



TGI
GrupoEnergíaBogotá

CORPORATE GOVERNANCE CODE

TRANSPORTADORA DE GAS INTERNACIONAL
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CONTENTS

I.	INTRODUCTION	3
II.	CONSIDERATIONS REGARDING RELATIONSHIPS WITH TGI'S SHAREHOLDERS AND INVESTORS.	4
III.	BOARD OF DIRECTORS	5
	About the composition of the Board of Directors	5
	Duties and rights of the members of the Board of Directors	5
	About the Chairman, Vice Chairman and Secretary of the Board of Directors	6
	About the meetings of the Board of Directors	6
	About the Committees of the Board of Directors.....	7
	About the Evaluation and Remuneration of the Board of Directors	8
IV.	ABOUT THE SENIOR MANAGEMENT	8
V.	CONTROL ARCHITECTURE	9
VI.	DISCLOSURE OF INFORMATION	10
	About transparency and disclosure of information.....	10
VII.	ETHICAL PROVISIONS	11
	About the Code of Ethics and Conflicts of Interests	11
	Ethics channel	11
	Regulations on transactions with related parties.....	11
	Corporate policy on stock trading.....	12
VIII.	RELATIONSHIP STRATEGY.....	12
IX.	CONFLICT RESOLUTION MECHANISMS	12
X.	FINAL PROVISIONS	12

I. INTRODUCTION

Transportadora de Gas Internacional S.A. ESP, hereinafter the “Company” or “TGI”, is a Colombian corporation which main shareholder is Grupo Energia Bogota S.A. ESP - GEB S.A. ESP; it was incorporated as a mixed public utilities company, in accordance with the provisions of Law 142/1994, with administrative, economic and budgetary autonomy, which exercises its activities within the scope of private law.

TGI’s corporate purpose is the planning, organization, design, construction, expansion, enlargement, maintenance, operation and commercial exploitation of transport activities and other activities related to natural gas and, in general, hydrocarbons and associated gases in all their forms and origins. It may also commercially exploit the capacity of third-party owned gas pipelines for which an availability fee is paid.

TGI, in addition to being a leading company in Colombia in the transportation and processing of hydrocarbons, is a shareholder and strategic operator of Contugas SAC, a Peruvian company of Grupo Energia Bogota, hereinafter “GEB”, engaged in the natural gas distribution and commercialization business in the Department of Ica, Peru. For these purposes, TGI has a significant shareholding interest in Contugas and provides operational advice in the processes of its value chain.

TGI is committed to its activities being developed with a high sense of social and environmental responsibility, applying the best practices of the industry, and having occupational health and safety as a priority.

TGI is a GEB company, which parent company is GEB S.A. ESP and belongs to a leading business group in the energy and gas sector, the main purpose of which is the creation of value through the development of companies along the low emissions energy chain, in high consumption regional hubs. That is why the “Corporate Governance reinstitutionalization” process was commenced, to provide companies with the necessary tools for proper administration and control.

GEB is organized into 3 Strategic Business Groups or GENs, as follows: i. Urban Distribution or Strategic Solutions GEN; ii. Market Development Transmission and Transport or Interconnection GEN, to which TGI belongs; and iii. Generation or Low Emissions Generation GEN. The fact that TGI belongs to GEB allows it to have high governance standards, capture synergies derived from the Group’s participation in the entire energy value chain, and leverage its knowledge and experience for the benefit of all its stakeholders.

TGI’s framework for action in the context of GEB is embodied in a Group Agreement that establishes the commitments and obligations regarding corporate governance, the roles and responsibilities of each one of the governing bodies, decision-making provisions and the corporate value creation approach.

This Corporate Governance Code describes the main elements of TGI's management and control system, defines the frameworks for action of its governing bodies, as well as their interaction with other decision makers of GEB.

This document is structured on the basis of the principles of the Organization for Economic Co-operation and Development - OECD, which, together with other practices implemented by TGI, are developed in other corporate instruments of TGI¹ and are consistent with the corporate governance provisions of GEB.²

This Code is therefore a descriptive instrument of TGI's governance in the framework of a business group, and its objective is to facilitate the understanding of the internal and external parties regarding the corporate governance of the company.

II. CONSIDERATIONS REGARDING RELATIONSHIPS WITH TGI'S SHAREHOLDERS AND INVESTORS

As a result of the concentrated structure owned by TGI, where more than 99.9% of the share capital is held by GEB S.A. ESP, the definitions regarding ownership are mainly regulated by the internal relationship agreements of GEB; although TGI has its own regulations regarding the operation and organization of the shareholders assembly. On the other hand, TGI has made international bond issues that commit it to high standards in terms of information and relations with its investors. Through its corporate instruments, TGI recognizes and assumes a respectful and equal treatment to all its shareholders.

As part of the fundamentals of GEB's corporate governance, TGI has recognized that the exercise of its ownership rights, especially those associated with the appointment of the Board of Directors and its decisions regarding the distribution of dividends, must conform to principles of responsibility and sustainability in the long term.

In accordance with Colombian corporate law, TGI shareholders are entitled to participate in the Shareholders' Assemblies, receive dividends and inspect the company's books. According to the Bylaws, TGI has additionally recognized the right of first refusal of shareholders in any new issue of shares, as well as the right to request specialized audits.

The General Shareholders' Assembly of TGI meets on an annual, at the times and on the conditions established under its Bylaws and the Colombian regulatory provisions. For the purpose of regulating the operation of this body, TGI has issued the Regulations of the General Shareholders' Assembly that contain provisions regarding the call, duties, decision-making quorum, shareholders' representation rules, the procedure for the exercise of shareholders' rights, and the type of information that must be presented to the Assembly.

¹ Corporate Bylaws, Regulations of the General Shareholders' Assembly, Regulations of the Board of Directors, Regulations of Board of Directors Committees, Code of Ethics and corporate policies of GEB, among others.

² Group Agreement, Corporate Governance Policy of GEB and the Corporate Intervention Model.

III. BOARD OF DIRECTORS

The Board of Directors of TGI is the highest management body of the company, and according to the Bylaws has sufficient powers to make the determinations that may be necessary for the company to fulfill its purposes. Its main responsibility is to establish the guidelines and guide the Senior Management regarding the strategy and operation of the business, to appoint the President, supervise his/her performance, and ensure the effective implementation of the governance, control and financial information systems; always in accordance with legal, statutory and business group regulations.

The Board of Directors of TGI has specific responsibilities and a specific framework for action, which are defined in the Bylaws and in the Regulations of the Board of Directors. Within the framework of the Business Group, the Board of Directors of TGI is responsible for developing and deepening the guidelines and rules established by the Board of Directors of GEB S.A. ESP, in strategic and corporate governance issues, taking into account the sector and geographical realities in which it operates.

About the composition of the Board of Directors

The Board of Directors is composed of seven main members, with three numeric alternates, who are elected by the General Shareholders' Assembly for periods of two years, with the possibility of being re-elected. The President of TGI participates in the meetings of the Board with speaking but without voting rights.

The Board of Directors is elected by the General Shareholders' Assembly considering the Regulations of the Board of Directors under which a regime of disqualifications and incompatibilities is established, as well as a minimum profile for the members of this corporate body.

In line with sound corporate governance practices, TGI has established in its Regulations of the Shareholders Assembly, a procedure for the verification of the accreditations of the candidates to be part of the Board of Directors, which is headed by the Corporate Governance, Sustainability and Human Talent Committee and is carried out before being elected.

Duties and rights of the members of the Board of Directors

The members of the Board of Directors, for the performance of their work, have the following duties regarding the company and its stakeholders:

- Diligence or care;
- Loyalty;
- Non-competition;
- Non-use of social assets;
- Secrecy.

In turn, the members of the Board of Directors have the following rights:

- To information;
- To receive assistance from experts;
- To receive remuneration;
- To orientation and permanent training.

The development of these duties and rights is contained in the Regulations of the Board of Directors.

About the Chairman, Vice Chairman and Secretary of the Board of Directors

The Board of Directors of TGI has one Chairman and one Vice Chairman, appointed among its members for periods of two years. The Vice Chairman of the Board will replace the President during his/her absences.³

The Chairman of the Board of Directors is responsible, in accordance with the Bylaws and the Regulations of the Board of Directors, for ensuring that the strategic direction of TGI is efficiently implemented, promoting governance actions, planning the operation of the board, serving as moderator during its meetings, ensuring the performance of its agreements and monitoring the active participation of its members.

According to the Bylaws, the Secretary of the Board of Directors and its Committees is the Legal Vice President of TGI. In his/her capacity as Secretary, he/she is mainly responsible for keeping the books and records required by the law and the Bylaws, sending calls to governance bodies, certifying internal acts and documents, and fulfilling the tasks entrusted to him/her by the General Shareholders' Assembly, the Board of Directors and the Board of Directors committees. The details of his/her duties are contained in the Regulations of the Board of Directors.

About the meetings of the Board of Directors

Ordinary meetings of TGI's Board of Directors are held every month, and extraordinary meetings are held when an urgent or unforeseen situation has occurred. According to the Colombian legal regime, meetings can be held under the non-face-to-face modality.

³ Consideration of compatibility with the Group Agreement. In line with the provisions of the Group Agreement signed by TGI, the Chair of the Board of Directors is exercised by the Presidency of GEB S.A. ESP or by the Vice President of the GEN to which TGI belongs.

At least once a year, the Board of Directors must meet to discuss the definition and monitoring of the strategy. According to the Group Agreement, the role of TGI's Board of Directors is to develop and deepen the strategic aspects associated with its business fronts, based on the sector and geographical realities in which it operates, and in line with the corporate strategy of GEB.

The conditions and rules of operation of the meetings of the Board of Directors of TGI are developed in the Regulations of the Board of Directors. These rules mainly contain provisions on the type of meetings, their periodicity, call rules, quorum and characteristics and advance notice for sending information to the Board of Directors.

In furtherance of the Business Group Agreement of GEB, sometimes and with the purpose of aligning and coordinating group positions, TGI may hold joint meetings of its Board of Directors or Committees with the Boards of Directors or Committees of other GEB companies.

About the Committees of the Board of Directors

The Board of Directors of TGI has the following committees to facilitate the performance of its duties, and to deepen the discussions of the Board of Directors:

- **Audit and Risk Committee:** it is responsible for verifying with the control bodies and the statutory auditor of the company that the management is in compliance with the accounting procedures according to the regulatory framework in force, analyzing the recommendations of the statutory auditor in relation with the Financial Statements and reviewing of the control architecture of the company, as well as evaluating and supervising the internal control system of the company, in accordance with the provisions of the Regulations of the Audit and Risk Committee.
- **Corporate Governance, Sustainability and Human Talent Committee:** it is responsible for proposing and monitoring compliance with the corporate governance measures and with the sustainability approach taken by TGI. Likewise, this Committee has the purpose of guaranteeing that the management of human talent in TGI is framed within the corporate policies and that the compensation system allows the Company to have the people it requires to fulfill its strategic objectives, with the aim of implementing the best practices of organizational development and create value for the Company and its shareholders, in accordance with the provisions of the Regulations of the Corporate Governance, Sustainability and Human Talent Committee.
- **Financial and Investment Committee:** it is responsible for monitoring the financial management of TGI, and for reviewing and evaluating the execution of the budget.

It is responsible for analyzing new business opportunities, as well as redefining existing investments. When carrying out its functions, this Committee is responsible for studying and giving opinions on the conditions under which operations with economic related parties are carried out, always ensuring that they are held in market conditions and respecting the rights of shareholders in accordance with the provisions of the Regulations of the Financial and Investment Committee.

- Operating Committee: Its purpose is the planning, monitoring and analyzing all issues related to the operational aspects of TGI. Amongst those issues comprised within TGI's operation are the following: regulation and energetic policy, commercial affairs, the management of construction projects of new or existing infrastructure and the activities of operation and maintenance of the existing infrastructure, in accordance with the provisions of the Regulations of the Operating Committee.

As part of the operating model of the Board of Directors, it has been established that the Chairman of each Committee will submit to the Board of Directors a report on the issues reviewed and the recommendations given at each of its meetings.

About the Evaluation and Remuneration of the Board of Directors

In accordance with sound corporate governance practices, the members of TGI's Board of Directors will receive the remuneration for their attendance to meetings approved by the General Shareholders' Assembly, and they have an insurance policy for Directors and Managers.

The Board of Directors of TGI evaluates its own and the management activities of its Committees on an annual basis, with the support of an external advisor. The conclusions of this evaluation must be submitted to the General Shareholders' Assembly.

IV. ABOUT THE SENIOR MANAGEMENT

TGI's Senior Management is led by the President, who is elected by the Board of Directors for periods of two years, with the possibility of being re-elected indefinitely or freely removed by the Board of Directors. According to the Bylaws, the appointment of the President will be made according to criteria of suitability, knowledge, experience and leadership.

The President of TGI is responsible for the administration of business, carrying out the instructions, policies and guidelines defined by the Board of Directors, in accordance with the agreements and provisions of the business group; and exercises the legal representation and acts as the spokesperson of the company. His/her duties, responsibilities and amount limits are defined in the Bylaws.

The President reports directly to the Board of Directors. In order to maintain proper coordination at group level, the President of TGI interacts with the Vice President of the “Market Development Transmission and Transport or Interconnection” GEN of the GEB.

In turn, TGI’s Senior Management is supplemented by the following Vice Presidencies: Transformation, Commercial Development, Construction, Operations, Human Talent of Administrative Management, Financial, and Legal. Vice Presidents are selected by the President of TGI.

For operational purposes of the Senior Management, TGI has established a Presidency Committee, which acts as an advisory body to the President in the taking and implementation of policies, guidelines and decisions related to the administrative, economic and financial management of TGI’s businesses. This committee is comprised by the President of TGI, its Vice Presidents, and any other member as instructed by the President of TGI.

V. CONTROL ARCHITECTURE

The layout of TGI’s control system is based on the COSO model, is harmoniously structured with the provisions of GEB and takes into account the best control practices based on the three lines of defense: self-control, compliance and audits.

The Board of Directors is responsible for approving the policies and following up on the internal control plans that must be implemented, as well as for ordering and monitoring that the needs of TGI are met. For these purposes, it has established an Audit and Risk Committee responsible for assisting the Board of Directors in its duty of verifying with control bodies and with the statutory reviewer, that TGI is in compliance with the accounting procedures in accordance with the regulatory framework in force, is performing the analysis of the recommendations of the statutory auditor in relation to the financial statements and the review of the control architecture, as well as approving and following up on the Internal Control System of TGI, including the periodic monitoring of the main risks of the company.

In accordance with the Bylaws, the internal control of TGI is based on a culture of self-control, strives for the efficiency, effectiveness and economy of operations; the protection and assurance of resources; reliable and timely information; permanent management improvement; and compliance with the regulations, bylaws and internal regulations set forth by the company (compliance). For purposes of comprehensive compliance work, a model articulated with GEB S.A. ESP has been established, which reports to both the Board of Directors and the Audit and Risk Committee of TGI.

In addition, TGI has an assurance model in place based on its Internal Audit that reports to the Board of Directors, through its Audit and Risk Committee, and acts in coordination with the Internal Corporate Audit of GEB S.A. ESP.

Furthermore, and according to the applicable legal provisions, TGI has a Statutory Auditor who certifies the financial information and must apply a series of controls established in the Colombian corporate regime. The rules for hiring, service disqualifications and replacement to preserve the independence of this body are contained in the Bylaws and the Corporate Policy for the Selection of the Statutory Auditor / External Auditor.

In accordance with the Public Utilities Law, TGI has the obligation to hire and carry out every year an external management and results audit that includes the evaluation of the organizational architecture, commercial management, technical management, the internal control system, the management and results plan, financial viability and the opinion on the risk level of the company.

The results obtained from this audit are presented in the Annual External Management Audit Report and are disclosed on the company's website.

VI. DISCLOSURE OF INFORMATION

About transparency and disclosure of information

TGI, as an international securities issuer, recognizes the importance of and undertakes to provide its stakeholders with relevant, timely and quality information. For these purposes, it complies with the Corporate Information Disclosure Policy and has established the following mechanisms:

- Sustainable Management Report: according to international trends and sustainability and reporting standards, specifically based on the methodology of the Global Reporting Initiative - GRI, TGI annually discloses to its shareholders, investors and other stakeholders the general results and operations of the company.
- Corporate Governance Report: the Board of Directors of TGI, in accordance with the Bylaws, must annually submit a report with the main elements of its governance model and the changes that took place during each year.
- Website: TGI's website discloses relevant information using a simple and clear language; presents financial and non-financial information that includes the financial statements, elements of corporate governance, ethics and sustainability, as well as the main corporate documents and communications of the company. In any case, the information available is subject to non-disclosure or confidentiality.
- Investor relations practices: in accordance with the commitments derived from its international bond issues, TGI provides information to its stakeholders, through quarterly presentations, in English and Spanish, regarding the company's financial information.

VII. ETHICAL PROVISIONS

Ethics is embedded in the corporate values and is based on the attributes of TGI's culture. In that regard, ethics must be a guide and fundamental basis for the actions of all TGI employees. By recognizing its importance, TGI permanently focuses its efforts on strengthening ethics, so that it is part of its organizational culture.

About the Code of Ethics and Conflicts of Interests

TGI has a Code of Ethics in place that develops behavior patterns and rules of action in relations with its managers, employees, suppliers, contractors and, in general, with its stakeholders. This code also regulates the actions in the markets where the company carries out its business, for its actions to be in line with its corporate values.

The conflict of interest management process is also detailed in the Code of Ethics and in the Conflict of Interest Management Policy and is based on transparency, disclosure and non-intervention in situations or decisions that interfere with the independence of the work of the directors, managers and collaborators, or that may be detrimental to the interests of TGI. In accordance with the Conflict of Interest Administration Policy, the kind of conflict of interest must be classified and the procedure established therein for its proper administration and management must be followed. On the other hand, according to the Code of Ethics, the violation or breach of the provisions in this matter can subject to disciplinary investigations, in accordance with the Internal Labor Regulations, and investigations must be carried out by the Talent Management office or the body acting as such. The Compliance Department is responsible for the monitoring and supervision of the fulfillment with the provisions of the Code of Ethics and the Conflict of Interest Management Policy.

Ethics channel

As a mechanism to identify possible ethical violations and preserve an adequate control environment in TGI, the company has an Ethics Channel managed by an independent third party that submits the reports of the complaints received to TGI's Ethics and Compliance Committee. The Ethics Channel can be accessed by any the following means:

- TGI's website: <https://www.ngsoftpwc.com.co/CanalEtico-1.0/geb/index.xhtml>;
- Local telephone line 01800-012-5470; and
- Email: canaleticogeb@co.pwc.com

Regulations on transactions with related parties

TGI, as part of a business group, is exposed to transactions with related parties. In order to ensure that these operations are carried out under market conditions and for protecting the expectations of stakeholders, TGI abides by the provisions of the Group Agreement and is subject to the provisions of the Policy on Transactions with Related Parties. These instruments provide a series of rules for the approval, assessment and disclosure process of this type of operations. Moreover, there is a Service Agreement in force with GEB S.A. ESP which establishes the rules and values under which joint transactions are carried out.

Corporate policy on stock trading

In order to ensure transparency and avoid any misuse of insider information in the trading of the shares of GEB S.A. ESP, a Corporate Stock Trading Policy of GEB has been established. This policy establishes the rules that apply to the managers and collaborators of TGI when purchasing or disposing of the shares of GEB S.A. ESP, as a stock issuer listed on the Colombian Stock Exchange.

VIII. RELATIONSHIP STRATEGY

TGI's relationship with GEB S.A. ESP in corporate governance matters is carried out through the Corporate Affairs Department of GEB S.A. ESP. For these purposes, the Legal Vice President of TGI is responsible for the interaction with this Department in matters related to the harmonization of the practices of the Board of Directors, the relationship with external entities and in general, the permanent implementation of high corporate governance standards for TGI.

IX. CONFLICT RESOLUTION MECHANISMS

TGI's Bylaws provide that any differences that may arise between shareholders, or between the shareholders and the company or the Board of Directors, will be resolved through direct settlement, conciliation and ultimately, by an arbitration tribunal governed by the provisions of the Arbitration and Conciliation Center of the Bogota Chamber of Commerce.

X. FINAL PROVISIONS

The Board of Directors, the Corporate Governance, Sustainability and Human Talent Committee, the President and the Legal Vice President of TGI and the Corporate Affairs Department are responsible for ensuring compliance with this Corporate Governance Code.

Shareholders may enforce effective compliance with this Code to the Board of Directors or the Corporate Governance, Sustainability and Human Talent Committee, submitting written requests, duly supported.

This Code of Corporate Governance shall be effective once approved by the Board of Directors, supersedes the Code approved on September 27, 2017 and any amendment thereto must be approved by the Board of Directors and subsequently published on TGI's website.