867.188
Total bonuses		**$ 809.523.407**	**$ 89.580.000**	**$ 899.103.407**	**$ 599.780.472**	**$ 290.000.175**	**$ 241.826.309**	**$ 362.857.839**	**$ 362.255.506**	**$ 1.856.720.301**

(2) Below is the movement of leasing at the end of December 2021:

	Buildings	Fixed and other installations (Means of transport)	Before IFRS16	TOTAL
Final balance as of December 2020	**$ 1.488.987**	**$ 6.192.055**	**$ 48.398**	**$ 7.729.440**
New contracts (a)	71.657.309	281.227	-	71.938.536
Advances Contract Q93 (b)	9.026.977	-	-	9.026.977
Depreciation and Reclassifications	(1.430.580)	(4.441.383)	(48.398)	(5.920.361)
Total movements year 2021	79.253.706	(4.160.156)	(48.398)	75.045.152
Total liabilities for IFRS leases 16	**$ 80.742.693**	**$ 2.031.899**	**$ -**	**$ 82.774.592**

Below is the leasing movement at the end of December 2020.

	Buildings	Fixed and other installations (Means of transport)	Before IFRS16	TOTAL
Final balance as of December 2019	**$ 4.978.349**	**$ 6.258.803**	**$ 313.173**	**$ 11.550.325**
New contracts (a)	-	2.421.917	-	2.421.917
Early termination of contracts (b)	(2.354.577)	-	-	(2.354.577)
Depreciation and Reclassifications	(1.134.785)	(2.488.665)	(264.775)	(3.888.225)
Total movements year 2020	(3.489.362)	(66.748)	(264.775)	(3.820.885)
Total liabilities for IFRS leases 16	**$ 1.488.987**	**$ 6.192.055**	**$ 48.398**	**$ 7.729.440**

(In thousands of pesos)

The annual effective rates of contracts for 2021 range from 7.06% to 14.10% and for 2020they range from 5.72% to 14.08%

a) The increase in Leasing obligations corresponds mainly to the acquisition of the Q93 Corporate Building for a value of $101,500,000, contract No. 266574 signed with Bancolombia S.A. on May 24, 2021, with a variable rate IBR N.A.M.V.+1.56 points, with a duration of 120 months, which will begin amortization in February 2022, date on which the entire Building will be received, with a purchase option of 30%.

Floors 2, 3, 4, 5, 6 and parking lots received in August, September and November respectively and the advance issued by the bank to third parties in the name of Emgesa have been recognized, as follows:

- Detail of the leasing liability:

CONCEPT		VALUE
Recognition floor 6	$	13.142.201
Recognition floor 5		14.377.332
Recognition floors 2, 3, 4 and parking		44.137.777
Advance		9.026.977
Total Liabilities	**$**	**80.684.287**

b) Detail of the advance issued by Bancolombia S.A. on behalf of the Company:

CONCEPT		VALUE
Initial advance	$	18.746.978
Amortization Floor 6		(3.942.660)
Amortization Floor 5		(1.437.733)
Amortization Floors 2,3,4 and parking		(4.339.608)
Advance Balance	**$**	**9.026.977**

In 2021 for buildings the most significant contract is with Bancolombia S.A. forr $ 101,500,000 and for means of transport managerial vehicles is with ADL Automotive for $ 281,227 for lease.

The amounts recognized in the separate income statement as of December 31, 2021 and 2020 are as follows:

		As of December 31, 2021		As of December 31, 2020
Lease payments	$	(5.971.113)	$	(6.232.357)
Interest on lease liabilities		(359.381)		(863.287)
Amounts recognized in cash flow		(6.330.494)		(7.095.644)
Total cash flows from leases	**$**	**(6.330.494)**	**$**	**(7.095.644)**

(3) As of December 31, 2021, the main variation corresponds to the constitution of four (4) cash flow coverage derivatives with a passive valuation of $41,864 corresponding to hedges by CERE.

The following is the detail:

Derivative	Underlying	Bench	Risk Factor	Active Notional	Coin	Fixed Rate		MTM
Forward	FX Coverage CERE Payment January 2022	B_DEBOGOTA_CO	Exchange rate	1.900.000	USD	3.988,27	$	(35.593)
Forward	FX Coverage CERE Payment February 2022	COLPATRIA_CO	Exchange rate	300.000	USD	3.979,80		(2.818)
Forward	FX Coverage CERE Payment March 2022	COLPATRIA_CO	Exchange rate	300.000	USD	3.979,80		(1.992)
Forward	FX Coverage CERE Payment May 2022	COLPATRIA_CO	Exchange rate	900.000	USD	3.979,80		(1.461)
	Total valuation						**$**	**(41.864)**

(In thousands of pesos)

As of December 31, 2021 and 2020, the Company does not have net investment coverage abroad.

(4) On January 19, 2021, 2 bank loans were requested with Banco de Bogotá S.A. for $200,000,000 at a rate of 2.75% and with Banco BBVA S.A. for $100,000,000 with a rate of 2.9% with a term of 6 years for the payment of the International Bond and on May 19 a bank loan was requested with Bancolombia S.A. for $350,000,000 at a rate of 1.92% for general corporate purposes, which expired on December 23, 2021 and $100,000,000 of own resources were canceled and a rollover for $200,000,000 was requested with the same entity at a rate of 4.34% with a term of 6 years; in November, a loan was requested with Bancolombia S.A. for $150,000,000 at a rate of 4.02% with a term of 6 years for working capital.

As of December 31, 2021, the Company has $4,092,851,523 in unused authorized credit lines, jointly with Codensa S.A. E.S.P. and reassignable between the two Companies, with respect to which, if required, the financial institutions will update the conditions for their approval and disbursement, the Company does not have Covenants associated with these lines of credit.

Likewise, and as part of its financing strategy, the Company signed on April 15, 2021, a credit line committed for USD$42,000,000 with Bank of Nova Scotia, with one (1) year of availability of resources for disbursement.

Additionally, an intercompany credit line has been approved with Codensa S.A. E.S.P. for USD$100,000,000 for general purposes.

As of December 31, 2021, there are no guarantees on bank loans.

15. Business accounts and other accounts payable

		As of December 31, 2021		As of December 31, 2020
Accounts payable goods and services (1)	$	154.844.538	$	183.285.905
Estimates by power and gas purchase (2)		103.631.495		86.017.010
Other accounts payable (3)		41.501.580		45.448.810
Total business accounts payable and other accounts payable	**$**	**299.977.613**	**$**	**314.751.725**

(1) The variation December 31, 2021 corresponds mainly to the recognition of obligations for the acquisition of energy, goods and services with the following suppliers: Essi S.A.S Ltda. for $12,210,364, Estyma Estudios y Manejos S.A for $8,074,110, Voith Hydro Ltda. Sucursal Colombia for $7,399,492, Ethos Energy INC for $5,751,578, Seguridad Atlas LTDA for $5,396,890, ATXK Interior Construction for $5,137,297, Consorcio de Obras Civiles S.A.S for $4,567,573, Superintendency of Domestic Public Services for $4,113,886, Proytec SAS for $3,980,609, Sigdo Engineering and Construction for $3,577,164, General Motor Reconstruction for $3,255,569, Bihao Sociedad por Acciones for $3,200,985, Maquinas Amarillas for $3,025,806, IPC Ingeniería Perez for $2,932,480, NSL Construcciones for $2,820,611, Manpower de Colombia for $2,794,214, Hydraulics and Tires for $2,711,442, NTT Data for $2,582,190, Ethos Energy Poland for $2,567,875, K2 Ingeniería S.A.S for $2,118,769, Fundación Natura for $2,068,588.

Transfer Citibank factoring for ($70,445,281), Bancolombia S.A. for ($17,861,736) and other payments and transfers for $16,441,969.

Likewise, there was a decrease in payment with the following suppliers in the provision of goods and services: GE Energías Renovables for ($14,818,035), Fonval Collective Investment Fund for ($8,310,170), Masseq Proyectos e Ingeniería S.A.S for ($7,417,909), Generadores Mexicanos S.A. for ($2,884,291), Schneider Electric for ($2,788,868), Inemec S.A.S for ($2,478,074), ABB Power Grids for $($2,429,835), Fincimec Colombia for ($1,931,646), Soil Protection S.A.S for ($1,822,307), Consorcio SK-HL Term for ($1,706,655).

(2) The variation as of December 31, 2021 corresponds to the increase in the estimated variable margin liabilities associated with the costs of power generation for $15,448,126 and gas commercialization for $2,166,359.

(3) The variation as of December 31, 2021 corresponds to the payment of other accounts payable with various creditors for $3,947,230.

(In thousands of pesos)

16. Provisions

	As of December 31, 2021		As of December 31, 2020	
	Stream	Non-current	Stream	Non-current
Other provisions	**$ 78.388.036**	**$ 207.368.138**	**$ 98.514.451**	**$ 201.247.740**
Quimbo Restoration Plan (1)	35.235.548	40.069.485	47.455.220	93.610.265
Environmental and works Quimbo (1)	27.290.670	41.522.743	21.744.622	60.646.317
Provision for Fiscal Uncertainty (2)	7.520.768	-	24.637.308	-
Bogotá River Environmental Provision (3)	4.643.898	19.968.264	238.275	25.905.456
Provision for the Transitional Fund (4)	2.596.441	4.053.501	2.107.734	5.467.892
CAR Compensation Plan (5)	1.100.711	91.125.718	2.331.292	15.617.810
Tominé Recovery Provision (6)	-	10.628.427	-	-
Provision of legal claims (7)	**101.340**	**10.893.813**	**353.789**	**9.065.950**
Civilians and others	101.340	9.515.972	213.789	8.273.403
Labour	-	1.377.841	140.000	792.547
Decommissioning (8)	**-**	**958.961**	**663.618**	**1.738.406**
Other	**659.572**	**30.088.547**	**36.128**	**-**
Total Provisions	**$ 79.148.948**	**$ 249.309.459**	**$ 99.567.986**	**$ 212.052.096**

(1) The provision of the El Quimbo Environmental Hydroelectric Power Plant consists of: i) Environmental and Quimbo works, which corresponds mainly to obligations for infrastructure replacement, settlement of contracts associated with executed works and minor works necessary for the operation of the plant executed within the schedule of works proposed by the project between 2017 and 2021. ii) Restoration Plan, includes the necessary works to mitigate the environmental impact on the occasion of the filling of the reservoir and involving execution flows estimated at 30 years. Among the main activities of this obligation is the restoration of forests, maintenance of the protection strip and the reservoir, development of the fish and fishing program and monitoring programs of fauna, flora, climate and landscape.

The rate used to discount the flows of the environmental provision and Quimbo works and Quimbo restoration plan as of December 2021 is 8.37% and 5.92% EA and as of December 2020 it is 6.08% and 3.80% EA, respectively.

Claim Consorcio Impregilo

During 2015, the Impregilo OHL Consortium filed with the Company a series of claims and notes of change orders (Noc's) product of economic affectations for the works executed in the CEQ-21 contract main civil works El Quimbo Hydroelectric Project.

At the ordinary meeting of the Board of Directors No. 436 held on October 19, 2016, the technical and legal analyses of the contract agreed between the Company and the Impregilo Consortium were carried out, as a result of the previous negotiation tables held between September 2015 and March 2016. The Company, in order to avoid a future arbitration process, decided to close the negotiation with the contractor during the last quarter of 2016. The initial claim of the contractor amounted to $ 224,560,000, between claims and notes of order of exchange as a result of the negotiation the agreement was closed for $ 57,459,000 plus $ 2,800,000, for the minutes of the closing of the contract, and a readjustment to the claims for $ 14,541,000, for a total of $ 74,800,000, these values were authorized by the Company to be included in the CEQ 021 contract through addendum 17 signed in January 2017.

In November 2016, the Company, as part of the analysis of the activities included in the provision constituted to guarantee compliance with the obligations arising from the construction of the Plant, made recoveries for activities that were considered not necessary and including the readjustments to the contract prices agreed in the Board of Directors and formalized in addendum 17 which was signed and paid during the first quarter of 2017.

Currently this contract enters the liquidation stage, once the term of the amparo, quality and stability of the works is fulfilled.

The Company submitted a claim to the contractor and to the AXA Company Colpatria Seguros S.A., because it considers that some events that affect the quality of the dam works are the responsibility of the Company. AXA Colpatria rejected the claim for quality assurance and stability of the works.

The Company submitted a reply for the Insurer, the communication was filed on Friday, May 4, 2018. On June 8, 2018, a response was received from AXA Colpatria indicating that the claim was objected to, but that, nevertheless, once the insured's liability is proven and the damage is proven, it would review the claim, as of March 31, 2019, it did not submit additional changes.

The lawsuit was filed on May 29, 2020, before the Arbitration Center of the Chamber of Commerce of Bogotá (Arbitration Center of the Chamber of Commerce of Bogotá), against the Impregilo-OHL Consortium (CIO) and Axa Colpatria Seguros S.A. The claims of the lawsuit total $99,201,254. Once the lawsuit was filed, the Arbitration Center notified the parties on June 2, 2020.

Currently the process is in the stage that is called the integration of the litigation. In turn, the Impregilo-OHL Consortium filed a Counterclaim (Counterclaim), amounting to $3,712,037.

The arbitration process has continued in the terms indicated above, we are still in the stage of integration of the litigation. The counterclaim presented by the Impregilo-OHL Consortium was answered on December 4, 2020 by the Company, rejecting the collection of the monies indicated therein.

On February 5, 2021, the Company filed reform of the arbitration claim being admitted by orders of February 15 to March 4, 2021.

Currently the process is in terms for the defendants to pronounce on the reform of the lawsuit filed by the Company.

On February 5, 2021, the Company filed a reform of the arbitration claim which was admitted by order of February 15, 2021 and March 4, 2021 that confirmed the previous one.

Currently the process is in terms for the defendants to pronounce on the reform of the lawsuit filed by the Company.

The summoned Consorcio Impregilo OHL and Axa Colpatria Seguros, pronounced themselves within the term of law on the reforms of the emgesa lawsuit, opposing the claims and objecting to the oath estimatory of damages, It is pending that they run us transferred from said defenses and that the Court convenes the hearing to indicate fees.

Previously the date of July 19 had been indicated for the hearing in which fees must be indicated, procedural pro-procedures, The Court modified that date, finally indicating on October 29, 2021 the hearing to indicate fees.

On December 7, 2021, the hearing for the fixing of expenses and fees is installed. Arbitrators were appointed in the process, so it is brought to the attention of the parties for a period of 5 days so that, if they have it, they can make a request for relief.

Order No. 37 is notified, in which it is resolved, among other things, to establish the expenses and fees of the arbitration that the parties must pay, and to set January 26, 2022 to carry out the first procedural hearing.

In the hearing on January 26, the Court, prior to decreeing the evidence requested by the parties, imposed a series of charges that the Company must comply with in 10 business days. The Company must specify the priority and importance of the witnesses summoned. The hearing was suspended until February 22.

Provision Environmental Investment Program 1%

In accordance with Resolution 0899 of May 15, 2009, by which the National Environmental Licensing Authority (ANLA) granted an environmental license for the El Quimbo Hydroelectric Project, the Company as of December 31, 2018 has registered as part of the total provisioned for $21,709,078 corresponding to the investment program of the 1% submitted within the framework of the license, for the use of the surface water resource of the Magdalena River source, in accordance with the provisions of the paragraph of article 43 of Law 99 of 1993 regulated by Decree 1900 of September 12, 2006.

On August 31, 2016, a partial settlement of $9,702,000 was made and submitted to an ANLA for review and approval with a cut-off date of September 30, 2016, which will be reliquidated once the final cost of the project is determined in accordance with paragraph 2 of Article 4 of Decree 1900 of 2006. As of March 31, 2019, no pronouncement had been received from the National Environmental Licensing Authority-ANLA.

On November 25, 2019, the liquidation of the 1% Investment Plan was submitted for review and approval by the ANLA as of June 30, 2019. By means of communiqué No. 2020054654-2-000 of April 8, 2020, the ANLA requested additional information related to the acceptance of the incremental percentage contemplated in Article 321 of the National Development Plan.

In response to the request, it was proposed to ANLA that the outstanding resources to be implemented be distributed in two specific programmes:

(In thousands of pesos)

1. Acquisition of land and / or improvements in areas of moorland, cloud forests and areas of influence of birth, recharge of aquifers, river stars and water rounds.
2. Interceptors and wastewater treatment systems.

On the other hand, on December 18, 2020 in an oral hearing, the ANLA promptly requested:

"Present the base investments of liquidation of the forced investment of not less than 1% executed in the year 2019, including the activities of Resolution 938 of June 16, 2018, by which Resolution 899 of May 19, 2009 was modified, in accordance with the provisions of article 321 of Law 1955 of May 25, 2019."

The foregoing requires the Company to know the value of the settlement of the CEQ-21 contract, because from this figure additional values will be obtained that must be reported as a basis for the settlement of the 1% Investment Plan.

For its part, the Office of the Comptroller General of the Republic, in an audit carried out, determined 2 administrative findings on the 1% Investment Plan, indicating that there is *"uncertainty in the amounts to be executed to comply with the obligation of forced investment of not less than 1%". It also determined that "not incorporating real values into the investment plan and the investment schedule of this obligation, with substantive pronouncements by the environmental authority, causes executions to be extended over time, postponing the well-being perceived by them."*

Given the above, the Company continues with the review of the technical concept issued by the environmental authority and the control entity (ANLA), to issue an official response on the base amount of settlement and the status of implementation of the projects already approved by the national authority.

Article 321 of Law 1955 of May 25, 2019 (National Development Plan), establishes the opportunity to benefit from an increase in the investment obligation of 1% according to the date of issuance of the Environmental License, for companies that must comply with it and have a pending budget to invest.

The Company considered it pertinent to request the acceptance of Art. 321 / Law 1955 of 2019 and on November 25, 2019, it filed all the documents requested in said article for the liquidation and increase of the value of the obligation of 1%. On March 8, 2021, the ANLA through Resolution 0462 approved the application for fostering, and reported that the updated value of the Investment Plan of 1% of the El Quimbo Power Plant is $ 15,989,664 of this value, the ANLA has not yet approved or deducted from the total budget, the investments that are currently in execution. In this sense, it considers $0 as the executed value and classifies as "in execution" the value of $2,859,000 corresponding to the land purchase and ptard construction projects that are currently advancing.

The difference between the total updated value of the 1% plan and the value in execution is considered by the ANLA as "value to be executed" which amounts to $13,130,664.

BALANCE OF FORCED INVESTMENT OF NOT LESS THAN 1%

Settlement of the forced investment of not less than 1% updated (Article 321)	$	15.989.664
Executed value of the forced investment of not less than 1%		(2.859.000)
Value of the forced investment of not less than 1% to be executed Updated.	**$**	**13.130.664**

On February 24, 2021, the Company filed with the ANLA the response to the repetitive requirements associated with the 1% investment, established by oral record 540 of December 18, 2020. To date, there is no response from the environmental authority.

By Means of Order 01481 of March 17, 2021, the ANLA orders the initiation of the sanctioning procedure, for alleged breaches with respect to the program of acquisition of land of the investment of 1%. The Company, for its part, will present the cessation of the procedure.

Based on the update of the liquidated value of the 1% Investment Plan, which was increased by $5,759,747, the Company will proceed to carry out the respective agreement with the CAM for the distribution of additional resources in the 18 municipalities or to comply with the directive determined by said Authority.

In turn, in this process with the CAM, the liquidated value of 1% must be included for the additional works carried out for the construction of the filtration measurement system whose base value is $ 23,866,318.

On the other hand, taking into account that the current liquidated value of the 1% Plan is still partial, the Company is advancing in the management to certify the values pending reporting to the Environmental Authority.

On December 16, 2021, the Regional Autonomous Corporation of Alto Magdalena-CAM through communication with 20211020279531, approved that the increase in the budget of the Plan 1% for the value of $ 5,998,410,444.51 as well as the value initially assigned to the municipality of La Argentina ($ 296,320,678) is destined to the investment line "Acquisition of land and / or improvements in paramo areas, cloud forests and areas of influence of birth and recharge of aquifers, river stars and water rounds."

Additionally, the CAM requested compliance with the following requirements of the properties acquired through the investment line mentioned above:

1. That they are properties of more than 50 hectares.
2. That the properties are located within the conservation areas in more than 50% of their total area.
3. That the acquisition of the properties be made in compliance with each of the investment lines described in Article Two of Resolution 00462 of 2021.

On the other hand, the ANLA, in relation to the commitments acquired in the technical-legal table carried out on May 7, 2021, through Resolution 2398 of 2021, confirmed that Emgesa must advance the pertinent management before the IGAC to clean up the properties in relation to the concordance of the areas in the Registry office (certificate of freedom and tradition) and Cadastre (IGAC).

With regard to the Environmental Promoters Training program, the ANLA determined the following:

For this program, the Society at ICA No. 24, mentions that:

"In the technical-legal table held on May 7, 2021 between the Regional Autonomous Corporation of Alto Magdalena – CAM the ANLA and Emgesa, the ANLA undertook to define which inputs of the costs required for the execution of the program can be imputed to the Investment Plan 1%. To date, Emgesa has not received a response. The minutes of the meeting are attached.

(See: ICA 24\Source\3_Anexos\Annex 4_Otros\7_3_6_Inversión_1%\Annex 1. Minutes of meeting."

Regarding the eligible and ineligible costs in the Environmental Promoters Training Line, the direct costs duly supported technically and financially through: (Contract, agreement, invoice, proof of discharge, or equivalent document) are eligible; as long as they contribute to the Preservation, conservation and monitoring of the affected basin in accordance with the provisions of the paragraph of article 43 of Law 99 of 1993.

Regarding indirect costs such as (Transportation of participants, refreshments, identification kits, cards and supports of completion of the diploma process) these will be eligible under the obligation of the Forced Investment of not less than 1%, with the respective justification that proves the need for them in development of the contract concluded, they must also be supported technically and financially.

In accordance with the above, through internal memorandum 2021196452-3-000 of September 13, 2021, the Legal Advisory Office – OAJ of the National Authority, issued a pronouncement against the consultation on compensation of the biotic component and forced investment of not less than 1%, carried out by the Colombian Chamber of Infrastructure (CCI), the National Association of Public Services and Communications Companies of Colombia (ANDESCO), the Colombian Petroleum Association (ACP) and the Colombian Association of Electric Power Generators (ACOLGEN)."

Based on the above, the Company will inform the CAM that it will continue with the activity of purchasing land in accordance with the guidelines established by both the ANLA and the CAM; however, we highlight the time difficulties that will bring for the execution of the 1% plan the management that will be carried out before the IGAC with respect to the concordance that must exist between the areas of the properties of the titles of property, the certificate of freedom and tradition (Registry) and Cadastre.

On the other hand, and taking into account the clarifications expressed by the ANLA in relation to the Environmental Promotion Program, the information provided for the execution of said program will be evaluated.

(2) As of January 1, 2020 , the Company applies IFRIC 23, "Uncertainties about the treatment of income taxes", which is taken into account for the determination of both current income tax and deferred income tax. This interpretation defines "uncertain tax treatment" as the position taken by an entity on the determination of income tax, in respect of which it is likely that the Tax Administration will not accept such position, whether or not it has been validated in the past by the aforementioned Administration.

In application of this interpretation, the Company has been carrying out the review of contracts concluded with foreign entities and compliance with requirements that must be taken into consideration. Therefore, the administration as of March 2021 carried out a review of the foreign contracts on which this provision was made and decided to adjust it for $19,837,986; in June 2021 the portion of interest associated with this concept was adjusted for $410,878, in September 2021 for $709,937 for this same concept, and in December 2021 it was adjusted for $1,600,631 which includes penalties, interest and tax of identified contracts leaving a balance of $7,520,768.

(3) As of December 31, 2021, provision was made derived from the environmental obligations associated with the construction of waste treatment plants, offensive odor reduction plan and environmental management plan for the operation of the muña reservoir, in order to mitigate the environmental impacts generated for the municipality of Sibaté and its coast. The Company plans to execute the works established in the obligation to 2038, so the long-term flows were discounted at a rate of 8.38% EA.

(4) Recognition of the provision of the Transition Fund which aims to make staffing staff efficient in line with the Enel Group's investment plan in digitalization and automation worldwide in the different areas and lines of business of the Company. This implies identifying efficiencies to make replacement of profiles and having the necessary economic resources as part of the aforementioned strategy, which leverages the achievement of the objectives defined by the Company. The value of the variation of the provision was ($925,684) which will be distributed between the years 2021 to 2025, with a discount rate of 5.93% for 2023, 5.98% for 2024 and 6.03% for 2025 in long-term flows.

(5) CAR Compensation Plan: As of December 31, 2021, the value recognized as a provision for compensation plan imposed by the Regional Autonomous Corporation of Cundinamarca (CAR), corresponds to the environmental obligation established by the Company in Resolution 2984 of October 9, 2017, enforced on April 10, 2018. The obligation consists of the elaboration and execution of a Compensation Plan associated with the concession of waters of the Bogotá River, which must be prepared in accordance with the alternatives defined by the Corporation.

On July 13, 2020, the Company was notified via email, of DGEN Resolution No. 20207100872 of July 10, 2020, issued by the Regional Autonomous Corporation of Cundinamarca "By which an Environmental Compensation Plan is established and other determinations are made." This resolution imposes a Compensation Plan worth $96,680,772.

On July 28, 2020, the Company filed an appeal for reinstatement of DGEN Resolution No. 20207100872 of July 10, 2020 issued by the Regional Autonomous Corporation of Cundinamarca. Subsequently, through DGEN Resolution No. 20217000244 of June 16, 2021, which resolves the appeal and DGEN Resolution No. 20207100872 of July 10, 2020, the decision is made under the legal and legal strategy to file a claim for nullity and restoration of the right which was filed before the Administrative Court of Cundinamarca on November 25.

In accordance with the foregoing and taking into account that the Company demanded the resolution CAR No. 20207100872 of 2020, seeking that it be annulled, until there is a definitive pronouncement within the judicial process, the Company must comply with the provisions of the aforementioned administrative act, that is, develop the actions contemplated in the programs defined by the CAR for an approximate value of $ 96,000,000 whose execution must be carried out. be distributed in the time of the concession, until the year 2038.".

(6) It corresponds to the values committed by the Company within the framework of the Administration, Operation and Maintenance Agreement of the Tominé Reservoir signed with the Bogotá Energy Group in 2013, with a duration of 10 years.

(In thousands of pesos)

(7) As of December 31, 2021, the value of the claims in the claims to the Company for administrative, civil, labor litigation and constitutional actions amount to $3,043,888,752 based on the evaluation of the probability of success in the defense of these cases, $3,660,931 has been provisioned including the financial update to cover the probable losses due to these contingencies. Management estimates that the results of the lawsuits relating to the non-provisioned portion will be favorable to the interests of the Company and would not cause significant liabilities that must be accounted for or that, if they result, would not significantly affect the Financial Position of the Company. In addition, penalties are provided for the Quimbo Hydroelectric Power Plant for $3,020,712, which are detailed in Note 32 Sanctions.

On the other hand, the success premiums for $ 4,313,510, which will be effective when the lawyer has a ruling in favor of the Company of the agreed processes.

As of December 31, 2021, the value of claims for administrative, civil, labor and contractor litigation is detailed as follows:

Processes	Qualification	No. processes	No of Processes (indeterminate amount)	Contingency Value	Value of the provision
-Inundaciones A97 (*)	Possible	1	-	$ 120.000	$ -
	Likely	4	-	3.008.687	879.431
Total Floods A97		**5**	**-**	**3.128.687**	**879.431**
Inundaciones D97	Possible	9	-	6.197.067	(726)
	Likely	1	1	88.000	-
Total Floods D97		**10**	**1**	**6.285.067**	**(726)**
Laboral	Possible	29	6	2.086.964	-
	Likely	5	1	2.589.593	1.413.881
	Remote	3	-	7.041.000	-
Total -Labor		**37**	**7**	**11.717.557**	**1.413.881**
Otros	Possible	32	19	51.113.496	-
	Likely	2	8	149.400	4.134
	Remote	15	-	2.347.560.572	-
Total Others		**49**	**27**	**2.398.823.468**	**4.134**
	Possible	175	11	617.256.232	
Quimbo	Likely	1	-	5.377.741	1.364.211
	Remote	3	1	1.300.000	-
Total Quimbo		**179**	**12**	**623.933.973**	**1.364.211**
Overall total		**280**	**47**	**$ 3.043.888.752**	**$ 3.660.931**

Concept	Value of the provision to 2021
Success premiums	$ 4.313.510
Litigation provision	3.660.931
Sanctions	3.020.712
	$ 10.995.153

(a) The value of the contingency corresponds to the amount for which according to the experience of the lawyers is the best estimate to be paid if the judgment is against the Company. The provision is determined by the attorneys as the amount of loss in the event that failure may be likely; processes rated as probable are provisioned one hundred percent of the actual value of the contingency.

(*) The processes corresponding to floods before 1997 are recognized by the Ministry of Finance and Public Credit to the Company (See Note 6).

(8) As of December 31, 2021, the provision for the dismantling of electromechanical equipment in El Quimbo originates from the variation in the interest rate used for the discount of future flows, VPN for $108,486, the rate used at December 2021 is 8.73% EA and at December 2020 it is 7.33% EA.

(In thousands of pesos)

The movement of provisions as of December 31, 2021 and December 31, 2020 is as follows:

	Provision of legal claims	Decommissioning, restoration and rehabilitation costs	Provision for Tax Uncertainty	Total
Opening balance as of January 01, 2020	**$ 9.532.489**	**$ 240.260.707**	**$ -**	**$ 249.793.196**
Increase in existing provisions	1.518.319	37.118.051	48.498.997	87.135.367
Provision used	(566.189)	(17.312.781)	(23.861.689)	(41.740.659)
Financial effect update	(25.690)	15.827.211	-	15.801.521
Recoveries	(1.039.190)	-	-	(1.039.190)
Another increase	-	1.669.847	-	1.669.847
Total movements in provisions	**(112.750)**	**37.302.328**	**24.637.308**	**61.826.886**
Final balance as of December 31, 2020	**$ 9.419.739**	**$ 277.563.035**	**$ 24.637.308**	**$ 311.620.082**
Increase in existing provisions	1.997.545	87.671.382	1.120.815	90.789.742
Provision used	(162.912)	(43.541.091)	-	(43.704.003)
Reversal of provisions	-	-	(18.237.355)	(18.237.355)
Financial effect update	(123.434)	(1.971.872)	-	(2.095.306)
Recoveries	(135.785)	-	-	(135.785)
Another decrease	-	(9.778.968)	-	(9.778.968)
Total movements in provisions	**1.575.414**	**32.379.451**	**(17.116.540)**	**16.838.325**
Final balance as of December 31, 2021	**$ 10.995.153**	**$ 309.942.486**	**$ 7.520.768**	**$ 328.458.407**

Detail of the main legal processes that the Company has as of December 31, 2021 qualified as probable:

PLAINTIFF	YEAR OF FILING	CLAIM VALUE (On Demand)	SUBJECT MATTER OF THE APPLICATION	CURRENT STATUS OF THE PROCESS
Yohana Farley Rodríguez Berrio	2014	$ 300.000.	Compensation for damages for death of employee.	Pending the admission of the appeal on a point of law.
Pastor Aroca Ibarra	2013	$ 88.000.	Ordinary tort Liability for events of 2011.	It is pending to cancel it when the Court gives us the copy of the sentence.
Orlando Rojas Cleves	2017	$ 445.222.	Ineffectiveness of dismissal, for a worker in a situation of manifest weakness, compensation law 361 of 1997; Employer fault.	An appeal was lodged against the judgment of first instance, pending the passage of proceedings before the Court.
Luz Nelly Olarte y Otros (94) Acumulado con: 2004-00057 Luis Ernesto Trujillo Portela (94) 2004-00056 Luís Alberto Ibarra (94) 2005-00065 Edgar Zambrano (94) 2005-00081 Juan Aroca (94) 2005-00014 Álvaro Vega Cedeño y otros (94) 2005-00088 Alfonso Rodríguez (94) 2006-00091 Ángel Antonio Díaz Leyton y Otros (94) 2005-00027 Ana Myriam Rodríguez y otros (94) 2005-00059 Alirio Trilleras (94)		$ 2.953.180.	Ordinary tort Civil Liability for acts of 1,994.	The appeal was denied, it is currently in the process of digitization to be sent to the office and proceed with the payment.
Luís Ferney Yara (94)	2009	$ 18.720.	Ordinary tort Civil Liability for acts of 1,994.	It is pending to cancel it when the Court gives us the copy of the sentence.
Libardo Chico	2008	$ 30.650.	Ordinary tort Civil Liability for acts of 1,994.	It is pending to cancel it when the Court gives us the copy of the sentence.
Ever Andres Useche	2020	$ 149.000	Ordinary non-contractual civil liability for events of 2011.	Pending the process of appeal against the order that liquidated the sentence.
Uber Roldan Cortes y otros	2016	$ 5.377.741	The plaintiffs request that the condemnation of the entities related to the lawsuit and the protection of collective rights and interests for the reduction of water flows in the face of the production of biomass that generated the decomposition and environmental damage that occurs during the stages of filling and operation of the quimbo hydroelectric plant and for the qualities of water below the Magdalena River be declared.	It is on appeal in the Council of State.

(In thousands of pesos)

PLAINTIFF	YEAR OF FILING	CLAIM VALUE (On Demand)	SUBJECT MATTER OF THE APPLICATION	CURRENT STATUS OF THE PROCESS
German Claros Valenzuela	2016	$ 44.370.	Declaration of ineffectiveness of dismissal and employer fault in work accident - solidarity.	It is in the Neiva Court pending judgment.
Carlos Alberto Amador y Otros	2017	$ 1.800.000.	Solidarity	An extraordinary appeal in cassation was lodged against the court's judgment. Pending that it is admitted and passes to Court.
Orlando Rojas Cleves	2017	$ 445.222	Ineffectiveness of dismissal, by worker in a situation of manifest weakness, compensation Law 361 of 1997, employer fault.	An appeal was lodged against the judgment of first instance, pending its reaches the Court.

The Company faces litigation classified as possible or eventual, for which the management with the support of its external and internal legal advisors, estimates that the result of the lawsuits corresponding to the non-provisioned part will be favorable for the Company and will not cause liabilities of importance that must be accounted for or that, if they result, these will not significantly affect your financial position.

From December 31, 2020 to December 31, 2021, the eventual processes varied by $420,464,798 mainly due to:

Process Type	Plaintiff	Subject matter of the Application	Value	Action	Month
Other	Consorcio Impregilo-OHL Y AXA Colpatria Seguros	Counterclaim of arbitration proceedings	3.712.037	Income	Apr-21
Other	AES CHIVOR & CIA SCA ESP	Action for annulment and reinstatement	3.600.000	Income	Dec-21
Emgesa-Floods A97	Alfonso Rodríguez Yara	Ordinary tort Civil Liability for Acts of 1.989	1.078.000	Sentence update	Dec-21
Other	AXIA ENERGIA SAS ESP	Issuing a payment order in favor of society	968.142	Income	Dec-21
Labour	Edwin Fernando Vivas	drawback	352.016	Favorable Termination	Dec-21
Labour	Gustavo Javier Gómez	Declare ineffective act number 8	200.000	Income	Dec-21
Quimbo	"Derly Andrea Lasso Torres y otros	Compensation for damages to the recipient population	25.000	Income	Dec-21
Other	"Medardo Martínez Chiquito y otros	Floods in the Municipality of La Dorada Caldas	5.000	Income	Dec-21
Other	Personería de Gachala	Popular Action	2.083	Income	Apr-21
Labour	Rodrigo Rivera Narvaez	Solidarity for dismissal associated with an accident at work.	(20.000)	Favorable Termination	Feb-21
Labour	Leandro Antonio Herrera	withdrawal / existence of contract	(20.000)	Favorable Termination	Feb-21
Quimbo	Nancy Falla	Damages	(25.000)	Favorable Termination	Feb-21
Quimbo	Jhon Edinson Chaux Betancourt	Damages	(40.468)	Favorable Termination	Oct-21
Labour	Cesar Alvarado Sanchez	reliquidation pension allowance	(70.000)	Favorable Termination	Feb-21
Quimbo	Jose Octavio Cabrera Almario	Compensation as a non-resident population	(73.262)	Favorable Termination	Jul-21
Quimbo	Martin Emilio Aguilar Delgado y Avelino Aguilar	Compensation as a non-resident population	(148.206)	Favorable Termination	Jul-21
Other	Ever Andrés Useche Ayerbe	Ordinary and non-contractual civil liability for events of 2011	(149.000)	Modification sentence	Aug-21
Other	Alquileres y Constructores Aderco LTDA	Lawsuit for theft of machinery from Emgesa subcontractor	(195.490)	Favorable Termination	Aug-21
Quimbo	Donelia Vargas Diaz	Moral and material damages	(209.321)	Favorable Termination	Dec-21
Quimbo	Jesús Alberto Lopez Bedoya	Compensate for damages on the route of the Magdalena Embalse River	(223.398)	Favorable Termination	Feb-21
Emgesa-Floods A97	Alfonso Rodríguez (89)	Ordinary tort Civil Liability for Acts of 1.989	(1.600.893)	Modification sentence	Dec-21
Quimbo	Fanol Bermeo Bermeo y Otros	Damages caused to paleros	(10.400.000)	Favorable Termination	Jul-21
Emgesa-civil	Grupo Energía De Bogotá S.A. E.S.P.	Nullity of the Minutes of the General Assembly	(417.232.038)	Favorable Termination	Sep-21

(In thousands of pesos)

The Company does not have tax litigation as of December 31, 2021 qualified as likely to be provisioned.

The movement of the provision of legal claims in 2021 mainly corresponds to:

(a) Endowments:

Process Type	Plaintiff	Subject matter of the application	Value	Date
Const_Accion_Grupo	Uber Roldan Cortes & Otros	Protection of collective rights and interests	1.400.000	ene-21
Civil_Verbal	Ever Andrés Useche Ayerbe	Ordinary and non-contractual civil liability for events of 2011	70.000	feb-21
Civil_Ordinario	Luz Mary Cardenas Velandia y otros	Protection of collective rights of inhabitants of the residential complex Club Puerto Peñalisa.	28.560	nov-21
Const_Accion_Popular	Medardo Martínez Chiquito	Floods in the Municipality of La Dorada Caldas	4.000	sep-21
Const_Accion_Popular	Personería de Gachala	Popular action promoted by the Personero de Gachalá.	2.083	ene-21
Civil_Ordinario	Luís ferney Yara (94)	Ordinary tort Liability for Acts of 1,994	2.000	feb-21
Laboral_Ordinario	Dagnober Loaiza Echeverry	Terminate the employment contract of the defendant, protected by the legal guarantee of trade union immunity.	2.000	sep-21
Const_Accion_Popular	Medardo Martínez Chiquito y otros	Floods in the Municipality of La Dorada Caldas	1.000	nov-21
Const_Accion_Popular	Helga Adriana Aanabria knepper	Popular action promoted against EMGESA S.A. ESP permanent of the Gachalá Range road	400	sep-21

(b) Payments:

Process Type	Plaintiff	Subject matter of the application	Value	Date
Civil_Verbal	Ever Andrés Useche Ayerbe	Ordinary and non-contractual civil liability for events of 2011	(67.712)	Mar-21
Proceso ordinario de Mayor, menor y mínima cuantía	Luz Mary Cardenas Velandia y otros	Protection of collective rights of inhabitants of the residential complex Club Puerto Peñalisa.	(28.560)	Dec-21
Civil_Verbal	Ever Andrés Useche Ayerbe	Ordinary and non-contractual civil liability for events of 2011	(6.266)	Oct-21
Acciones populares	Medardo Martínez Chiquito y otros	Floods in the Municipality of La Dorada Caldas	(4.760)	Dec-21
Const_Accion_Popular		Popular action promoted by the Personero de Gachalá.		
Civil_Ordinario	Personería de Gachala	Ordinary tort Liability for Acts of 1,994	(2.083)	Mar-21
Laboral_Ordinario	Luís ferney Yara (94)	Terminate the employment contract, protected by the legal guarantee of trade union immunity.	(1.861)	Mar-21
Civil_Verbal	Dagnober Loaiza Echeverry	Ordinary and non-contractual civil liability for events of 2011	(1.000)	Sep-21

(c) Recoveries:

Process Type	Plaintiff	Subject matter of the application	Value	Date
Laboral_Ordinario	Dionel Narvaez Castillo	Solidarity	110.000	Jan-21
Nulidad y restablecimiento del derecho en primera instancia (Ley 1437 de 2011)	CAR	Lawsuit against resolutions of the CAR for environmental management of the Muña reservoir and Bogotá River.	12.500	Dec-21
Civil Verbal	Hector Vanegas Vanegas	Ordinary Tort Liability for Events of 2007	7.758	May-21
Adm_Nulidad_y_Restablecimiento	Superintendencia de servicios públicos	Claim for Nullity and Restoration of the right by sanction to Emgesa S.A. E.S.P.	3.000	May-21
Civil_Verbal	Ever Andrés Useche Ayerbe	Ordinary and non-contractual civil liability for events of 2011	2.288	Apr-21
Acciones populares	Medardo Martínez Chiquito y otros	Floods in the Municipality of La Dorada Caldas	240	Dec-21

(In thousands of pesos)

17. Other non-financial liabilities

		As of December 31, 2021		As of December 31, 2020
Advances for sale of energy (1)	$	108.922.202	$	64.063.042
Taxes other than Income (2)		32.663.437		25.460.103
Deferred revenue		3.818.047		3.818.047
Total	**$**	**145.403.686**	**$**	**93.341.192**

(1) The variation of the period corresponds to the increase in the advance of energy purchases by $ 45,234,890, mainly with Caribe Mar De La Costa S.A.S E.S.P. and A ir-E S.A.S E.S.P. (See note 21)

(2) As of December 31, 2021, non-income taxes correspond to:

		As of December 31, 2021		As of December 31, 2020
Provision for payment of taxes (*)	$	10.021.073	$	16.832.044
Territorial taxes, municipal and related contributions (*)		22.642.364		8.628.059
	$	**32.663.437**	**$**	**25.460.103**

(*) The variation of the period corresponds to a decrease in withholdings and self-withholdings practiced by ($6,810,971) and by territorial taxes, municipal and related contributions an increase of $14,014,305.

18. Provisions for employee benefits

	As of December 31, 2021				As of December 31, 2020			
		Stream		Non-current		Stream		Non-current
Social benefits and contributions of law	$	31.313.314	$	2.618.132	$	29.719.128	$	2.614.659
Post-employment and long-term defined benefit obligations (1)		6.749.434		73.618.005		6.818.598		87.824.144
Retirement Plan Benefits		1.135.453		-		951.999		-
Other obligations (2)		629.406		-		725.898		-
	$	**39.827.607**	**$**	**76.236.137**	**$**	**38.215.623**	**$**	**90.438.803**

(1) The Company grants different defined benefit plans, post-employment obligations and long-term benefits to its active or retired workers, in accordance with the fulfillment of previously defined requirements.

Retirement Pensions.

The Company has a defined benefit pension plan on which it does not present specific assets, except for the own resources originated in the development of its operational activity. Benefit pension plans set the amount of pension benefit an employee will receive upon retirement, which usually depends on one or more factors, such as the employee's age, years of service, and compensation.

The liability recognized in the separate statement of financial position, in respect of defined benefit pension plans, is the present value of the defined benefit obligation at the date of the separate statement of financial position, together with adjustments for unrecognized actuarial gains or losses. The defined benefit obligation is calculated by independent actuaries using the projected unit of credit method. The present value of the defined profit obligation is determined by discounting the estimated cash outflows using interest rates calculated from the yield curve of the Government of Colombia Public Debt Securities (TES) denominated in units of real value (UVR) that have terms that approximate the terms of the pension obligation until maturity.

Actuarial gains and losses arising from adjustments for experience and changes in actuarial assumptions are charged or credited to equity in the other comprehensive result, in the period in which they arise.

(In thousands of pesos)

The obligation for retirement pensions includes the effects of the corresponding application to the new mortality rates authorized by the Financial Superintendence, through Resolution 1555 of July 30, 2010.

To date, the base of employees on whom the recognition of this benefit is made corresponds to 309 pensioners with an average age of 66.5 years.

Other post-employment obligations

Benefits for pensioners

The Company grants the following benefits to its retired employees by pension: (i) Educational assistance (23 beneficiaries, Average age of beneficiaries 21.3); (ii) Energy aid 275 beneficiaries, Average age of beneficiaries 69.2 (iii) Health 73 beneficiaries, Average age of beneficiaries 59.1 in accordance with the provisions of the collective labor agreement.

The right to the aforementioned benefits is usually given to the independent employee who has worked until retirement age. The expected costs of these benefits accrue during the period of employment using a methodology similar to that of defined benefit plans. Actuarial gains and losses arising from adjustments from experience and changes in actuarial assumptions are charged or credited to other comprehensive results in the period in which they arise. These obligations are valued annually by qualified independent actuaries.

Retroactive Severance

Retroactive severances, considered as post-employment benefits, are paid to those workers belonging to the labor regime prior to Law 50 of 1990 and who did not take advantage of the change of regime.

This social benefit is paid for all the time worked based on the last salary earned and is paid regardless of whether the employee is fired or retires. Actuarial gains and losses arising from adjustments from experience and changes in actuarial assumptions are charged or credited to the other comprehensive result.

To date, the base of employees on whom the recognition of this obligation is made corresponds to 80 employees with an average age and seniority of 56 and 28.1 years, respectively.

Long-Term Benefits

The Company recognizes its active employees, benefits associated with their time of service, such as the five-year periods, which consists of making a payment for every 5 years of uninterrupted service to workers whose date of hiring was made before September 21, 2005 and accrues from the second year, as defined in the collective bargaining agreement.

The expected costs of these benefits accrue during the period of employment, using a methodology similar to that used for defined benefit plans. Actuarial gains and losses arising from adjustments for experience and changes in actuarial assumptions are charged or credited to the outcome of the period in which they arise. These obligations are valued by qualified independent actuaries.

To date, the base of employees on whom the recognition of this benefit is made corresponds to 91 employees with an average age and seniority of 55 and 26.2 years, respectively.

As of December 31, 2021, the actuarial calculation of post-employment benefits was performed by the firm AON Hewitt Mexico, using the following set of hypotheses:

Financial assumptions:

Type of rate	As of December 31, 2021	As of December 31, 2020
Discount rate	6,94%	5,74%
Rate of salary increase (active staff)	4,95%	4,85%
Rate of increase to pensions	3,90%	3,80%
Estimated inflation	3,90%	3,80%
Inflation medical service	8,00%	8,00%

(In thousands of pesos)

Demographic hypotheses:

Biometric base	
Mortality rate	Colombian mortality table 2008 (Valid rentiers) (Men and women)
Invalid mortality rate	Enel internal table
Total and permanent disability	EISS
Rotation	Enel internal table
Retreat	Men: 62 Women: 57

Contributions of Law

The Company makes periodic contributions for severance and comprehensive social security: health, occupational risks and pensions, to the respective private funds and to Colpensiones that assume these obligations in their entirety.

The movement of defined benefit obligations as of December 31, 2021 is as follows:

	Retired staff		Active personnel		Other	
	Pensions (a)	**Proceeds**	**Retroactive severance**	**Five-year periods**	**Retirement Plan**	**Defined Benefit Plan**
Final balance as of December 31, 2019	**$ 75.970.223**	**$ 8.565.050**	**$ 6.331.661**	**$ 3.258.827**	**$ -**	**$ 94.125.761**
Cost of current service	-	-	247.739	123.721	-	371.460
Financial cost	4.267.594	479.443	360.698	175.274	-	5.283.009
Paid Contributions	(6.146.828)	(548.043)	(588.927)	(780.386)	-	(8.064.184)
Procurement	-	-	-	-	-	-
Actuarial losses changes financial assumptions	617.794	809.690	34.254	2.444	-	1.464.182
Actuariallosses changes adjustments by experience	-	-	250.745	1.211.769	-	1.462.514
Final balance as of December 31, 2020	**$ 74.708.783**	**$ 9.306.140**	**$ 6.636.170**	**$ 3.991.649**	**$ -**	**$ 94.642.742**
Cost of current service	-	-	248.876	154.183	-	403.059
Financial cost	4.157.113	515.418	371.623	215.442	-	5.259.596
Paid Contributions	(5.767.676)	(541.982)	(829.240)	(826.012)	-	(7.964.910)
Procurement	-	-	-	-	1.851.024	1.851.024
Actuarial gains changes financial assumptions	(12.232.116)	(1.357.331)	(405.328)	(94.803)	-	(14.089.578)
Actuarial losses changes adjustments by experience	-	-	(155.669)	421.175	-	265.506
Final balance as of December 31, 2021	**$ 60.866.104**	**$ 7.922.245**	**$ 5.866.432**	**$ 3.861.634**	**$ 1.851.024**	**$ 80.367.439**

(a) Complying with the provisions of article 4 of Decree 2131 of 2016 that allows the application of IAS 19 for the determination of the liability of post-employment benefits for future retirement pensions, additionally requiring the disclosure of the calculation of pension liabilities in accordance with the parameters established in Decree 1625 of 2016 that takes up what was proposed in Decree 2783 of 2001. Asof December 31, 2021 and 2020, the post-employment benefit liability for future retirement pensions amounts to $50,754,886 and $54,057,158, respectively. The sensitivity of the actuarial hypotheses was performed by the firm AON Hewitt Mexicó, using the following variables.

Type of rate	As of December 31, 2021	As of December 31, 2020
Discount rate	7,53%	8,62%
Technical interest	4,80%	4,80%
Estimated inflation	2,60%	3,64%

The following table shows the behavior in the present value of the obligation for each of the defined benefits, in relation to the percentage change in 100 basis points above or below the discount rate used for the current calculation.

(In thousands of pesos)

As of December 31, 2021:

	Retired staff		Active personnel		Other	
Change in discount rate	Pension	Proceeds	Retroactive severance	Five-year periods	Retirement Plan	Defined Benefit Plan
- 100 puntos básicos	68.774.777	8.708.063	6.258.062	3.947.660	1.876.710	89.565.272
+ 100 puntos básicos	55.426.920	7.311.834	5.507.970	3.779.432	1.826.264	73.852.420

As of December 31, 2020:

	Retired staff		Active personnel		
Change in discount rate	Pension	Proceeds	Retroactive severance	Five-year periods	Defined Benefit Plan
- 100 basis points	84.565.951	10.277.915	7.138.255	4.113.098	106.095.219
+ 100 basis points	66.574.455	8.473.751	6.182.271	3.876.664	85.107.141

(2) Variation corresponding to the benefit granted by the Company covering the income tax for labor income of impatriate and expatriate personnel.

Collective Labour Agreement

Collective Agreement - SINTRAELECOL 2015-2018 – Extended to 2022

The Collective Agreement signed with SINTRAELECOL ended its validity on June 30, 2018, however, the union did not denounce and present the respective list of demands, so the conventional text was extended automatically and by provision of the Law, for successive periods of six (6) months. However, the foregoing between the Company and the Union, decided to agree by common agreement on December 31, 2021, the adjustment to certain benefits of the Collective Labor Agreement, such as:

1. Monthly basic salary increase for 2022 (CPI+1.5%) since January 2022.
2. Adjustment of the CPI to the economic benefits of the normative body from February 2022.
3. The aid for recognition of the legal old-age pension (marching aid) is modified, which will be permanently increased for agreed workers, linked before January 1, 2004, to TWENTY-FIVE (25) legal monthly minimum wages in force.
4. The company will recognize for (1) only once all workers with ordinary salary, affiliated on December 15, 2021 to the trade union organization SINTRAELECOL, a non-salary bonus worth three million pesos.

These contractual obligations were closed by means of an extra-conventional act made on the (day of the month of the year), thus favoring all workers benefiting from the Collective Labor Agreement from January 1, 2022 to December 31, 2022.

Collective Agreement - ASIEB 2016-2019

On 1 June 2016, the Collective Labour Agreement was signed with the Trade Union Organisation ASIEB. This Collective Agreement applies to all engineers working in the Company affiliated to the Trade Union Association of Engineers at the Service of Energy Companies – ASIEB who do not benefit from another collective agreement. The convention was in force from June 1, 2016 to December 31, 2019. The union filed the complaint within the terms of the law and the list of demands on December 30, 2019, which is why the direct settlement stage began on February 19, 2020.

However, once the negotiation meetings were advanced according to the agreed schedule, on September 16, 2020, the parties ended the stage of direct settlement while the interests and needs of each one are different and as such their positions are far away, so the convening of the respective Arbitration Tribunal was requested before the Ministry of Labor, body that must define the collective dispute with this trade union organization.

(In thousands of pesos)

To date we are waiting for the notification of the Resolution issued by the Ministry of Labor by which the installation of the arbitration tribunal is ordered.

19. Deferred taxes, net

Social Investment Law

On September 14, 2021, Law 2155 on social investment was approved, which modified the income tax rate from the taxable year 2022 defining the 35% rate, which falls on the taxable income obtained during each year. The effect of temporary differences involving the payment of a lower or higher income tax in the current year, is accounted for as deferred tax credit or debit respectively at the tax rates in force when the differences are reversed (35% from 2022), provided that there is a reasonable expectation that such differences will be reversed in the future and also for the asset, that at that time sufficient taxable income will be generated.

The Company, as a result of this increase in the rate, recognized the variations as of December 31, 2021.

of its deferred tax assets and liabilities. The net payment to results was $44,531,895.

Below is the detail of the net deferred tax liability as of December 31, 2021:

	Opening Balance as of January 01, 2021	Increase (Decrease) for deferred taxes in Results	Increase (Decrease) for Deferred Taxes in Other Comprehensive Results	Final balance as of December 31, 2021
Other provisions (1)	$ 10.629.332	$ 9.447.149	$ -	$ 20.076.481
Defined contribution obligations	10.024.932	405.262	(3.195.079)	7.235.115
Active deferred tax	**$ 20.654.264**	**$ 9.852.411**	**$ (3.195.079)**	**$ 27.311.596**
Excess tax depreciation over book value	(239.118.394)	(105.000.641)	-	(344.119.035)
Forward and swap	539.855	-	(1.439.523)	(899.670)
Deferred tax liability	**$ (238.578.539)**	**$ (105.000.641)**	**$ (1.439.523)**	**$ (345.018.705)**
Deferred tax liability, net	**$ (217.924.275)**	**$ (95.148.230)**	**$ (4.634.602)**	**$ (317.707.109)**

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

	Opening balance as of January 01, 2021	Increase (Decrease) for deferred taxes in Results	Final balance as of December 31, 2021
Provisions for jobs and services	$ 7.047.528	$ 6.520.455	$ 13.567.983
Provision of Bad Accounts	552.826	1.555.612	2.108.438
Provision of Labor Obligations	1.555.120	196.782	1.751.902
Provision of Industry and Commerce	633.574	704.030	1.337.604
Provision Compensation Quality	840.284	470.270	1.310.554
	$ 10.629.332	**$ 9.447.149**	**$ 20.076.481**

(2) Excess tax depreciation over book value arises because:

1. Assets classified or belonging to the Quimbo project have special treatment: Assets in 2016 were depreciated according to the useful life classified according to the type of asset in accordance with the regulations in force until that year, for 2017 despite the fact that the reform (Law 1819 of 2016) established new rates for depreciation, the assets that belong to Quimbo will continue with those of the regulation since this project has legal stability.

(In thousands of pesos)

2. Assets to which accelerated depreciation was applied with the balance reduction method.
3. The other assets are depreciated by a straight line.
4. From 2017, assets that are acquired as new or that are activated will take into account the accounting useful life unless this is not greater than that established in Ley 1819 of 2016.

The deferred tax as of December 31, 2021 per fee is presented below:

		2022 onwards Income
Estimated provisions and liabilities		(493.306.669)
Fixed assets		(447.416.222)
Defined contribution obligations		20.671.752
Wallet		6.024.110
	$	**(914.027.029)**
Rent Rate		35%
Income Tax	**$**	**(319.909.460)**
Occasional earnings		8.647.463
Fare		10%
Tax		864.746
Industry and Commerce		2.675.210
Fare		50%
Tax		1.337.605
Total deferred tax credit	**$**	**(317.707.109)**

Below is the breakdown of the net deferred tax liability as of December 31, 2020.

	Opening Balance as of January 1, 2020	Increase (Decrease) for deferred taxes in Results	Increase (Decrease) for Deferred Taxes in Other Comprehensive Results	Final balance as of December 31, 2020
Other provisions (1)	$ 13.469.424	$ (2.840.092)	$ -	$ 10.629.332
Defined contribution obligations	9.836.972	199.692	(11.732)	10.024.932
Active deferred tax	**$ 23.306.396**	**$ (2.640.400)**	**$ (11.732)**	**$ 20.654.264**
Excess tax depreciation over book value (2)	(189.102.507)	(50.015.887)	-	(239.118.394)
Forward and swap	(2.459.527)	-	2.999.382	539.855
Deferred tax liability	**(191.562.034)**	**(50.015.887)**	**2.999.382**	**(238.578.539)**
Deferred tax net liabilities	**$ (168.255.638)**	**$ (52.656.287)**	**$ 2.987.650**	**$ (217.924.275)**

(1) As of December 31, 2020, the detail of the deferred tax active for other provisions corresponds to:

	Opening balance as of January 1, 2020	Increase (Decrease) for deferred taxes in Results	Final balance as of December 31, 2020
Provisions for jobs and services	$ 9.089.573	$ (2.042.045)	$ 7.047.528
Provision of labor obligations	2.173.952	(618.833)	1.555.119
Quality compensation provision	762.914	77.370	840.284
Other	472.986	(472.986)	-
Provision of uncollectible accounts	969.999	(417.172)	552.827
Provision of industry and commerce	-	633.574	633.574
	$ 13.469.424	**$ (2.840.092)**	**$ 10.629.332**

(2) Excess tax depreciation over book value arises because:

- Assets classified or belonging to the Quimbo project have a special treatment: The assets in 2016 were depreciated according to the useful life classified according to the type of asset according to the regulations in force until that year, for the year 2017 despite the reform (Ley 1819 of 2016) established new rates for depreciation, the assets that belong to Quimbo will continue with those of the regulation since this project has legal stability.
- Assets to which accelerated depreciation was applied with the balance reduction method.

(In thousands of pesos)

- The other assets are depreciated by a straight line.
- As of 2017, the assets that are acquired as new or that are activated will take into account the accounting useful life unless this is not greater than that established in Law 1819 of 2016.

The deferred tax as of December 31, 2020 per fee is presented below:

		2021 Rent	2022 onwards Rent
Fixed assets			(1.069.931.211)
Estimated provisions and liabilities		19.358.235	283.259.861
Defined contribution obligations			33.416.436
Wallet			1.842.754
		19.358.232	(751.412.159)
Rent Rate		31%	30%
Income Tax		6.001.053	(225.423.648)
Occasional earnings	$	8.647.463	
Fare		10%	
Tax	$	864.746	
Industry and Commerce		1.267.148	
Fare		50%	
Tax		633.574	
Total deferred tax credit	**$**	**(217.924.275)**	

The recovery of deferred tax asset balances depends on obtaining sufficient tax profits in the future. Management considers that the projections of future profits cover what is necessary to recover these assets.

20. Heritage

Capital

The authorized capital consists of 286,762,927 shares, with a nominal value of $4,400 for each share.

The subscribed and paid-up capital is represented by 127,961,561 ordinary shares and 20,952,601 shares with preferential dividend for a total of 148,914,162 shares with a nominal value of $4,400, distributed as follows:

Shareholder composition as of December 31, 2021:

	Voting Common Shares		Non-Voting Preferred Shares		Shareholder Composition	
Shareholders	(%) Participation	Number of Actions	(%) Participation	Number of Actions	(%) Participation	Number of Actions
Grupo Energía Bogotá S. A. E.S.P. (1)	43,57%	55.758.250	100%	20.952.601	51,51%	76.710.851
Enel Américas S.A.	56,42%	72.195.996	-%	-	48,48%	72.195.996
Otros minoritarios	0,01%	7.315	-%	-	0,01%	7.315
	100%	**127.961.561**	**100%**	**20.952.601**	**100%**	**148.914.162**

(1) Of the total shares of Grupo Energía Bogotá S.A. E.S.P., 20,952,601 shares correspond to non-voting shares with a preferential dividend of US$0.1107(*) per share.

Preferred shares do not grant a right to receive a guaranteed total fixed dividend, just as those shares do not contain a set date for redemption.

(*) Full figure expressed in USD.

Distribution of dividends approved in 2021

The General Shareholders' Meeting of March 24, 2021, approved the distribution of profits and payment of dividends charged to the net income of 2020 for $ 1,163,554,895, paid as follows: 100% of the preferential dividend and 50% of the ordinary dividend, in May 2021 and the remaining 50% in August 2021.

(In thousands of pesos)

At the General Shareholders' Meeting, at its extraordinary session held on July 27, 2021, the partial distribution of retained profits and the extraordinary payment of dividends for $615,482,074 were approved, which were paid in December 2021.

Distribution of dividends approved in 2020

The General Meeting of Shareholders of March 25, 2020 according to minutes No.103, approved the distribution of profits and payment of dividends charged to the net income of 2019 for $ 871,166,400, which will be paid as follows: 100% of the preferential dividend and 38% of the ordinary dividend, on May 20, 2020; 37% on 15 October 2020 and 25% on 20 January 2021.

Reserves

	As of December 31, 2021	As of December 31, 2020
Legal Reserve (1)	$ 327.611.157	$ 327.611.157
Reservation (Art. 130 ET) (2)	215.186.398	223.904.394
Other Reservations	178.127	178.127
	$ 542.975.682	**$ 551.693.678**

(1) According to Colombian law, the Company must transfer at least 10% of the year's profit to a legal reserve, until this is equal to 50% of the subscribed capital. This reserve is not available to be distributed, however, it can be used to absorb losses.

(2) The General Shareholders' Meeting of March 24, 2021, according to Minutes No.105, ordered the reversal of the fiscal reserve for $8,717,996, for the depreciation of assets that was accountably higher than the fiscal one as of December 31, 2020. In the years 2014 to 2016, the reservation that was established in article 130 of the Tax Statute was generated, which was repealed with Ley 1819 of 2016.

Utility per share

Basic income per share is calculated as the ratio between the net profit for the period attributable to the Company's shareholders and the weighted average number of ordinary shares outstanding during that period, after the appropriation of the preferred dividends corresponding to 20,952,601 shares as of December 31, 2021 of Grupo Energía Bogotá S.A. E.S.P. Preferred dividends are worth US$0.1107 per share (*).

(*) Full figure expressed in USD.

21. Income from ordinary activities and other income

Income from ordinary activities from contracts with customers:

	For the year ended December 31, 2021	For the year ended December 31, 2020
Sale of Energy (1)	$ 4.618.091.336	$ 4.166.550.763
Sale of Gas (2)	65.205.325	81.045.223
Certified Sales (3)	39.168.228	132.267
Sale of demineralized water (4)	220.168	-
Total income from ordinary activities	**$ 4.722.685.057**	**$ 4.247.728.253**
Other Income (5)	3.914.790	33.555.945
Total income from ordinary activities and other income	**$ 4.726.599.847**	**$ 4.281.284.198**

(1) The variation in energy sales as of December 31, 2021 for $451,540,573 is presented by the increase in contract prices (249 COP/kWh in 2021 Vs 221 COP/kWh in 2020), price effect by $439,073,302 higher PPI, and by a higher sales effect of (50 GWh) of $12,467,271 mainly due to higher sales in contracts.

(2) Gas sales show a decrease compared to 2020 by ($15,839,898), mainly due to lower supply sales by 502,292 Mbtus; due to termination of contracts.

(3) As of December 31, 2021, it corresponds to the sale of 2,787,187 carbon certificates for $39,116,538 and green certificates

(In thousands of pesos)

for $51,690.

(4) It corresponds to the sale of demineralized water of 4,234 m3 from the Cartagena Central for $ 220,168.

(5) Other revenues decreased by ($29,641,155), represented mainly by higher income in 2020 due to penalty associated with compensation for damages corresponding to equipment of the El Quimbo hydroelectric plant for ($12,506,434) and estimation of the expected margin for the sale of carbon credits certificates taking as a reference the validity of issuance and the marketing options for ($15,127,302).

Negative Reconciliations Resolution CREG 176 of 2015

On February 26, 2016, the Company filed a request for pre-judicial conciliation with the Attorney General's Office – Administrative Judicial Prosecutor's Office, in order to review by the CreG Energy and Gas Regulation Commission, the settlement of the negative reconciliations caused in October 2015, taking into account that the Company considers that these reconciliations should be subject to the regulations in force in resolutions CREG 034 of 2001, 159 and 168 of 2015, therefore they cannot be liquidated with retroactive effect since the methodology under the new resolution CREG 176 of 2015 can only have effects towards the future, that is, from October 28, 2015 date of its publication. The amount of the claims relating to the restoration of the violated right and reparation of the damage is $100,410,738.

The administrator of the XM market, in a communication filed on February 22, 2016, stated that the disagreement presented by the Company on Article 1 of resolution CREG 176 of 2015 was appropriate; however, it did not define forms, dates or amounts in which the adjustments would be applied in the billing of the 2016 term. Before any adjustment was made, the CREG issues Resolution 043 of 2016 by which it is clarified that the settlements that Resolution 176 of 2015 corrects are those made from September 20 to October 28, 2015, closing any possibility to XM to make adjustments and reaffirming the retroactive effect of the aforementioned resolution.

The Company files a claim for nullity with reinstatement of the right against creg and XM S.A. E.S.P. on May 24, 2016, correctly admitted on September 2, requesting the nullity of Resolution CREG 176 of 2015 and 043 of 2016 and by way of restoration the payment of $ 100,410,738 that corresponds to the value that the Company had to assume for negative reconciliations. The lawsuit was admitted, notified and answered by the Energy and Gas Regulatory Commission on April 17, 2017.

On June 9, 2017, the reform of the lawsuit filed by the Company was admitted, in which XM S.A. E.S.P. is excluded as a defendant on the grounds that the error comes from the CREG, directed only against this entity. This will allow to obtain a ruling in less time, approximately 5 years for first and second instance. On July 5, 2017, the reform of the lawsuit by the CREG was answered. The Administrative Court of Cundinamarca set a date for a hearing of December 6, 2017, in which the evidence requested by the parties was decreed.

On April 18, 2018, an evidentiary hearing was held within which the testimonies requested by the parties were heard. On May 4, 2018, the final allegations were presented and the process enters the Magistrate's Office to pronounce the sentence.

As of December 31, 2021, it does not present an additional update.

Disaggregation of revenue from contracts with customers

The Company obtains its income from contracts with customers, for the transfer of goods and / or services which are satisfied over time or at a point in time and are disaggregated by market in which these goods and / or services are supplied.

This income is generated in Colombia.

Categories	*Satisfaction of performance obligations*	For the year ended December 31, 2021	For the year ended December 31, 2020
Sale of Energy Wholesale Market	*- Over time*	$ 2.816.662.599	$ 2.352.226.486
Sale of Energy Unregulated Customers	*- Over time*	1.553.230.522	1.301.972.653
Sale on Energy Exchange	*- Over time*	248.198.215	512.351.624
Total Energy Sales		**4.618.091.336**	**4.166.550.763**
Sale of Gas	*- Over time*	65.205.325	81.045.223
Total Gas Sales		**65.205.325**	**81.045.223**
Certified sales	*- At a point in time*	39.168.228	132.267
Sale of demineralized water	*- Over time/at a point in time*	220.168	-

(In thousands of pesos)

		For the year ended December 31, 2021	For the year ended December 31, 2020
Total Sale of certificates and demineralized water		**39.388.396**	**132.267**
Other Income	*- Over time/at a point in time*	3.914.790	33.555.945
Total Other Income		**$ 3.914.790**	**$ 33.555.945**
Total Income from ordinary activities and other operating income		**$ 4.726.599.847**	**$ 4.281.284.198**

Contractual assets and liabilities

Contractual assets: The Company does not present contractual assets, since the goods and / or services supplied to customers that have not yet been invoiced, generate an unconditional right to consideration by customers, since only the passage of time is required in the enforceability of payments by customers, and the Company has satisfied all performance obligations.

Contractual liabilities: The Company presents the liabilities of the contract in the statement of financial position, in the category of other current non-financial liabilities (See Note 17). The liabilities of the contract reflect the obligations of the Company, in the transfer of goods and / or services to clients for whom the entity has received an advance consideration.

Below are the contract liabilities by Category:

	As of December 31, 2021	As of December 31, 2020
- Wholesale Customers	$ 88.025.621	$ 48.621.352
- Non-Regulated Clients	20.896.581	15.441.690
	$ 108.922.202	**$ 64.063.042**

Satisfaction of performance obligations

Performance obligations are satisfied to the extent that goods and/or services committed to customers are transferred, i.e. to the extent that the customer gains control of the goods and services transferred.

• Sale of Energy Unregulated Customers, Wholesalers and Stock Exchange

The satisfaction of performance obligations is realized over time, since customers simultaneously receive and consume the benefits provided in the provision of the energy supplied by the Company.

• Sale of Gas

As in the sale of energy, the satisfaction of performance obligations is made over time, since the Company is entitled to payment in case the contract is terminated for the supply of gas.

• Other Income

The other revenues present performance obligations, satisfied over time since customers simultaneously receive and consume the goods and / or services committed to customers, example of revenue recognized over time are: deviations from the marketer, energy backup in the secondary market mainly.

Performance obligations, satisfied at a point in time are those that do not meet so that the requirements to be satisfied over time are satisfied. Some performance obligations satisfied at one point in time presented in this category correspond to the supply of goods.

Performance obligations

Performance obligations correspond to commitments to transfer to a customer a different series of 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.

The performance obligations associated with the categories are as follows:

Category	Performance obligations	Description
Sale of Energy Wholesale Market	- Sale of electrical energy	- Corresponds to energy supply to customers in the wholesale market.
Sale of Energy Unregulated Customers	- Sale of electrical energy	- Corresponds to energy supply to customers of the unregulated market.
Sale on Energy Exchange	- Sale of energy - Other complementary services - Dispatch for security	- Corresponde al suministro de energía a través del administrador del sistema XM.
Sale of Gas	- Gas supply and/or transport.	- Corresponds to the power supply through the XM system manager.
Other Income	- Commissions, and sale of other goods.	- Corresponds to sales operations, administration and maintenance of other concepts outside the Core of business.
	- - CO_2 Carbon Certificates	- Corresponds to the reduction of CO2 emissions made by the Company that are susceptible to certification.
	- Reliability charges.	- Corresponds to the income received from surplus energy in firm, to support the unavailability of plants of other agents.

Significant judgments in the application of the standard

• Sale of Energy and Gas

The Company supplies energy and gas to customers in the wholesale, unregulated, stock exchange and gas markets.

Revenue is recognized when control of the compromised goods and/or services is transferred to customers. There is no obligation of unfulfilled performance of the goods and / or services transferred to customers, since the Company is certain that it has met all the criteria of acceptance by customers, to the extent that they have the ability to redirect the use of the goods and / or services obtained and obtain substantially the benefits associated with them.

• Sale of other goods and/or services

The Company provides operation and maintenance management services, sells material waste and ash and recognized as income the reduction of CO2 emissions that can be certified as of December 31, 2021. In the same way, it receives income from deviations from those marketed and from energy backup in the secondary market. These revenues are recognized to the extent that their control is transferred to customers and they have the ability to direct the goods and / or services supplied, obtaining the economic benefits associated with them.

• Significant financial component

The Company does not have a significant financial component in the supply of its goods and/or services, given that the consideration received with clients is fixed, with no variation of this due to future events. Similarly, the entity does not present installment sales of the goods and / or services supplied to customers.

• Schedule for the satisfaction of performance obligations

For performance obligations satisfied over time, the method of measuring the progress of the satisfaction of performance obligations is performed by the product method, because the Company is entitled to receive as consideration from customers, the value of goods and / or services supplied to customers, until the date of its provision.

• Income recognized as contract liabilities

The Company recognizes as income the liabilities of the contract, to the extent that it satisfies the performance obligations..

• Assets recognized for obtaining or fulfilling contracts with clients

The Company has no costs for obtaining or fulfilling contracts, so it has no assets associated with this concept.

(In thousands of pesos)

22. Provisions and services

	For the year ended December 31, 2021		For the year ended December 31, 2020	
Energy purchases (1)	$	576.499.669	$	664.455.006
Energy transport costs (2)		574.031.933		467.953.997
Other variable provisions and services (3)		172.063.553		111.409.256
Business-related taxes (4)		131.798.571		132.922.170
Purchase and consumption of gas (5)		39.035.377		65.411.751
Fuel consumption (6)		38.085.172		81.534.567
	$	**1.531.514.275**	**$**	**1.523.686.747**

(1) The variation as of December 31, 2021 for ($87,955,337) corresponds to lower stock market price (151 COP/kWh in 2021 Vs 252 COP/kWh in 2020) for ($221,618,901) offset by higher purchases (+887 GWh) for $133,663,564.

(2) The variation as of December 31, 2021 for $106,077,936 corresponds to greater sale of energy to the unregulated market and increase in regulated charges derived from an increase in the rates of STR (regional transmission system), SDL (local network system), ADD (distribution areas) and CPROG (efficient cost of the efficient loss reduction program).

(3) Other variable provisions and services:

	For the year ended December 31, 2021		For the year ended December 31, 2020	
Restrictions (a)	$	94.462.243	$	46.630.227
Other generation support services (b)		28.792.711		12.693.575
Cost CND, CRD, SIC		21.111.602		18.528.165
Secondary Market Reliability Charge		17.272.730		10.114.602
Contributions Regulatory Bodies (c)		10.306.169		23.321.831
Reading services		118.098		120.856
	$	**172.063.553**	**$**	**111.409.256**

(a) As of December 31, 2021, the highest cost of restrictions is presented by $47,832,016; due to the decrease in the stock market price (151 COP/kWh in 2021 Vs 252 COP/kWh in 2020). therefore, thermal generation is reduced in merit, but the generation of programmed safety is essential to cover the electrical restrictions in the national interconnected system.

(b) As of December 31, 2021, the costs associated with the administration, operation and maintenance agreement of the Tominé Reservoir signed with the Bogotá Energy Group and the Company in 2013, with a duration of 10 years for a value of $ 10,628,427, are recognized.

(c) The contribution to regulatory entities presents a decrease as of December 31, 2021, given that article 85 of Law 142 of 1994, modified by article 18 of Law 1955 of 2019 and article 23 numeral 9 of Decree 990 of 2002, empower the Superintendence of Public Household Services to liquidate and collect annually a special contribution to the entities subject to its inspection, surveillance and control to recover the costs incurred. In article 314 of Law 1955 of 2019 established an additional contribution to that defined in Article 85 of Law 142 of 1994, aimed at strengthening the Business Fund of the Superservices, for the year 2021 the basis of the settlement of the additional contribution was modified, which causes the variation in the cost of contributions to regulatory entities for ($13. 015. 662).

(In thousands of pesos)

(4) Taxes associated with the business:

	For the year ended December 31, 2021	For the year ended December 31, 2020
Contributions and Royalties Law 99 of 1993 (a)	$ 95.383.001	$ 93.199.756
Solidarity Fund Reform Law 633 (b)	26.576.313	29.357.535
Other local taxes associated with the business	6.872.539	7.168.788
Industry and Commerce Tax	2.966.718	3.196.091
	$ 131.798.571	**$ 132.922.170**

(a) In accordance with Law 99 of 1993, the Company is obliged to make transfers for basic sanitation and environmental improvement projects to municipalities and regional autonomous corporations, equivalent to 6% of gross energy sales by own generation in hydraulic plants, and 4% in thermal plants, in accordance with the rate indicated for block sales by the Energy and Gas Regulatory Commission (CREG).

(b) According to Law 633 of 2000, the Financial Support Fund for the Energization of Non-Interconnected Zones - FAZNI, is a fund whose resources are allocated in accordance with the Ley and with the energization policies that for non-interconnected areas, as determined by the Ministry of Mines and Energy, to finance plans, prioritized investment programs and/or projects for the construction and installation of the new electrical infrastructure and for the replacement or rehabilitation of the existing one, with the purpose of expanding coverage and ensuring the satisfaction of energy demand in non-interconnected areas.

The generating agents pay the FAZNI based on the monthly generation of their plants dispatched centrally and filo de Agua, at the applicable annual rate. The corresponding values are collected by the wholesale energy market and forwarded to the Ministry of Finance and Public Credit.

(5) The variation as of December 31, 2021 for ($26,376,374) is presented by a decrease in the purchase of 687,910 Mbtus of gas supply due to lower demand in contracts for ($17,120,882); and decrease in gas consumption for the generation of the Cartagena plant by ($9,255,492).

(6) The variation as of December 31, 2021 ($43,449,395), corresponds to the decrease in liquid fuel consumption for the generation of the Cartagena Power Plant by ($2,796,168) and decrease in coal consumption for the Termozipa plant by ($40,653,227).

23. Staff costs

	For the year ended December 31, 2021	For the year ended December 31, 2020
Wages and salaries (1)	$ 85.163.774	$ 84.535.145
Social security service and other social security contributions	19.313.347	21.765.351
Other staff costs (2)	2.060.232	7.575.625
Post-employment benefit obligation expense (3)	1.233.891	1.583.230
	$ 107.771.244	**$ 115.459.351**

(1) The salaries and salaries for 2021 and 2020 are constituted of the following concepts:

Description	For the year ended December 31, 2021	For the year ended December 31, 2020
Wage	$ 53.574.639	$ 53.545.540
Bonuses	12.218.075	12.128.684
Vacation	6.874.303	6.152.508
Service Premium	5.404.466	4.851.796
Severance	3.737.396	3.969.917
Amortization of Employee Benefits	3.354.895	3.886.700
Total wages and salaries	**$ 85.163.774**	**$ 84.535.145**

(In thousands of pesos)

(2) The variation corresponds mainly to the recognition of the Provision of the Transition Fund, which consists of optimizing the staff and processes through automation and digitalization in the different areas and lines of business of the Company. The variation of the provision constituted is ($5,515,393) for three years with a discount rate of 5.93% for 2023, 5.98% for 2024 and 6.03% for 2025 in long-term flows.

(3) The variation is presented by the update of the actuarial calculation, in the financial cost of severance and five-year periods for $758,997 and medical costs for ($409,658).

24. Other fixed operating expenses

		For the year ended December 31, 2021		For the year ended December 31, 2020
Independent, outsourced and other professional services (1)	$	53.531.914	$	51.082.406
Other supplies and services		34.537.038		38.117.277
Insurance premiums		29.224.891		26.091.763
Repairs and maintenance		19.599.840		18.291.690
Taxes and fees (2)		2.759.788		27.808.521
Leases and royalties		2.003.579		1.343.676
Transport and travel expenses		414.436		556.875
	$	**142.071.486**	**$**	**163.292.208**

(1) Below is the detail of independent, outsourced and other professional services:

		For the year ended December 31, 2021		For the year ended December 31, 2020
Other management and operation contracts	$	14.681.125	$	14.809.806
Honorarium		18.909.396		14.470.693
Software and software application development services		11.822.641		14.617.213
Telemetry service		5.944.491		4.660.395
Expatriate expenses		2.174.261		2.524.299
	$	**53.531.914**	**$**	**51.082.406**

(2) It corresponds mainly to the recognition of the sanctions of the following concepts: correction income 2016 - 2019, ruling in second instance process income 2003 and contingency contracts from abroad.

25. Depreciation, amortization and impairment loss expenses

		For the year ended December 31, 2021		For the year ended December 31, 2020
Depreciation (See Note 1(3) (1)	$	226.807.096	$	223.980.695
Depreciation (See Note 12)		19.635.593		20.763.341
Depreciation and amotization	$	246.442.689	$	244.744.036
Impairment of financial and non-financial assets (2)		4.807.677		1.215.007
	$	**251.250.366**	**$**	**245.959.043**

(1) As of December 31, 2021, there is an increase in depreciation with respect to 2020, mainly due to the entry into operation of new assets in 2021 associated with different asset classes; in which depreciation expense is affected as follows: thermal power plants $7,850,941; construction, machinery and other goods $392,025. On the other hand, hydroelectric power plants showed a decrease in depreciation by ($4,686,586) and assets in renting by ($729,979).

(In thousands of pesos)

(2) As of December 31, 2021, it corresponds to the impairment of financial assets, mainly due to the calculation under IFRS 9 for the expected credit loss of the commercial portfolio determined by the individual simplified model, generating an impairment expense of $4,620,072 and the collective model applied on the other non-financial assets, generating an impairment expense of $187,605.

26. Financial results

		For the year ended December 31, 2021		For the year ended December 31, 2020
Income from cash and other equivalent means (1)	$	6.545.449	$	14.006.392
Interest on accounts receivable		3.638.967		4.404.026
Interest on financing to clients		879.150		874.073
Interest on financing to related parties		-		899.408
Financial income		**11.063.566**		**20.183.899**
Financial obligations (2)		(165.186.596)		(205.662.767)
Tax on financial movements		(12.969.360)		(10.278.707)
Other financial costs (3)		(5.298.742)		(25.860.591)
Obligation for post-employment benefits		(5.164.794)		(5.285.453)
Ifrs 16 financial expenses		(353.618)		(847.124)
Leasing		(5.763)		(16.163)
Default interest taxes (4)		4.356.361		(41.634.282)
Financial expenses	**$**	**(184.622.512)**	**$**	**(289.585.087)**
Capitalized financial expenditure (5)		2.327.479		8.112.313
Financial expenses, net		(182.295.033)		(281.472.774)
Income for difference in exchange realized (6)		37.605.075		20.662.769
Expense for difference in change not realized (6)		(42.687.094)		(19.790.331)
Exchange differences, net		(5.082.019)		872.438
Total net financial result	**$**	**(176.313.486)**	**$**	**(260.416.437)**

(1) It corresponds mainly to financial returns of national currency from deposits and investments in different financial institutions supervised and controlled by the Financial Superintendence of Colombia. The variation compared to 2020 corresponds mainly to:

The Bank of the Republic began the year with the intervention rate at 1.75%, and kept it in that range for much of the year until October 2021, this intervention rate was on average during the year 2021 at 1.98% while for 2020 it was 2.87%; as a result of this monetary policy, the company's remunerated accounts also remained at historically low levels.

(2) The variation is presented mainly by the payment of the International Bond generating a decrease in financial obligations as of December 31, 2021 corresponding to interest, as follows:

Operation		2021		2020
Bonds issued	$	165.186.596	$	205.662.767
Total Expenditure of Obligations F.	**$**	**165.186.596**	**$**	**205.662.767**

(3) The variation corresponds to the financial update of environmental liabilities ($18,898,213), as a result of variations in discount rates and uses of provisions; impairment of accounts receivable ($1,153,143), other financial costs ($830,004), financial expenses $199,073 and interest on business loans group $120,437.

(4) The variation corresponds to the update of the quantification of the sanction and interest for foreign contracts for $6,323,530, recognition of default interest for ($1,970,012) and self-withholdings for ($157) recognized in 2021; on the other hand, for 2020, interest generated in the CREE corrections of the year 2016, income of the years 2003, 2016, 2017, 2018, 2019 and foreign contracts were recognized, as follows:

(In thousands of pesos)

	Interests
Income 2003	$ 28.907.685
Foreign Contracts	7.357.048
Income 2017	3.748.355
Income 2016	2.728.801
CREE 2016	1.637.281
Income 2018	(187.834)
Income 2019	(2.557.054)
Total	**$ 41.634.282**

(5) The variation in capitalizable financial expenditure in 2021 versus 2020 corresponds to:

- The fluctuation of the nominal annual rate for capitalization of interest costs for the year 2021 versus 2020 is 1.70%.
- Projects with capitalizable financial expenditure

As of December 31, 2021

Central	Project		Value
Thermal	Beep Others Project (environmental improvement), Life Extension and OCM	$	2.317.847
Hydraulics	Additional works of quimbo central dam		9.632
	Total	**$**	**2.327.479**

As of December 31, 2020

Central	Project		Value
Thermal	Beep Others Project (environmental improvement and Life Extension)	$	6.370.503
Hydraulics	Additional works of quimbo central dam		1.741.810
	Total	**$**	**8.112.313**

(6) The origins of the effects on results due to differences in change correspond to:

	As of December 31, 2021			
		Income by difference instead		Expenses for difference instead
Bank balances	$	38.385.797	$	(29.216.810)
Other assets		135.043		379.914
Trading Accounts		88.770		(9.729.536)
Total assets	**$**	**38.609.610**	**$**	**(38.566.432)**
Accounts payable for goods and services		(1.200.751)		(3.054.422)
Accounts payable to related current entities		196.216		(1.066.240)
Total liabilities	**$**	**(1.004.535)**	**$**	**(4.120.662)**
Total difference in change	**$**	**37.605.075**	**$**	**(42.687.094)**

	As of December 31, 2020			
		Income by difference instead		Expenses for difference instead
Bank balances	$	13.637.233	$	(15.742.948)
Other assets		37.764		-
Trading Accounts		434		(420.747)
Total assets	**$**	**13.675.431**	**$**	**(16.163.695)**
Accounts payable for goods and services		6.633.899		(3.450.985)

(In thousands of pesos)

	As of December 31, 2020			
	Income by difference instead		Expenses for difference instead	
Accounts payable to related current entities		353.439		(175.651)
Total liabilities	**$**	**6.987.338**	**$**	**(3.626.636)**
Total difference in change	**$**	**20.662.769**	**$**	**(19.790.331)**

27. Asset sales results

	For the year ended December 31, 2021		For the year ended December 31, 2020	
Result on Sale of Assets	$	(1.637.912)	$	(1.191.079)
	$	**(1.637.912)**	**$**	**(1.191.079)**

As of December 31, 2021, the Company has a net effect on the result on the sale and disposition of assets of $1,637,912, corresponding to:

i) Losses with effect at a loss for ($1,885,212) distributed as follows:

- Hydraulic power plants for ($824,719)
- Thermal Power Plants for ($568,607)
- Buildings for ($226,899)
- Vehicles leased by contract termination for ($73,685)
- Machinery and equipment for ($153,897)
- Furniture and civil works for ($23.005)
- Hydraulic power plants ($14,400)

ii) Losses with effect in profit for $ 247,300 which are due to the sale of vehicles.

28. Income tax expense

The provision charged to the results of the period, for income taxes and income surcharge is composed as follows:

	For the year ended December 31, 2021		For the year ended December 31, 2020	
Current tax for the year	$	738.050.937	$	604.074.636
Occasional profit tax		-		37.021
Current income tax against wealth		(646.247)		469.308
Discounts (ICA, Research and Development Donations)		(4.384.374)		(2.258.869)
Current income tax in previous years (1)		(13.852.486)		42.666.414
Total current tax	**$**	**719.167.830**	**$**	**644.988.510**
Income tax previous years deferred (1)		2.306.683		(3.216.528)
Deferred tax movement		92.841.550		55.872.815
Total deferred tax	**$**	**95.148.233**	**$**	**52.656.287**
Income tax expense	**$**	**814.316.063**	**$**	**697.644.797**

Until 2016, a reserve was constituted for the accelerated depreciation charged to the net income of December 31, 2016, in compliance with the provisions of article 130 of the Tax Statute in force until that moment, affecting the profits of each year, up to a total amount of $241,806,481. Taking into account that for tax purposes the depreciation method has been used for the reduction of balances from 2014 and accounting would continue through the straight line system. As of 2017, taking into consideration that Article 130 of the Tax Statute was repealed by the tax reform Law 1819 of 2016, the analysis was carried out for each asset, in which case for those assets in which the accounting depreciation begins to be equated to the fiscal one and / or is higher, the reserve is reversed, being for the Assembly of March 2021 released $ 8,717,995, leaving a reserve balance of $ 215,186,399.

(In thousands of pesos)

(1) The income tax of previous years is composed of:

(a) In 2021, the update for the contingency of foreign contracts without registration with the DIAN for $10,151,796 and income adjustment year 2020 for $3,700,690 and its corresponding deferred effect ($2,306,683).

The following is the reconciliation between the income tax that would result from applying the general tax rate in force to the "result before tax" and the expense recorded by the aforementioned tax in the separate income statement corresponding to December 31, 2021:

Effective tax rate reconciliation		**For the year ended December 31, 2021**		**For the year ended December 31, 2020**
Profit for the year	**$**	**1.712.321.388**	**$**	**1.283.152.110**
Income tax expense		814.316.063		697.644.797
Profit before tax	**$**	**2.526.637.451**	**$**	**1.980.796.907**
Current legal tax rate		31%		32%
Tax according to current legal rate	**$**	**(783.257.610)**	**$**	**(633.855.010)**
Permanent differences:				
Deductions for real productive fixed assets		2.882.749		1.692.340
Net effect movement of estimated liabilities and permanent provisions		(2.565.736)		(1.606.546)
Non-deductible taxes (3)		(2.278.095)		(1.644.593)
Accounting depreciation value tax depreciation		(2.270.893)		3.379.650
Other permanent differences (2)		1.448.837		(24.949.606)
ICA Discount/Donations		646.247		2.892.443
Non-causative and other non-deductible expenses		308.643		(967.863)
alleged interests		(1.173)		(644)
Profit from the sale of taxable fixed assets with occasional gain		-		81.446
Effective tax rate reconciliation		**For the year ended December 31, 2021**		**For the year ended December 31, 2020**
Previous year income adjustment (1)	$	11.545.798	$	(42.666.414)
Adjustment difference in rates - deferred adjustment in previous years		(45.159.205)		-
Other tax benefits		4.384.375		-
Total permanent differences	**$**	**(431.058.453)**	**$**	**(63.789.788)**
Income Tax Expense	**$**	**(814.316.063)**	**$**	**(697.644.797)**

(1) In 2021 the update for the contingency of foreign contracts without registration with the DIAN for $ 10,151,796 and income adjustment year 2020 for $ 3,700,690 and its corresponding deferred effect ($ 2,306,683)

(2) It corresponds in 2021 mainly to contingency 2016 – 2017 for $ 1,448,838.

(3) It corresponds mainly to the 31% in 2021 ($2,982,125) of tax on financial movements and the 31% rejection of Industry and Commerce spending by ($704,030).

29. Utility per share

Basic earnings per share is calculated by dividing the Company's shareholder-adjusted profit attributable to preferred dividends after tax by the weighted average of outstanding common stock in the year. As of December 31, 2021, there are no common shares acquired by the Company.

(In thousands of pesos)

	For the year ended December 31, 2021		For the year ended December 31, 2020	
Profit for the year attributable to the owners	$	1.712.321.388	$	1.283.152.110
Preferential Dividends (1)		9.234.113		7.961.522
Profit for the year attributable to owners adjusted for Preferential Dividends		1.703.087.275		1.275.190.588
Weighted average of outstanding shares		148.914.162		148.914.162
Basic earnings per share (*)	**$**	**11.436,70**	**$**	**8.563,26**

(*) Figure expressed in Colombian pesos

(1) Of the total shares of Grupo Energía Bogotá S.A E.S.P., 20,952,601 shares correspond to non-voting shares with an annual preferential dividend of US$0.11 per share.

30. Comprehensive result

The detail of the other comprehensive result is presented below:

	For the year ended December 31, 2021		For the year ended December 31, 2020	
Components of another comprehensive result that will not be reclassified to the result of the year, before taxes:				
Losses on new measurements of financial instruments measured at fair value with changes in the ORI (1)	$	(35.329)	$	(37.369)
Gains (Losses) on New Measurements of Defined Benefit Plans (2)		14.150.443		(1.712.482)
Other result that will not be reclassified to the profit or loss for the year, before tax	**$**	**14.115.114**	**$**	**(1.749.851)**
Components of another comprehensive result that will be reclassified to the result of the year, before taxes:				
Gains (Losses) on cash flow hedges (4)		4.311.953		(1.474.375)
Another result to be reclassified to the profit or loss for the year, before tax	**$**	**4.311.953**	**$**	**(1.474.375)**
Income tax on components of another comprehensive income that will not be reclassified to the profit or loss for the year, before tax				
(Losses) Earnings from New Defined Benefit Plan Measurements (3)		(3.841.325)		457.577
Total income taxes relating to components of another comprehensive income that will not be reclassified to the tax for the year	**$**	**(3.841.325)**	**$**	**457.577**
Income tax on components of another comprehensive income that will be reclassified to the result of the year, before taxes				
Effect of tax on cash flow hedges (5)		(1.439.523)		2.999.382
Total taxes on profits relating to components of another comprehensive result that was reclassified to the tax for the year	**$**	**(1.439.523)**	**$**	**2.999.382**
Total another comprehensive result	**$**	**13.146.219**	**$**	**232.733**

(1) As of December 31, 2021, it corresponds to the losses derived from the investment in Derivex S.A. E.S.P as a result of the valuation by the multiples method and the updating of the investment in subsidiaries resulting from the application of the equity method.

(2) It corresponds to the effect of actuarial losses valued by the firm AON Hewitt Mexico. As of December 31, 2021 and 2020, actuarial losses with effect on equity are presented below:

	As of December 31, 2021				As of December 31, 2020			
		Pensions and Benefits		Retroactive Severance		Pensions and Benefits		Retroactive Severance
Starting Balance	$	(28.837.301)	$	(1.909.098)	$	(27.867.394)	$	(1.624.100)
Actuarial gain		(13.589.447)		(560.996)		(1.427.484)		(284.998)
Current and Deferred Tax		(3.841.325)		-		457.577		-
Final Balance	**$**	**(46.268.073)**	**$**	**(2.470.094)**	**$**	**(28.837.301)**	**$**	**(1.909.098)**

The value of the losses is transferred directly to the accumulated gains and will not be reclassified to the result of the equivalent period.

(3) It corresponds to the effect on the equity of income tax and deferred tax generated by actuarial losses as of December 31, 2021 and 2020, respectively, as detailed below:

	As of December 31, 2021		As of December 31, 2020	
Income tax	$	2.686.371	$	11.732
Deferred tax		1.154.954		(469.309)
Final Balance	**$**	**3.841.325**	**$**	**(457.577)**

(4) As of December 31, 2021, it corresponds to the Mark to Market (MTM) result of the valuation of hedging derivatives for both forward and swap.

(5) As of December 31, 2021 and 2020, it corresponds to the deferred tax related to cash flow coverages, detailed below:

	As of December 31, 2021		As of December 31, 2020	
Deferred tax related to cash flow coverage	$	(1.439.523)	$	(2.999.382)
Final Balance	**$**	**(1.439.523)**	**$**	**(2.999.382)**

31. Foreign currency assets and liabilities

Existing rules in Colombia allow the free trading of foreign currencies through banks and other financial institutions at ex-change-free rates. However, most foreign currency transactions require compliance with certain legal requirements.

Summary of assets and liabilities denominated in currencies:

	As of December 31, 2021			
	(in EUR)	(in US Dollars)		(In thousands of pesos)
Cash and cash equivalent (Note 4)	-	2.050.722	$	8.164.253
Debtors	-	461.585		1.837.644
Accounts payable	(1.684.785)	(8.928.559)		(43.173.681)
Passive position, net	**(1.684.785)**	**(6.416.252)**	**$**	**(33.171.784)**

	As of December 31, 2020			
	(in EUR)	(in US Dollars)		(In thousands of pesos)
Cash and cash equivalent (Note 4)	-	396.368	$	1.360.533
Debtors	448.998	4.806.103		18.382.666
Accounts payable	(442.419)	(7.062.976)		(26.101.752)
Passive position, net	**6.579**	**(1.860.505)**	**$**	**(6.358.553)**

32. Sanctions

As of December 31, 2021, the status of sanctions is presented below:

There are no penalties for regulatory breaches, specifically Law 142, Law 143 and the regulation issued by the Energy and Gas Regulation Commission.

Environmental sanctions

a) The National Environmental Licensing Authority (ANLA) confirmed the sanction against the Company for $2,503,259, for the alleged breach of the Environmental License, in relation to the removal of wood and biomass product of the forest use of the reservoir vessel of the El Quimbo Hydroelectric Project. An application for annulment and reinstatement of the right was filed, the claim has already been admitted.

The allegations were presented and the process has been in the office since March 10, 2020 for a first instance ruling.

b) The Regional Autonomous Corporation of Alto Magdalena (CAM) ruled on the appeal filed against Resolution No. 2239 of July 29, 2016, in which the Company was sanctioned for $ 758,864, for violation of environmental regulations, since activities were carried out without having the prior environmental permit as established by the standard (Opening of road above level 720 of the El Quimbo-PHEQ Hydroelectric Project), the penalty was reduced to $492,700.

The application for nullity and restoration of the right (Judicial actions) was filed, the CAM answered the demand. After the suspension of the process decreed by the Administrative Court of Huila on the occasion of the emergency measures for COVID19, in December 2020 the initial hearing was held and the technical testimony requested by Emgesa was practiced, on May 4, 2021 the hearing of evidence was continued, the process is at the evidentiary stage.

c) On January 12, 2018, the Company was notified of the resolutions of December 4, No. 3567, 3568 and 3569 confirming the sanctions imposed by the CAM in November 2016 in relation to resolutions 3590, 3653 and 3816 of November 2016 derived from the lack of dumping permits of the resettlements of the PHEQ project, in accordance with environmental regulations.

As a result of the above, the Regional Autonomous Corporation of Alto Magdalena (CAM) imposed three (3) sanctions consisting of a fine of $50,670 each:

The following are the resolutions and the facts for which we are sanctioned:

- Resolution No. 3590 of November 10, 2016, the CAM sanctions the Company for not having the permit of dumping of the resettlement of Montea.

  A lawsuit for Nullity and Restoration of the Law was filed, since May 30, 2019, a judgment of first instance was issued on October 4, 2021 in favor of the company, the appeal presented by the CAM is currently being processed.

- Resolution No. 3816 of November 10, 2016, the CAM sanctions the Company for not having the dumping permit of the resettlement of La Galda.

  An application for Nullity and Reinstatement of the Right was filed against the CAM. On April 14, 2021, a judgment of first instance was issued by the Seventh Administrative Court of Neiva, in which the company's claims were denied, currently the process is pending the processing of the appeal filed by Emgesa before the Administrative Court of Huila.

33. Other insurance

The Company, in addition to the property, plant and equipment insurance (See Note 13), has the following:

Good/insured person	Covered Risks	Insured value Figures in Thousands	Expiration	Insurance Company
Employees with a direct contract with the Company	Death, total and permanent disability	Maximum individual insured sum $2,000,000	31/12/2021	Seguros Bolívar
Directors or directors	Directors' Liability and administrators	$19.385.116	10/11/2022	SBS Seguros

(In thousands of pesos)

34. Commitments and contingencies

a. Purchase commitments:

The Company as of December 31, 2021, has commitments for the purchase of energy (pay what is contracted at current prices), natural gas, fuel oil and coal as follows:

Period	Natural gas	Fuel Oil	Charcoal	Energy	Total
2020-2023	$ 166.105.771	$ 74.083.692	$ 34.385.981	$ 323.160.455	$ 597.735.899
2024-2029	-	-	-	120.133.806	120.133.806
Total	**$ 166.105.771**	**$ 74.083.692**	**$ 34.385.981**	**$ 443.294.260**	**$ 717.869.705**

As of December 31, 2021, the Company has energy sales commitments in long-term contracts for the period 2021-2029 for $443,294,260.

The following is the summary of the commitments to purchase materials and services:

Period	Materials	Services	Total
2022	$ 29.896.709	$ 195.263.939	$ 225.160.648
2023-2024	11.648.794	173.784.655	185.433.449
2024-2033	-	4.777.640	4.777.640
Total	**$ 41.545.503**	**$ 373.826.234**	**$ 415.371.737**

b. Canoas lift station agreement

On December 5, 2011, the inter-institutional agreement was signed between the Aqueduct and Sewerage Company of Bogotá E.S.P. -EAAB and the Company, with the aim of joining forces to guarantee the construction of the Canoas Elevator Station, through economic and operational contribution offered by the Company. It should be noted the importance for the inhabitants of the Bogotá river basin of the aforementioned agreement, to the extent that it contributes significantly to the financing of mega works necessary for the sanitation of the Bogotá River and allows the use of water resources in the supply of electricity guaranteeing the reliability of the system for electricity generation; thus making the power generation process compatible and the optimization of water quality.

The Economic Contribution of the Company for this agreement amounts to $ 84,048,000, the value of the final disbursement will be the result of the simple indexation of the economic resources of the agreement and will be disbursed once the lifting station is built and in operation by the EAAB.

The agreement is valid for 27 years from the signing of the agreement and until the Company retains the quality of user of the waters of the Bogotá River by virtue of the water concession granted by the CAR. This may be extended by agreement of the parties provided that the reasons for its conclusion remain.

In November 2018, the EAAB carried out the process of awarding the designs and construction of the lifting station that according to the planned schedule began in March 2019 with a duration of 44 months. The Company will participate in the technical tables from the beginning of the detailed engineering and construction contract. Once the construction of the lifting station, installation and commissioning is completed and the equipment is tested, the Company will receive the Lifting Station to operate and maintain it.

For the year 2021, the following activities were carried out:

- Completion of the detailed engineering of the different specialties (geotechnics, structural, hydraulic, electrical, mechanical and control) with an advance of 99%.
- Construction of the containment screens of the screening and pumping wells and began digging material inside. With progress of 67% and 51% of its progress.

(In thousands of pesos)

- Progress in the construction of related structures such as substation and electrical and control building.
- Progress is being made in the testing of the main equipment such as transformers and motors for the substation and pumps of the Lifting Station. We are still reviewing the schedule of FAT tests of screening and odor control equipment.

c. Contingencies and Arbitrations

The Company faces litigation classified as possible or eventual, for which the Management, with the support of its external and internal legal advisors, estimates that the result of the lawsuits corresponding to the non-provisioned part will be favorable for the Company and will not cause liabilities of importance that must be accounted for or that, if they result, these will not significantly affect your financial position.

The variation between December 31, 2021 and December 31, 2020, corresponds to the following processes:

TYPE OF PROCESS	PLAINTIFF	SUBJECT MATTER OF THE APPLICATION	VALUE	ACTION	MONTH
Adm_Reparación_Directa	Adoración Martinez Arcos, Francy Elena Polo, Patrícia Lopez Narvaez	That the company EMGESA S.A-E.S.P. be declared civilly responsible for the damages caused to the plaintiffs with the construction of the quimbo hydroelectric project.	$ 347.557.800	Ingreso	Oct-21
Adm_Reparación_Directa	Alicia Vieda Cuellar, Lilian Joven Otalora, Luis Héctor Calderón Calderón.	That the company EMGESA S.A-E.S.P. be declared civilly responsible for the damages caused to the plaintiffs with the construction of the quimbo hydroelectric project.	$ 377.780.000	Ingreso	Oct-21
Adm_Nulidad_y_ Restablecimiento	Oscar Eduardo Valbuena Calderón, Diego Armando Valbuena Calderón, Juan Sebastián Valbuena Calderón, Luz Dalila Yate Delgado, Ingrid Yaquelin Angulo Aviles, Jhoan Sebastián López Ramírez, Nicolás López Ramírez, Laura Daniela Gasca Trujillo, Luz Mary Méndez Calderón, María Paula Quimbaya Vargas, Ximena Andrea Almario Ordoñez, Carolina Chavarro Álvarez, Maira Yicela Chavarro Álvarez, Rodrigo Sánchez Cabrera, Aldemar Sterling Perdomo, Oscar Iván Imbachi Galindez, Narly Jiménez Ortiz, Genry Gómez Murcia, Maicol Stiven Correa Granada	The nullity of the administrative acts is declared (23 offices issued by EMGESA S.A. E.S.P) Consequently, by way of restoring the right, the defendant entity is ordered to comply with the provisions of article 10, numeral 1.2.2 of the environmental license of the PHEQ, including in the census of the affected population the literal k of the receiving population to the plaintiffs; to the same title, it is provided that the plaintiffs included in the census of the affected population, as the recipient population of the resettlements LA NUEVA ESCALERETA, located in the llano de la virgen village of the municipality of Altamira (H), SANTIAGO PALACIOS located in the JAUALITO village of the municipality of Garzón, SAN JOSE DE BELEN TAPERAS in the lagging villages of LA GALDA AND LA YAGUILGA, of the municipality of Agrado, and NUEVA VERACRUZ in the village of RIOLORO of the municipality of Gigante; the Compensation Manual must be applied, as provided in paragraph 1.2.2. AND 1.5.2. of article 10 of the environmental license, specifically, in the payment of the seed capital, according to the status indicators, all in accordance with Annex No. 1, which establishes the settlement of said compensation, in accordance with the Compensation Manual, taking into account the status indicator and the income certification given by the accountant.	$ 325.000.000	Ingreso	Oct-21
Adm_Nulidad_y_ Restablecimiento	Olmedo Ramírez Ramírez, Cleisy Dussan Tovar, Luis Eduardo Roa, Yesica Katherin Triviño Chanchin, Jadinson Cortes Pérez, Alexander Escobar Trujillo, Cristian Mauricio Escarpetta Bonilla, Diana Marcela Huertas Mora, Yeferson Arley Perdomo Miticanoy, Marilin Álvarez Dussan, Claudia Patricia Bermeo Rosa, Daniel Eduardo García Martínez, Gilberto Yucuma Pulido, Darío Fernando Avilés Sánchez, Francisco Javier Avilés Sánchez, Andrés Matías Medina Álvarez, Cristian Alberto Medina Álvarez, Josué García Martínez, José Yeison Silva, Jhon Edison Osorio Silva, Miguel Ángel Osorio Silva, Rómulo Osorio Silva, Yeny Paola Cuellar Renca, Luis Andrés Álvarez Dussan, Ruben Darío Andrade Palencia María Cristina Cano Serrato Jhon Edinson Ortiz Llanos, Laura Daniela Ortiz Llanos, Paola Andrea Salinas Piñeros, Williams Stevens Arias Vargas, Yesica Tatiana Calderón Benavides, Tito Triana Muñoz, Cristian Orlando Caquimbo Ramírez, Lina Marcela Canacue Castilla, Yulied Daniela Cardoso Ortiz, Diego Alexander Rincón Ortiz, María Alejandra Villanueva Rojas, Ana Virginia Sánchez Quiroga, Windthy Yulieth Aguilar Gutiérrez,	The nullity of the administrative acts (40 offices issued by EMGESA S.A. E.S.P) Is declared null and void. Consequently, by way of restoring the right, the defendant entity is ordered to comply with the provisions of article 10, numeral 1.2.2 of the environmental license of the PHEQ, including in the census of the affected population the literal k of the receiving population to the plaintiffs; in the same way, it is provided that the plaintiffs included in the census of the affected population, as the population receiving the resettlements LA NUEVA ESCALERETA, located in the llano de la virgen village of the municipality of Altamira (H), must be applied the Compensation Manual, according to the provisions of numeral 1.2.2. AND 1.5.2. of article 10 of the environmental license, specifically, in the payment of the seed capital, according to the status indicators, all in accordance with Annex No. 1, which establishes the settlement of said compensation, in accordance with the Compensation Manual, taking into account the status indicator and the income certification given by the accountant.	$975.000.000	Ingreso	Oct-21
Adm_Reparación_Directa	Jesús Antonio Ordoñez Vargas, Jaime Suarez Ramón, Liry Yurani Velasco Losada	The lawsuit seeks to declare EMGESA S.A E.S.P. responsible for the material and moral damages caused to the plaintiffs on the occasion of the construction of the QUIMBO hydroelectric project. According to the facts of the application, the plaintiffs here held the status of day laborers in various trades, on farms that were part of the AID of the PHEQ.	$383.434.000	Ingreso	Oct-21

(In thousands of pesos)

TYPE OF PROCESS	PLAINTIFF	SUBJECT MATTER OF THE APPLICATION	VALUE	ACTION	MONTH
Adm_Reparación_Directa	Jairo Enrique Aldana Tapia, Darly Tathiana Avilés Saavedra, Yina Marcela Medina Herrera, Tannia Galindo Fajardo, Edinson Esmith Calderón Bautista, Orlando Calderón, Fernando Méndez Méndez, Jorge Enrique Torres Jara, Luis Carlos Villanueva Lugo, Jhon Jairo González Serrano, John Fredy Artunduaga Ortiz Nubia Méndez, Constanza Tovar Vargas, María Del Carmen Olaya Arias, Flor Marina Cuellar Sánchez, Luis Emil Galvis Nieto, Francy Elena Chávez Polo, Martha Stella Ortiz Fernández, Rosalba Trujillo, Nelcy Ramírez Garzón, Isnelda Ortiz Vargas, Alexandra Sierra Marín, Carlos Alberto Arias Álvarez, Pablo Emilio Riaños, Gilberto Almario Perdomo, Omar España Triviño.	The nullity of the administrative acts (11 offices issued by EMGESA S.A. E.S.P.) Is declared null and void. Consequently, by way of restoring the right, the defendant entity is ordered to comply with the provisions of article 10, numeral 1.2.2 of the environmental license of the PHEQ, including in the census of the affected population the literal k of the receiving population to the plaintiffs; to the same title, it is provided that the plaintiffs included in the census of the affected population, as the recipient population of the resettlements LA NUEVA ESCALERETA, located in the llano de la virgen village of the municipality of Altamira (H), SANTIAGO PALACIOS, located in the JAGUALITO village of the municipality of Garzón and SAN JOSE DE BELEN TAPERAS in the LA GALDA villages of the municipality of El Agrado (H), the Compensation Manual must be applied, as provided in paragraph 1.2.2. AND 1.5.2. of article 10 of the environmental license, specifically, in the payment of the seed capital, according to the status indicators, all in accordance with Annex No. 1, which establishes the settlement of said compensation, in accordance with the Compensation Manual, taking into account the status indicator and the income certification given by the accountant.	$650.000.000	Ingreso	Oct-21
Const_Accion_Popular	Diana Carolina Romero Ramírez , Federico Andrés Romero Ramírez, Luis Felipe Romero Ramírez, Elisenia Ramírez, Sandra Yohana Romero Ramírez	The plaintiffs request the protection of the collective rights to a healthy environment, the right to safety and prevention of technically foreseeable disasters and to avoid contingent damage to life, health, human dignity integrity and other irremediable damages caused and to be caused to the resident community of the new veracruz population center, derived from the construction of the resettlement in the vicinity of the emerald pipeline. Related to compliance with the environmental license of the Quimbo plant.	Indeterminado	Ingreso	Nov-21
Nulidad y restablecimiento del derecho en primera instancia (Ley 1437 de 2011)	Aes Chivor & Cia Sca Esp Corporación Autónoma Regional Del Chivor- Corpochivor Autoridad Nacional De Licencias Ambientales –ANLA	Action for annulment and restoration of the right in the first instance of the administrative acts issued by CORPOCHIVOR and ordering dredging works to be carried out in a section of the GUAVIO RIVER TO AES CHIVOR AND EMGESA	$3.600.000.000	Ingreso	Dic-21
Proceso ejecutivo de mayor y menor cuantía por obligación de dar sumas de dinero	AXIA ENERGIA SAS ESP	To issue a payment order in favor of the company AXIA ENERGIA S.A.S with NIT no. 900,507,207-1 and against the company EMGESA S.A. ESP., for the following sums: for the concept of capital: the sum nine hundred and sixty-eight million one hundred and forty-one thousand five hundred and sixty-five pesos with 89 cents. ($968,141,565.89). For default interest from May 1, 2020 until the obligation is paid.	$ 968.141.565	Ingreso	Dic-21
Ordinario laboral de primera instancia	Gustavo Javier Gómez Quin	The applicant seeks a declaration that the defendants EMGESA S.A. E.S.P. and the ENEL Colombia foundation are obliged to pay, by actuarial calculation - in favour of the applicant the contributions to the social security system in pensions for the periods from 1 April 1999 to 30 June 2002 and 01 October 2002 until 8 January 2010 when the employment contract ended.	$150.000.000	Ingreso	Dic-21
Adm_Reparación_Directa	Donelia Vargas Díaz	Be condemned for moral and material damages for the non-payment of compensation under license in its capacity as affected by the P.H.E.Q	$ 209.321.136	Terminación caso	Oct-21
Pertenencias	Luis Eduardo Jiménez Polo	The legal action pursues the extinction of the real right of ownership of the Company over a real estate located in the Gavio area	Indeterminada	Terminación duplicado	Oct-21
Proceso ordinario de Declaración de pertenencia		Process of belonging promoted by occupant of real estate owned by the company.	Indeterminada	Terminación Caso	Dic-21
Proceso ordinario de Declaración de pertenencia		Process of belonging promoted by occupant of real estate owned by the company.	Indeterminada	Terminación Caso	Dic-21
Proceso ordinario de Declaración de pertenencia		Process of belonging promoted by occupant of real estate owned by the company.	Indeterminada	Terminación Caso	Dic-21
Proceso ordinario de Declaración de pertenencia		Process of belonging promoted by occupant of real estate owned by the company.	Indeterminada	Terminación Sentencia Favorable	Dic-21
Proceso ordinario de Declaración de pertenencia		Process of belonging promoted by occupant of real estate owned by the company.	Indeterminada	Terminación Caso	Dic-21
Acciones de Grupo		Indemnity Bosa and Kennedy December 2011	$ 786.367.000.000	Terminación - Duplicado	Dic-21
Proceso ordinario de Mayor, menor y mínima cuantía		Huge Injury	Indeterminada	Terminación Sentencia Favorable	Dic-21
Acción de Reparación Directa		Damages caused by the PHEQ	$177.000.000	Terminación Sentencia Favorable	Dic-21
Acciones populares		The plaintiffs request the protection of the collective rights to a healthy environment, the right to safety and prevention of technically foreseeable disasters and to avoid contingent damage to life, health, human dignity integrity and other irremediable damages caused and to be caused to the resident community of the new veracruz population center, derived from the construction of the resettlement in the vicinity of the emerald pipeline. Related to compliance with the environmental license of the quimbo plant	Indeterminada	Terminación Sentencia Favorable	Dic-21
Proceso ordinario de Declaración de pertenencia		Process of belonging promoted by occupant of real estate owned by the company.	Indeterminada	Terminación Caso	Dic-21

(In thousands of pesos)

TIPO DE PROCESO	DEMANDANTE	OBJETO DE LA DEMANDA	VALOR	ACCIÓN	MES
Laboral Ordinario	Ángel María Villalba Lara	payment for Sunday, public holidays and overtime hours	$ 44,390	New Process	feb-20
Laboral Ordinario	Manuel Vicente Jiménez Castillo	payment for Sunday, public holidays and overtime hours	$ 44,390	New Process	feb-20
Acción popular	Efraín Montañez Contreras	The popular action is shaping up to seek the protection of the collective rights to safety and prevention of technically foreseeable disasters, on the occasion of the poor state of the road section known as "La Variante" of the Municipality of Santa María (Boyacá), which the plaintiff identifies as owned by EMGESA S.A. ESP.	Undetermined	New Process	mar-20
Laboral Ordinario	Hernando González Rodríguez	Recognition and overtime pay	$ 44,390	New Process	ago-20
Penal	Isidro Martínez Acuña	Previous legal conflicts with EMGESA	Undetermined	New process	Agos-20
Laboral Ordinario	Libardo Urrea Quigua	That the dismissal be declared ineffective, that the reinstatement be ordered and that EMGESA be sentenced to compensation for dismissal without just cause and wages left to be received	$ 47.843	New Process	Sep-20
Laboral Ordinario	Rodolfo Castañeda	Payment for Sunday, holiday and overtime hours	$ 44,390	New process	Oct-20
Laboral Ordinario	Floriberto Peña Sierra	Payment for Sunday, holiday and overtime hours	$ 44,390	New process	Oct-20
Laboral Ordinario	Miguel Ángel Olmos Farfán	Payment for Sunday, holiday and overtime hours	$ 44,390	New process	Oct-20
Penal	Tala Ilegal - Embalse Muña // Emgesa – Victima	Damage to the property of others	Undetermined	New process	Dic-20
Penal	Fabio Augusto Martínez Lugo // Victima	Interception of computer data, violation of personal data and conspiracy to commit a crime	Undetermined	New process	Dic-20
Adm_Contractuales_ Administrativas	Diego Hernán Sandoval Castro	Declare the nullity of the contract signed between the VIG consortium and Emgesa as a result of the CEQ519 tender	$ 2.260.008	Process completion	ene-20
Civil Ordinario	Quiterio Trujillo	Ordinary tort Liability for Acts of 1,994	Undetermined	Process completion	mar-20
Pertenencias	Flor Ángela Rodríguez	Process of belonging promoted by occupant of real estate owned by the Company.	Undetermined	Process completion	mar-20
Penal	Incidente VITARA NCQ821 - Javier Ricardo Sánchez	VITARA NCQ821 INCIDENT - JAVIER RICARDO SANCHEZ	Undetermined	Process completion	abr-20
Pertenencias	Carlos Fernando Carranza Delgado	Process of belonging promoted by occupant of real estate owned by the Company.	Undetermined	Process completion	Jul-20
Penal	Indemnización irregular	Irregular compensation	Undetermined	Process completion	Ago-20
Penal	Defensa Judicial – Carlos Antonio Lara	Culpable Homicide	Undetermined	Process completion	Dic-20
Penal	Injuria y calumnia	GREYS SUAREZ MEJIA	Undetermined	Process completion	Dic-20
Penal	Injuria y calumnia	RODNEY VILLAMIZAR CASTRO	Undetermined	Process completion	Dic-20
Penal	Injuria y calumnia	GREYS SUAREZ MEJIA	Undetermined	Process completion	Dic-20
Penal	Injuria y calumnia	GREYS SUAREZ MEJIA - ARLEDIS GONZALEZ SILGADO - DANELIS RODRIGUEZ CARMONA	Undetermined	Process completion	Dic-20

Below, the processes reported in December 2020, updated to December 2021.

Plaintiff	Start Date	Pretension	Object of the Trial	Current status and procedural situation
Policarpo Agudelo Y Otros	2014	$ 50.000.000	Compensation for damages bridge passage of the school	First instance ruling favorable to the company 18-12-2019. It is on appeal in the Council of State, pending to argue its conclusion. To the Office from 05/05/2021 pending to resolve the appeal for reinstatement filed against the order that ran transfer to allege conclusion. Arguments for conclusion were submitted at second instance.
Ruber Cufino Hernández Y Otros	2017	38.117.538	Compensation as a non-resident population	08/11/2021//2021 Ministry of Environment and Sustainable Development answers warranty call.
Tito Toledo Y Otros	2018	33.716.615	Compensation is made for the damages caused by the PHEQ to its work as artisanal miners of A.I.D. properties	26-08-2021 Reception memorial replacement of power on the date by e-mail the Dr. Daily Esperanza Restrepo Villada replaces power of Dr. Martha Lucia Lopez 26-08-2021 Minutes hearing evidence receipt of testimonial evidence, hearing continues in February 2022, days 21 at 2:10 pm, day 22 from 08:30 am, day 23 from 8:30 am and day 24 is indicate in the course of the week of the hearing of that date is required.
Jesús María Fernández Y Otros	2017	24.673.190	Compensation for damages in the form of loss of profits due to the permanent de facto occupation of the quimbo dam in the area of the mining concession contract – mine property	To the office pending the fixing of the initial hearing.
Yina Paola Amaya Pimentel Y Otros	2018	20.706.898	Compensation is made for the damages caused by the PHEQ to its work as day laborers in tobacco cultivation and short-cycle crops of A.I.D. properties	2-08-2021Since this date it is in practice of tests.
Aura Lucia Díaz García Y Otros	2017	20.349.603	Compensation as a non-resident population	Pending date setting for practice of Tests

(In thousands of pesos)

Plaintiff	Start Date	Pretension	Object of the Trial	Current status and procedural situation
Antonio Jesús Moreno I	2017	15.831.622	Compensation for non-resident population	Pending that the Constitutional Court defines Competence.
Carlos Arrigui Ramón	2015	10.000.000	Huge injury	Second instance ruling favorable to the Company. Executive order is issued for collection of procedural costs. Supreme Court Civil Chamber, declares void appeal of cassation. Pending return of the process for final file.
Piscícola New York S.A. Procesadora Y Comercializadora De Alimentos S.A. - Proceal S.A. Piscícola Ríos S.A.	2017	7.792.000	The defendants are ordered to pay collective compensation caused by the material damage (consequential damage) and moral damage received by the construction of the el quimbo hydroelectric plant	10/05/2021, conciliation hearing was held That it was declared a failure. Pending resolution nullity Proposed by the applicant. The part the applicant proposed that the proceedings were null and void, consider that it is being processed improperly Process. File to the office pending Resolve said nullity.
Maria Esther Rojas De Irrigue	2015	6.000.000	Huge injury	Judgment of second instance favorable to the Company. Execution is ordered to proceed by collection of procedural costs. In collection of costs judicial to the counterparty.
Lucia Motta De Barrera	2017	5.596.309	Huge injury	Judgment of first instance favorable to the Company. Nullity of judgment is decreed and It is sent file to Circuit Courts in Bogotá (R) to the Resolve conflict of competence.
Yaneth Joven Suarez	2017	5.486.229	Huge injury	Judgment of first instance favorable to the Company. First instance failure is confirmed at Declare the appeal void.
Ricardo Rivera Chaux	2017	5.416.668	Huge injury	First instance ruling favorable to the Company. The nullity of the judgment is decreed and referred to CS of the J (R) when proposing conflict of Competence. Process assigned to the Contentious jurisdiction. In the stage of answering the claim. July 23 obey what was decided by the jurisdictional chamber, on July 30 the previous order is firm, on August 17 by distribution corresponded to the 4 CC of Bogotá No. 11001310300420210032400, on September 23 the court officiates to the Superior Court of Neiva to process to digitize the file.
Alba Myriam Chaux Montealegre Y Otros	2017	5.188.063	Fish traders	14-05-2021 Auto sets a date for the hearing of evidence on September 23, 2021 at 8:00 a.m. and 2:00 p.m. Evidence hearing is held and a new date is set for the continuation on January 27, 2022 at 8:00 a.m.
Rosario Flórez Angarita Y Otros	2017	4.416.785	RCE for compensation	09/12/2021 Auto inadmissible appeal in guarantee of ministry of mines, ministry of environment and ANLA, for not providing the related evidence. 15/12/2021 correct the call in guarantee, I provide the evidence
José Ramiro Benavides Y Otros	2018	4.229.160	Compensation is made for the damages caused by the PHEQ to its economic activity within the construction chain - non-residents who derived their income in the A.I.D	4-11-2021 Auto sets initial hearing date on office to indicate the eighth day (08) of February of two thousand and twenty-two (2022), at eight in the morning (08:00 a.m.), as the date and time to carry out the initial hearing referred to in article 180 of the CPACA, which will be held virtually, for which, by the secretariat will send the link of the meeting to emails reported by procedural subjects in their corresponding writings Introductory and if they have not been informed, they are required to proceed to provide the office with the emails arranged for their judicial notifications. 16-12-2021 pending initial hearing scheduled for 8-02-2022
Méndez Arboleda SAS	2016	3.749.528	Huge injury	It is pending for second instance judgment.
Luz Marina Ardila Silva	2018	2.561.088	Compensation is made for the damages caused by the PHEQ to its economic activity on A.I.D. properties	24-11-2021 To the office for judgment.
William Javier Cedeño Medina	2017	1.500.732	Compensation for damages for being tenants of a property acquired by the PHEQ	To the office to issue a judgment of first instance.
Roberto Aisama Nurinbia Y Otros 6	2019	1.226.291	Compensation is made for the damages caused by the PHEQ to their economic activity in their capacity as non-residents - corn silage machines and a service employee on AID properties	15/10/2021 Judgment of first instance in favour of EMGESA. 2/11/2021 plaintiff lodges appeal 29/11/2021 grants appeal. 13/12/2021 is sent to the administrative court on appeal.
Pedro Hernández Rojas	2017	1.088.705	Damages caused by the PHEQ requires compensation for being the owner of the lot plot 18b folio 20223122	To the office for first instance judgment.
Roberto Campos Y Otros	2017	1.042.693	Compensation is made for the damages caused by the PHEQ to its artisanal mining economic activity in properties located in the A. I. D - non-residents who derived their income in the A.I.D	05-05-2021 Sending Contentious Court Administrative with office N° j8an-0399 is sent in Appeal of order granted in suspensive effect. Magistrate. José Miller Lugo barrero 19-05-2021 T.ADM Process Filing, arrives at administrative court 19-05-2021 T. ADM Distribution of the Process at 07:53:50 Distributed to natural person 19-05-2021 T. ADM To the office by distribution.
Derly Andrea Lasso Torres Y Otros 19	2018	Indeterminada	compensation for damages to the recipient population	18/11/2020 resolves conflict and sends competent to the 9 administrative, pending to return to the CSJ.
María Francy Bejarano Martínez Y Otros	2013	Indeterminada	The legal action pursues the extinction of the real right of ownership of the company over a real estate located in the Guavio area.	Favorable ruling of the only instance dated July 1, 2020, pending a copy of the ruling to cancel it.
Deyanira Fernández Cruz y Otros	2017	6.212.659	Compensation as a non-resident population	14-05-2021 Minutes Hearing Evidence continued for The 2nd of September 2021, it closes Evidentiary debate and transfer is run to allege. 1-09-2021 Reception memorial continuation of power of attorney plaintiff allega continuation of power to the lawyer daily esperanza Restrepo Villada 2-09-2021 Minutes hearing evidence sets date continuation aud evidence for next February 3, 2022.
José Yimmy Aroca Rojas y Otros	2017	7.281.318	Compensation is made for the damages caused by the PHEQ to its work as A.I.D. properties	Compensation is made for the damages caused by the PHEQ to its work as A.I.D. properties

Emgesa S.A. E.S.P.
Notes to Financial Statements - Separate
(In thousands of pesos)

Plaintiff	Start Date	Pretension	Object of the Trial	Current status and procedural situation
María Isabel Delgadillo García y Otros	2012	786.367.000	Indemnity Bosa and Kennedy December 2011	The 30th Administrative Court of Bogotá, approves the accumulation of claims on 02/17/2021. On June 17, 2021, it admits as an actor group the people listed in the format provided by the plaintiff. The process was accumulated with that of Juan Reisel Lima Ararat and Others.
Otoniel Adames Trujillo y Otros	2017	25.036.414	Compensation is made for damages caused to economic activity on A.I. properties. . D	29-03-2021 Pending date set for Hold an initial hearing.
José Rodrigo Álvarez Alonso	2008	33.000.000	Quimbo group action Compensation for non-inclusion of people in the census	At the evidentiary stage, pending the complementation and contradiction of the expert opinion. To date no the supplementation of the opinion has been delivered expert.
José Edgar Bejarano	2004	32.000.000	Group action for floods in the Upía River (Villanueva and Barranca de Upía in Casanare) downstream of the Guavio reservoir.	The appeal was processed and the application of the plaintiff, currently the process is find the pending office to continue the step.
Jesús Hernán Ramírez Almario y Otros	2018	23.979.939	Compensation for damages for PHEQ affectation	6/10/2021 auto admits appeal in guarantee AXXA, min ANLA environment. 14/10/2021 AXXA, request link access file electronic 20/10/2021 appeal for reversal against the order that call under warranty. 6/10/2021 auto admits appeal in guarantee AXA, min environment, ANLA. 26/10/2021 notified calls in guarantee 2/11/2021 appeal for reversal against the order that call under warranty by AXXA. 19/11/2021 AXXA replies
Gilberth Camacho y Otros	2017	16.857.708	Compensation is made for the damages caused by the PHEQ to its economic activity on A.I.D. properties	11-11-2021 Closing arguments by EMGESA representative 16-11-2021 Transfer allegations art. 181 CPACA 16-11-2021 Reception memorial - by proxy ANLA allega link request. is sent to the indicated email 23-11-2021 Closing arguments - by proxy of MINISTRY OF MINES AND ENERGY 23-11-2021 Closing arguments - the 23/11/2021 by ANLA proxy 23-11-2021 Closing arguments - on 22/11/2021 by attorney PLAINTIFF 16-12-2021 Pending entry to the office for judgment
Alberto Díaz Polania y Otros	2017	9.894.763	Non-resident compensation	10-11-2021 Memorial reception confers power- by proxy ANLA 16-11-2021 Receipt of memorial- by agent of plaintiff arrives proof sending offices 1046,1047,1048,1049 16-11-2021 Minutes hearing evidence. on the date a hearing of evidence was held, it will continue with it tomorrow, November 16, 2021 18-11-2021 Memorial reception CMD- by EMGESA ESP representative informs that tests need to be practiced. 18-11-2021 To the office constancia. Neiva, November 18, 2021. In accordance with the order of the hearing dated November 17, 2021, the office is entered to set a date for the resumption of the evidentiary hearing. Likewise, it is reported that the representative of Emgesa arrived memorial informing the office of the list of pending evidence to be practiced 9-12-2021 Sets date for continuation of evidentiary hearing on March 29, 2022 starting at 9:00 am
Elber Guillermo Cuellar Chavarro y Otros	2017	11.270.417	Compensation is made for damages caused by the PHEQ to its economic activity	04-02-2021 constitutional court submission 29-03-2021 Pending that the Constitutional Court define competence.
Adolfo Trujillo Escarlante y Otros	2018	9.111.190	Compensation for damages for being Construction Masters	03/11/2021 Auto sets initial hearing date for on 09/03/2022 at 08:00 am.
Juan Reisel Lima Ararat y Otros	2013	2.222.742.172	Indemnity Bosa and KennedyDecember 2011	It is in the evidentiary stage.
Cristian Camilo Triana Cuellar y Otros	2016	5.188.105	Compensation as a non-resident population	The Office is located for second instance judgment.
Consorcio Rockex	2014	5.000.000	Claim for damages caused in non-execution of contract with consortium for the supply of dump trucks	An appeal was lodged against an order which had resolved EMGESA's previous objection. The order was favorable to the company and ordered the termination of the process. However, there were defects in the notification of the Order and the processing of an application for nullity is being initiated.
Camilo Andrés Trujillo Escobar y Otros	2017	6.748.914	Compensation is made for damages caused by the PHEQ to their economic activity as non-residents	Pending that the process of the Superior Council of the Judiciary arrives at the Administrative Court 7 of Neiva.

35. Energy derivatives market

In May 2018, the Board of Directors approved the change of the Company's corporate purpose, in order to be able to carry out operations in the derivatives markets for purposes other than the coverage of the contracting portfolio. As of December 31, 2021, there are contracts for the sale of energy futures in force for 18.36 GWh, with a purpose other than the coverage of the contracting portfolio. In turn, as of December 31, 2021, 4.32 GWh were settled, which were not considered within the hedging strategy.

As of December 31, 2021, Trading's valuation closes as follows:

Operation	MTM	No. Operations
Business	$ (301.520)	25

Futures operations with Trading are backed by guarantees which as of December 2021 amount in cash to $1,585,482 and TES $1,058,127, which are available to the company, but as part of its Trading operation, they must be kept as minimum amounts as cash and cash equivalent.

36. Risk management

The Company is exposed to certain risks that it manages through the application of identification, measurement, concentration limitation and monitoring systems.

Among the basic principles defined by the Company in the establishment of its risk management policy, the following stand out:

a) Comply with the rules of good corporate governance.

b) Strictly comply with the entire regulatory system of the Company.

c) Each management and corporate area defines:

   i. The markets in which you can operate based on sufficient knowledge and skills to ensure effective risk management.

   ii. Criteria on counterparties.

   iii. Authorized operators.

d) The managements, corporate areas and lines of business establish for each market in which they operate their predisposition to risk in a manner consistent with the defined strategy.

e) All operations of management, corporate areas and lines of business are carried out within the limits approved for each case.

f) Management, corporate areas and lines of business establish the necessary risk management controls to ensure that transactions in the markets are conducted in accordance with the Company's policies, rules and procedures.

Interest rate risk

Changes in interest rates modify the fair value of those assets and liabilities that accrue a fixed interest rate, as well as the flows of assets and liabilities referenced at a variable interest rate.

The objective of interest rate risk management is to reduce the volatility of financial expenditure reflected in the separate income statement.

Depending on the Company's estimates and the objectives of the debt structure, hedging operations are carried out by contracting derivatives that mitigate these risks. The Instruments that can be used correspond to Rate Swaps, which are fixed from variable to fixed rate. At the end of December 2021, the Company has not contracted interest rate coverages.

	As of December 31, 2021		As of December 31, 2020	
Interest Rate	Variation (pbs)*	Sensitivity in thousands of POPs	Variation (pbs)*	Sensitivity in thousands of POPs
IPC	+/- 3,47%	(+/-) $ 56.420.859	+/- 1,91%	(+/-) $ 32.908.105
IBR	+/- 2,62%	(+/-) $ 16.597.516	+/- 2,00%	$ -

(*) Variations or movements of 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.

(In thousands of pesos)

Exchange rate risk

Exchange rate risks can be presented, fundamentally, with the following transactions:

(a) Debt contracted by the Company denominated in a currency other than that in which its flows are indexed.

(b) Payments to be made for the acquisition of materials associated with projects in a currency other than that in which their flows are indexed.

(c) Income that is directly linked to the evolution of currencies other than that of their flows.

Taking into account that the functional currency of the Company is the Colombian peso, it is necessary to mitigate exchange rate risk by minimizing the exposure of flows to the risk of changes in exchange rate.

The instruments that can be used correspond to derivatives (forwards and Swaps) of exchange rate. Currently, the Company contracts exchange rate hedges in order to cover the payment of dollar bills for the purchase of foreign currency assets (maintenance capex) and decrease of the CERE (Real equivalent cost of energy of the reliability charge). The Company currently has contracted exchange rate hedges for a notional USD 26,100,000 with maturity throughout 2022.

Commodities risk

The Company is exposed to the risk of the variation of the price of "commodities" (fuel market) and the spot price of energy (Colombian energy market).

The Company purchases fuels for generation without risk coverage due to price changes. Liquid fuels are purchased at international market prices. The prices of solid fuels such as coal result from open contracting processes in the local market not directly associated with international commodities; the indexation of these is given by the variation of the IPPC (Index of Producer Prices of Coal) limited to a maximum of +/-5% in order to maintain stability in the purchase values.

The Company carries out the majority of energy sales transactions through contracts in the wholesale energy market (MEM), in the non-regulated market (MNR) and in the financial derivatives market (Derivex), in which a price with indexation to the IPP has been previously agreed, thus mitigating the risk on the spot price of the generation portfolio.

Liquidity Risk

The Company maintains a liquidity policy consisting of the contracting of long-term credit facilities, cash and temporary financial investments, for amounts sufficient to support the projected needs for a period that is based on the situation and expectations of the debt and capital markets. Available resources should cover projected net financial debt service needs (principal plus interest), i.e. after financial derivatives. Below are the contractual cash flows of financial liabilities with third parties until maturity without discounting:

	Stream			No Current				
Concept	Less than 90 days	More than 90 days	Total Current	1 to 3 years	3 to 5 years	5 to 10 years	More than 10 years	Total Non-Current
Cuentas comerciales por pagar y otras cuentas por pagar	$ 299.977.613	$ -	$ 299.977.613	$ -	$ -	$ -	$ -	$ -
Bonos Emitidos (capital + intereses)	88.169.325	710.079.168	798.248.493	663.616.966	433.815.131	415.726.013	-	1.513.158.110
Obligaciones por leasing financiero (capital + intereses)	10.553.812	10.851.478	21.405.290	19.632.166	18.318.691	49.212.703	-	87.163.560
Préstamos Bancarios (capital + intereses)	1.270.100	19.225.502	20.495.602	51.666.000	51.937.600	524.685.800	-	628.289.400
Total	**$ 399.970.850**	**$ 740.156.148**	**$ 1.140.126.998**	**$ 734.915.132**	**$ 504.071.422**	**$ 989.624.516**	**$ -**	**$ 2.228.611.070**

Credit Risk

The Company closely tracks credit risk.

Commercial Accounts Receivable

Credit risk in the Company is historically limited given the short term of collection from clients, which allows them not to individually accumulate significant amounts. Likewise, the regulation allows to proceed with the interruption of the energy supply and in almost all the contracts signed with the clients the non-payment is established as a cause of termination of the contract. To this end, credit risk is constantly monitored through the evaluation of general and individual portfolio indicators.

Assets of a financial nature

Investments of the Company's available resources (treasury investments) originating in the operation, and in other non-operating income and financial derivatives operations will be made with leading domestic and foreign financial institutions that meet the minimum risk rating requested by the Company.

The minimum risk rating of financial counterparties must be long-term international investment grade, or its equivalent on a local scale taking into account the minimum international foreign currency rating of the Republic of Colombia. It may only be invested in counterparties with a lower rating, within the limits established by risks for non-investment grade counterparties, or after approval by means of a current Waiver granted for risks. Local risk ratings must be issued by a recognized and legally established risk rating agency in Colombia. For international risk ratings, those granted by Moody's, S&P and Fitch will be acceptable.

The following rules apply to determine the rating given to counterparties:

- If the counterparty has only one rating, the same one 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.

Surplus liquidity operations must meet the following general criteria:

- **Security:** In order to preserve the value of the investment portfolio, the resources available to be placed must meet the credit rating requirements contained in this document.
- **Liquidity: :** The instruments that are part of the investments must have high liquidity in the market.
- **Profitability:** Within the permitted risk limits, the maximum possible return on investments should be sought.
- **Diversification:** The concentration of risk in a certain type of issuer or counterparty should be avoided.
- **Transparency:** All operations and commitments made in the management of available resources must be explicitly recorded and supported, and governed by the rules and procedures in force.

Risk measurement

The Company adopted IFRS 9 on January 1, 2018, which introduced a new hedge accounting model, with the aim of aligning accounting more closely with companies' risk management activities and establishing a more principled approach.

Under the new approach, a coverage ratio 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 hedging ratio, understood as the relationship between the notional of the hedged item and the notional of the hedging instrument, is the same as that which the Company uses for risk management purposes and such a relationship is suitable for hedge accounting purposes.

37. Fair value

The fair value of financial assets and liabilities is presented for the amount at which the instrument could be redeemed in a current transaction between parties by mutual agreement and not in a forced or settlement transaction, according to the defined policy.

(In thousands of pesos)

The following are the financial assets and liabilities that vary between book value and fair value as of December 31, 2021:

	Carrying amounts	Fair values
	As of December 31, 2021	
Financial assets (1)		
Convened Housing	$ 11.252.405	$ 10.149.974
Integral Housing	4.486.313	4.745.254
Other loans	1.857.972	2.263.304
PSJ Housing	233.598	244.634
Pensioned housing	32.052	39.740
Total assets	**$ 17.862.340**	**$ 17.442.906**
Financial liabilities (2)		
Bonds issued	$ 1.870.489.779	$ 1.953.684.715
Bank Loans	451.452.900	537.736.999
Leasing obligations	82.774.592	81.364.869
Total liabilities	**$ 2.404.717.271**	**$ 2.572.786.583**

	Carrying amounts	Fair values
	As of December 31, 2021	
Non-financial assets (3)		
Carbon Credits	$ 14.690.586	$ 38.171.558
Total non-financial assets	**$ 14.690.586**	**$ 38.171.558**

The following are the financial assets and liabilities that vary between book value and fair value as of December 31, 2020:

	Carrying amounts	Fair values
	As of December 31, 2020	
Financial assets (1)		
Convened Housing	$ 9.560.561	$ 9.400.067
Integral Housing	3.559.660	4.448.660
Other loans	1.903.198	2.566.613
PSJ Housing	278.234	311.792
Pensioned housing	34.877	48.075
Total assets	**$ 15.336.530**	**$ 16.775.207**

	Carrying amounts	Fair values
	As of December 31, 2020	
Financial liabilities (2)		
Bonds issued	$ 2.755.823.708	$ 3.002.697.526
Leasing obligations	7.729.440	8.262.571
Total liabilities	**$ 2.763.553.148**	**$ 3.010.960.097**

(1) The Company evaluates accounts receivable and other accounts receivable over the long term, classifying them below level 2 of the hierarchy taking into account that they are observable in similar markets. It is used for this base measurement of parameters such as the lowest interest rates of the market of products with characteristics similar to the cut of December 2021, risk factors of each country in particular, the solvency of the client and the risk characteristics of the financed portfolio. On the basis of this assessment, provisions are recorded to account for expected losses on these accounts receivable.

(2) Financial obligations and financial leases are classified within level 2 of the hierarchy since they can be traded or traded in active markets at market prices on the date of measurement. Fair value is estimated by discounting future cash flows using the rates available for debts with similar conditions, credit risk, and maturities. The Company employs the discount rates of the zero coupon curve according to the maturities of each issue.

(In thousands of pesos)

(3) The measurement of fair value for non-financial assets and liabilities is made based on the consideration to be received or paid for the goods and/or services classified in these items. In the case of inventories, the fair value corresponds to the cost incurred by the Company in the acquisition of these goods.

As of December 31, 2021, CO2 carbon credits are recognized, whose fair value is $38,171,558, corresponding to 2,691,628 certificates issued in December 2020 for reduction of CO2 emissions of the years 2015 - 2018 for $ 18,755,788 and 1,396,818 certificates issued in March 2021 for reduction of CO2 emissions of the years 2019 and 2020 for $ 19,415,770 for the Quimbo plants, Guavio Menor, Dario Valencia Samper, Salto II and Tequendama.

The fair values of cash and cash equivalents and commercial accounts payable approximate their carrying amounts, largely due to the short-term maturities of these instruments.

As of December 31, the Company maintains in its separate financial statement the following financial assets and liabilities measured by fair value and classified by tiers.

As of December 31, 2021

Financial Assets	**Level 3**
Financial investments - unlisted companies or who have little liquidity	$ 481.721
	Level 2
Derivative instruments (See Note 5)	$ 2.612.348
Financial Liabilities	
Derivative instruments (See Note 14)	$ 41.864

As of December 31, 2020

Financial Assets	**Level 3**
Financial investments - unlisted or illiquid companies (See Note 5)	$ 517.050
	Level 2
Financial Liabilities	
Derivative instruments (See Note 14)	$ 1.741.469

For the fair value measurement of this equity instrument, the Company's participation in Derivex's equity was based, this being the most appropriate method to measure the investment by the conditions of the counterparty, given that there are no comparables in the market.

38. Categories of financial assets and financial liabilities

The categories under IFRS 9 of financial assets and financial liabilities are as follows:

	As of December 31, 2021		As of December 31, 2020	
Financial Assets	**Stream**	**No Current**	**Stream**	**No Current**
Amortized Cost				
Cash and cash equivalents	$ 211.368.752	$ -	$ 819.735.786	$ -
Commercial accounts receivable and other accounts receivable	278.492.004	14.614.865	227.826.186	13.767.293
Accounts receivable from related entities	18.351.128	-	3.169.422	-
Other financial assets	8.602.383	-	13.968.629	-
Total Financial Assets at Amortized Cost	**$ 516.814.267**	**$ 14.614.865**	**$ 1.064.700.023**	**$ 13.767.293**
Fair Value with Changes in Results				
Other financial assets	4.162.635	-	965.635	-
Total Financial Assets at Fair Value with Changes in Results	**$ 4.162.635**	**$ -**	**$ 965.635**	**$ -**
Fair Value with changes in ORI				
Other financial assets	-	481.721	-	517.050
Total Financial Assets at Fair Value with changes in ORI	**$ -**	**$ 481.721**	**$ -**	**$ 517.050**

(In thousands of pesos)

Financial Liabilities	As of December 31, 2021 Stream	As of December 31, 2021 No Current	As of December 31, 2020 Stream	As of December 31, 2020 No Current
Amortized Cost				
Other financial liabilities	$ 632.953.457	$ 1.771.817.266	$ 905.238.274	$ 1.858.483.123
Business accounts and other accounts payable	299.977.613	-	314.751.725	-
Accounts payable to related entities	45.442.837	-	265.747.118	-
Total Financial Liabilities at Amortized Cost	**$ 978.373.907**	**$ 1.771.817.266**	**$ 1.485.737.117**	**$ 1.858.483.123**
Fair Value with Changes in Results				
Other financial liabilities	41.864	-	1.712.125	29.344
Total Financial Liabilities at Fair Value with Changes in Results	**$ 41.864**	**$ -**	**$ 1.712.125**	**$ 29.344**

39. Approval of Financial Statements

The General Purpose Financial Statements of the Company as of December 31, 2021, were approved by the Audit Committee according to Minutes No. 71 of February 23, 2022 and approved by the Board of Directors according to Minutes No. 505 of February 23, 2022 in order to be presented to the General Shareholders' Meeting in accordance with the provisions of the Commercial Code.

40. Relevant topics

Merger filing

On October 1, 2021, the request for authorization of the merger by absorption between Emgesa S.A. E.S.P., (as the acquiring 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 Superintendency of Companies of Colombia. Once the merger is approved and perfected by public deed, the acquired companies will be dissolved without liquidation and the acquiring company will acquire its assets, rights and obligations in accordance with Article 178 of the Commercial Code.

Covid-19

On March 11, 2020, the World Health Organization declared the COVID-19 Coronavirus outbreak a pandemic, due to its rapid spread around the world, having affected more than 150 countries. Most governments are taking restrictive measures to contain the spread, including: isolation, confinement, quarantine and restriction on the free movement of people, closure of public and private premises, except for basic necessities and health facilities, closure of borders and drastic reduction of air, sea, rail and land transport. In Colombia, the Government has adopted various legislative measures to mitigate the adverse effects, both human and economic-financial, that may occur, where appropriate, caused by this health crisis due to 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 levels, aimed at ensuring the continuity of business activity; and, in particular, in certain sectors of activity in the country.

The Company informs that it has been adopting a set of measures in order to mitigate the impact of COVID-19 on the development of its activity, as well as compliance with the measures established by the National Government.

The following is the Contingency Plan implemented by the Company, which was structured into four main focal points:

1. **Personnel Protection:** The Company has implemented a series of measures to protect the technical human resources that are located in the generation plants, as well as the administrative and support personnel located in the corporate buildings, thus minimizing the number of people needed in person in plants and offices, in order to reduce the risk of infection.

   After the activation of the Business Continuity Plan on March 9, 2020, the first measures adopted by the Company were the cancellation of national and international trips, corporate events and internal group formations; likewise, he 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 company has promoted information on vaccination as a measure to mitigate the impact of Covid contagion.

As of December 2021, although the government has relaxed the measures (circular 0392 of March 25, 2021) in EMGESA biosecurity measures such as distancing of 1.5 meters in the facilities are maintained, work at home prevails for people whose functions allow them, self-care campaigns and certification has also been achieved in biosafe operations with the ICONTEC institute.

In total, 51% of EMGESA workers are performing their task through this modality. 49% attend the plants permanently or occasionally according to the needs of the service. Maintaining the criterion that all people who go out to the operation must have a negative PCR test and subsequent presents medical follow-up.

To the group of people working in the field, the Company delivered the necessary protection elements to carry out its activities with all the security measures; Likewise, operation shifts were strategically optimized, operational flexibility is periodically evaluated and permanent health monitoring and prevention campaigns led by HSEQ sub-management for workers and families are carried out. In addition to this, strict compliance is made to all the protocols of cleaning and disinfection of common areas.

As of December 31, 2021, 98% of Emgesa workers have at least one dose. Enel Emgesa through the ANDI has ensured the vaccination of 2,084 people, this process began in July including employees, one family member per employee and some essential contractors who have not yet been vaccinated with the national government, the value of the complete scheme per person is $ 213,718 that covers two sinovac doses: includes purchase of the biological, transport and logistics of application. In November 2021, the government enables the vaccination of children between 3 and 17 years old. With a cut-off date of December 31, 2021, through this scheme, 1032 people have been vaccinated among 298 direct workers, 397 contractors, 308 family members, 56 minors between 3 and 17 years old and 41 former workers who began the vaccination process while they were linked to the company.

2. **Financial strength and access to financing:** Despite the possible impacts due to the circulation of the Ómicron variant, the Company maintains a stable financial position, which allows it to effectively face the challenges of the COVID19 contingency. Additionally, as a preventive measure, the Company closed in April, a line committed for USD$42 Million of immediate use if necessary, valid for one year, Likewise the Company has broad access to financing to meet future cash needs in the local and international market if required and in the month of July in 2021 its risk rating was affirmed at "AAA" on a national scale, by Fitch Ratings. To date, there are no material impacts on revenues, net income, cash flow and equity. In case of any significant impact, it will be informed in a timely manner to the market.

   We emphasize that to date there are no material impacts on revenues, net income, cash flow and equity. In case of any significant impact, it will be informed in a timely manner to the market.

3. **100% virtual customer service and Solid Commercial Operations:** 100% of customer service is carried out virtually; additionally, through webinars information has been launched to encourage payment through virtual channels, in addition to the payment button on the website and the non-face-to-face service schemes. 100% of the invoicing is electronic and the response to the PQR's is done through an application, responding to the client directly by email.

4. **Sustained Supply:** The fulfillment of energy and gas supply contracts in the wholesale market and in the unregulated market are being carried out without affectations. All the measures established by the Ministry of Mines and Energy and the Energy and Gas Regulatory Commission have been adopted at the current juncture.

   The supply of fuel for our thermal power plants is being carried out in a stable manner according to the energy situation of the country.

   In conclusion, with the contingency plan activated, the Company has reacted positively both operationally and financially, therefore, at this time no substantial risks have been identified.

   The Company will continue to closely monitor the evolution of COVID 19, other measures that could be implemented by the National Government and the eventual impact on the business, which, if significant, will be informed in a timely manner to the market.

Impairment test: As of December 31, 2021, the Company performed the impairment test, which determined that there are no indications of impairment that could affect the recognition of its assets.

41. Subsequent events

Resolution CREG 101 004

On February 17, 2022, Resolution 101 004 of the CREG was published in the official journal number 51951, which establishes the opportunity in which the Firm Energy Obligations of the Reliability Charge (energy supply to supply the demand evaluated in conditions of critical hydrology) will be assigned to those who represent existing plants for the periods between December 1, 2023 to November 30, 2024, and December 1, 2024 to November 30, 2025.

The Company is evaluating whether to accept the allocation of the reliability charge for the Termocartagena plant for the period 2024 – 2025; notwithstanding the foregoing, the plant will continue to operate in compliance with the firm energy obligations assigned and maintaining the current operating and generation capacity.