

ANNEX 2: CORPORATE BEST PRACTICES IMPLEMENTATION REPORT

CORPORATE BEST PRACTICES IMPLEMENTATION REPORT

COLOMBIA TELECOMUNICACIONES S.A. ESP.

PRINCIPAL LEGAL REPRESENTATIVE: FABIÁN ANDRÉS HERNÁNDEZ RAMÍREZ

DESIGNATED LEGAL REPRESENTATIVE FOR THE SUBMISSION OF THE IMPLEMENTATION REPORT: MARTHA ELENA RUÍZ DÍAZ-GRANADOS

REPORTING PERIOD: January through December 2020

REPORTING DATE: JANUARY 2021

INTRODUCTION

Issuers must report the implementation of the new Colombian Code of Best Corporate Practices recommendations to the Superintendencia Financiera de Colombia (SFC) through this Report on the Implementation of Best Corporate Practices.

The purpose of this Report is to inform the securities market on the implementation or non-implementation of the Code's recommendations by each issuer. For this purpose, before each recommendation, there are three boxes corresponding to YES, NO, and N/A, as well as a space to complement your answer as follows:

If the answer is affirmative, the issuer should briefly describe how it has carried out such an implementation. In the negative case, the issuer must explain the reasons why it has not implemented it.

The issuer can only provide the N/A answer in those cases in which, for legal reasons, it is not possible to adopt the recommendation. In this event, the issuer must indicate precisely the rule that prevents it from doing so.

Given that some recommendations consist of a series of specific aspects, it is important to emphasize that they will only be understood to be implemented if all the aspects of which they are comprised are complied with unless the reason for not adopting some of them is of a legal nature, which must be indicated.

Each recommendation has a box to indicate the date the issuer implemented it for the first time. In addition, there will be a box to record the dates on which modifications were made.

Finally, when due to its nature, the issuer does not have the specific body to which the recommendation refers, it shall be understood that the recommendation relates to the body that within the entity is equivalent or takes its place.

I. RIGHTS AND EQUITABLE TREATMENT OF SHAREHOLDERS

Measure No. 1: Principle of equal treatment.

1.1. The Company provides equal treatment to all shareholders who, within the same class of shares, are in the same conditions, without this implying access to privileged information for some shareholders with respect to others.

1.1 Implement the Measure YES NO N/A

YES. Indicate briefly:
<p>In accordance with the provisions of paragraph 2.3.b. of Chapter II and paragraph 4.1.2. e. of Chapter IV of the Code of Good Corporate Governance, the Board of Directors and the Company's management shall ensure that all the Company's Shareholders receive fair and equitable treatment in accordance with the rights and obligations recognized to them by law and the Company's Bylaws. Likewise, paragraph thirteenth of Title IV of the Annex to the Regulations of the General Shareholders' Meeting of the Company establishes the right of all shareholders to participate in the deliberations of the General Shareholders' Meeting and vote in them, effectively participating in the key decisions regarding corporate governance, receiving equal and equitable treatment by the Company. During the ordinary and extraordinary meetings of the General Shareholders' Meeting held during 2019, the shareholders present were able to exercise their right to attend and participate in the deliberations and decision-making of the highest corporate body. Additionally, all shareholders had access and availability to the Company's documentation and information in the exercise of their right of inspection, as established in Article 10.4 of the Company's Bylaws and paragraph 2.1.g. of Chapter II of the Code of Good Corporate Governance.</p>
NO. Explain:
N/A. Specify the rules that prevent the adoption of the recommendation:

Implementation Date	March 27, 2014
Modification Dates	March 28, 2019

1.2. The Board of Directors has approved a specific procedure that defines the Company's practices for dealing with shareholders under different conditions, in matters such as, for example, access to information, resolution of requests for information, communication channels, forms of interaction between shareholders and the Company, its Board of Directors and other Administrators.

1.2 Implement the Measure YES NO N/A

YES. Indicate briefly:

However, it is reported that paragraph 2.5. of Chapter II of the Code of Good Corporate Governance and the twelfth clause of the Annex to the Regulations of the General Shareholders' Meeting of the Company contemplates the Shareholders' Office to facilitate interaction with shareholders. The purpose of the Shareholder Service Office is to attend to the needs and concerns of the shareholders in relation to their rights and obligations, providing at all times straightforward, objective, immediate and non-discriminatory information about the Company and its activities, which allows shareholders to make informed decisions regarding their investment.

The Shareholder Service Office is part of the General Secretary's Office and will be managed by the Legal Management. This office can be reached by accessing <http://www.telefonica.co/atencion-alaccionista>, writing to the following e-mails: atencionaccionistas@telefonica.com or by writing to the Legal Management, Transversal 60 (Avenida Suba) No. 114ª- 55 Block L. During 2020; no requests were received from shareholders through the Shareholder Service Office.

Additionally, the Company has additional channels of communication with shareholders, dialogue with shareholders, and the semi-annual newsletter, through which shareholders were informed of the main events related to the Company, as indicated in paragraph 2.5. of Chapter II and paragraph b. of paragraph 5.2. of the Code of Good Corporate Governance, respectively.

NO. Explain:

N/A. Specify the rules that prevent the adoption of the recommendation:

Implementation Date	
Modification Dates	

Measure No. 2: Information on shares.

2.1. Through its website, the company clearly, accurately, and fully **discloses to the public the different types of shares issued** by the company, the number of shares issued for each type and the number of shares in reserve, as well as the rights and obligations inherent to each type of shares.

2.1 Implement the Measure YES NO N/A

YES. Indicate briefly:

The Company's shareholder structure, the class of shares issued, the number of shares in reserve, and the inherent rights conferred by the shares to each holder are published on the Company's website <https://www.telefonica.co/nuestros-accionistas>. To date, the Company has only issued common shares.

NO. Explain:
N/A. Specify the rules that prevent the adoption of the recommendation:

Implementation Date	March 27, 2014
Modification Dates	March 28, 2019

Measure No. 3: No capital dilution.

3.1. In transactions that may result in the dilution of the capital of minority shareholders (in the case of a capital increase with a waiver of preemptive rights in the subscription of shares, a merger, spin-off, or segregation, among others), **the company explains them in detail to the shareholders** in a prior report of the Board of Directors, and with the opinion, on the terms of the transaction, of an independent external advisor of recognized solvency (*fairness opinion*), appointed by the Board of Directors. These reports are made available to the shareholders in advance of the Meeting within the terms for exercising the right of inspection.

3.1 Implement the Measure YES NO N/A

YES. Indicate briefly:
NO. Explain: The prior report indicated in the recommendation is not made; however, in accordance with the provisions of Articles 41 and 53 of the Company's Bylaws, in the case of operations involving a capital dilution, these must be submitted to the General Shareholders' Meeting. In the case of the Merger, the same must be proposed by the Board of Directors to the General Shareholders' Meeting. Likewise, the shareholders are provided with the reports that will be submitted to the consideration of the General Shareholders' Meeting under the terms of the right of inspection in accordance with the provisions of Article 37 of the Company's Bylaws. On the other hand, in the event of any operation that leads to the dilution of the capital of minority shareholders, the corresponding documentation and information of this operation shall be made available to the shareholders in advance for their inspection and review for them to make an informed decision, as also established in the Code of Good Corporate Governance in paragraphs a) and g) of Article 2. 1. and paragraphs c), d) and e) of Article 2.3. and the Regulations of the Shareholders' Meeting in Articles eleventh and twelfth.

N/A. Specify the rules that prevent the adoption of the recommendation:

Implementation Date	
Modification Dates	

Measure No. 4: Information and communication with shareholders.

4.1. The company has a corporate website, in Spanish and English, with a Corporate Governance or shareholder and investor relations link or equivalent, which includes financial and non-financial information in the terms proposed in recommendations 32.3 and 33.3 and which, in no case, may include confidential information of the company or information related to industrial secrets, or information whose disclosure could be used to the detriment of the company.

4.1 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p> <p>This information is posted on the Company's website: http://www.telefonica.co.</p>
<p>NO. Explain:</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

Implementation Date	March 27, 2014
Modification Dates	N/A

4.2. The corporation has mechanisms for permanent access and use directed exclusively to shareholders, such as a link on the website with exclusive access to shareholders, or an office for attention or relations with shareholders and investors, periodic informative meetings, among others, so that they may express their opinions or raise concerns or suggestions regarding the development of the corporation or those associated with their status as shareholders.

4.2 Implement the Measure YES NO N/A

YES. Indicate briefly:

Section 2.5. of Chapter II of the Code of Good Corporate Governance and the twelfth clause of the Annex to the Regulations of the General Shareholders' Meeting of the Company contemplate the Shareholders' Office to facilitate interaction with shareholders. The purpose of the Shareholder Service Office is to attend to the needs and concerns of the shareholders in relation to their rights and obligations, providing at all times straightforward, objective, immediate and non-discriminatory information about the Company and its activities, allowing shareholders to make informed decisions regarding their investment, likewise, through this office the requests for information received to guarantee the exercise of the right of inspection is channeled and attended to.

The Shareholder Service Office is part of the General Secretary's Office and will be managed by the Legal Management. This office can be accessed by accessing <http://www.telefonica.co/atencion-al-accionista>, writing to the following e-mails: atencionaccionistas@telefonica.com or in writing to the Legal Management, Transversal 60 (Avenida Suba) No. 114^a- 55 Bloque L. During 2019, no requests were received from shareholders through the Shareholder Service Office.

In addition, the company has additional channels of communication with shareholders, the dialogue with shareholders, and the half-yearly bulletin, through which shareholders are informed of the main events related to the company, which are regulated in section 2.5. of Chapter II and paragraph b. of section 5.2. of the Code of Good Corporate Governance, respectively.

NO. Explain:

N/A. Specify the rules that prevent the adoption of the recommendation:

Implementation Date	March 27, 2014
Modification Dates	March 28, 2019

4.3. The Company organizes quarterly results presentation events for its shareholders and market analysts, either in person or by remote means of communication (conference, videoconference, etc.).

4.3 Implement the measure YES NO N/A

YES. Indicate briefly:

<p>NO. Explain:</p> <p>Colombia Telecomunicaciones S.A. ESP. does not strictly comply with the recommendation. However, the Company issues a half-yearly newsletter for shareholders. It holds dialogues with them, through which shareholders are informed about the main events related to the Company, including the financial statements for the end of the fiscal year and interim periods. As well as the relevant issues of the relationship between the Company and the Company, in accordance with the provisions of Article 5.2.b. of the Code of Good Corporate Governance.</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

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4.4. The company organizes or participates in fixed income presentations, events, or forums, mainly for debt instrument investors and market analysts. The issuer's business indicators, liability management, financial policy, ratings, and the issuer's performance regarding covenants are updated.

4.4 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p>
<p>NO. Explain:</p> <p>The Company does not organize or participate in fixed income presentations, events, or forums for debt instrument investors and market analysts. However, it does hold periodic bilateral meetings with investors, answering each of the questions they ask and reporting the information they require for their analysis. It has an exclusive e-mail for investors (Inversionistas.co@telefonica.com), from which all requests from Shareholders/Investors are handled. Additionally, the Company has a corporate web page, which periodically provides information on Company's general information, management reports, press releases, financial information, corporate governance, among others.</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

YES. Indicate briefly:

This procedure is regulated in the Code of Good Corporate Governance in article 8.3.

NO. Explain:

N/A. Specify the rules that prevent the adoption of the recommendation:

Implementation Date	March 27, 2014
Modification Dates	March 28, 2019

Measure No. 5: Directors' actions in the event of a change or takeover of control of the company.

5.1. The members of the Board of Directors and Senior Management have expressly accepted in their Letters of Acceptance or contracts that as soon as they become aware of the launch of a takeover bid or other relevant transactions, such as mergers or spin-offs, there will be periods during which they undertake not to trade, directly or indirectly through an intermediary, shares of the Company.

5.1 Implement the Measure **YES** **NO** **N/A**

YES. Indicate briefly:

NO. Explain:
This recommendation is not contemplated in the letters of acceptance or contracts of the members of the Board of Directors and Senior Management; however, the recommendation is regulated in paragraph 7.2. of the Code of Good Governance, which is equally binding and enforceable for the Company and its management.

Additionally, none of the members of the Board of Directors and/or Senior Management hold shares of the Company.

N/A. Specify the rules that prevent the adoption of the recommendation:

Implementation Date	
Modification Dates	

Measure No. 6: Listing of companies integrated in Conglomerates.

6.1. Without prejudice to the independence of each individual company integrated into the Conglomerate and the responsibilities of its management bodies, **there is an organizational structure** of the Conglomerate that defines for the three (3) levels of governance - shareholders' meeting, Board of Directors and Senior Management - the key individual bodies and positions, as well as the relationships among them, which is public, clear and transparent, and allows determining clear lines of responsibility and communication, and facilitates the strategic orientation, supervision, control and effective management of the Conglomerate.

6.1 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p>
<p>NO. Explain: There is no organizational structure of the Conglomerate that defines the three (3) levels of governance - shareholders' meeting, Board of Directors, and Senior Management - the key individual bodies and positions and the relationships among them. However, the Company in Article 29 of the Company's Bylaws has defined which are the management and administrative bodies of the Company and both in the Bylaws and the Code of Good Corporate Governance and its annexes, Board of Directors Regulations and General Shareholders' Meeting Regulations, the obligations, functions, and activities of each of the bodies are detailed in such a way that there are clear and transparent relationships among them.</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

Implementation Date	
Modification Dates	

6.2. The Parent Company and its most important Subsidiaries have defined a framework of reference for institutional relations by signing a public agreement approved by the Board of Directors of each of these companies, which regulates the matters indicated in recommendation 6.2.

6.2 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p>
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NO. Explain: The Parent Company and its subsidiaries have not defined a reference framework for institutional relations through the execution of a public agreement approved by the Board of Directors of each of these companies. However, the Company regulated the conditions under which operations with affiliates must be carried out in Article 52 (a) of the Company's Bylaws, Section 8.01 and Chapter IX of the Investment Framework Agreement (IFA) and Article 3.6. of the Code of Good Corporate Governance and Article twenty-four of the Board of Directors Regulations.

N/A. Specify the rules that prevent the adoption of the recommendation:

Implementation Date	
Modification Dates	

Measure No. 7: Dispute resolution.

7.1. Except for those disputes between shareholders, or between shareholders and the corporation or its Board of Directors, which by express legal attribution must necessarily be settled before the ordinary jurisdiction, the Bylaws of the corporation include mechanisms for the resolution of controversies such as direct agreement, amicable composition, conciliation, or arbitration.

7.1 Implement the Measure YES NO N/A

YES. Indicate briefly:

Article 84 of the Company's Bylaws states that any and all controversies, disputes, differences, or claims arising between the Parties on occasion or because of the Bylaws shall be submitted to the decision of an Arbitration Tribunal. Likewise, this recommendation is regulated in Article 11, Chapter XI of the Code of Good Corporate Governance, equally binding and enforceable for the Company and its management.

NO. Explain:

N/A. Specify the rules that prevent the adoption of the recommendation:

Implementation Date	June 16, 2003
Modification Dates	March 28, 2019

I. GENERAL SHAREHOLDERS' MEETING.

Measure No. 8: Functions and Competence.

8.1. In addition to other functions attributed to the General Shareholders' Meeting by the legal framework, the Bylaws expressly include the functions of **the General Shareholders' Meeting as indicated in recommendation 8.1** and emphasize their exclusive non-delegable nature.

8.1 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p>
<p>NO. Explain:</p> <p>However, it is reported that the functions indicated in sub-items i, ii, and iv) of recommendation 8.1. are attributed to the General Shareholders' Meeting and are regulated in articles 45 and 83 of the Company's Bylaws and in article five of the regulations of the General Shareholders' Meeting, in the terms indicated in the recommendation. The function stated in sub-item iii) is not expressly regulated.</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

Implementation Date	
Modification Dates	

Measure No. 9: Regulations of the General Shareholders' Meeting.

9.1. 9.1. The Company has a Regulation of the General Shareholders' Meeting that regulates all matters pertaining to that, from its call to the preparation of the information to be received by the shareholders, attendance, development, and exercise of the shareholders' political rights, so that they are fully informed of the entire system for the development of the meetings of the Meeting.

9.1 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p> <p>The Company has a Shareholders' Meeting Regulation, which regulates all matters related to the Shareholders' Meeting, from its call to the preparation of the information to be received by the shareholders, attendance, development, and exercise of the political rights of the shareholders, so that they are fully informed of the entire system for the development of the meetings of the Shareholders' Meeting. The Regulations of the Shareholders' Meeting are an integral part of the Code of Good Corporate Governance and are included as Annex No. 2 of the Code of Good Corporate Governance.</p>
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<p>NO. Explain:</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

Implementation Date	March 27, 2014
Modification Dates	March 28, 2019

Measure No. 10: Calling of the Meeting.

10.1. To facilitate the exercise of the shareholders' right to information, **the Bylaws establish that the ordinary General Shareholders' Meeting must be called no less than thirty (30) common days in advance, and extraordinary meetings must be called no less than fifteen (15) common days in advance.** The preceding is without prejudice to the legal terms established for corporate reorganizations (e.g., merger, spin-off, or transformation).

10.1 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p>
<p>NO. Explain:</p> <p>The recommendation was not adopted and is not reflected in the Company's Bylaws, and the Regulations of the General Shareholders' Meeting since the Company has a reduced number of shareholders and the legal terms, which were adopted, facilitate the exercise of the shareholders' right to information. In line with the above, Article 36 of the Company's Bylaws, paragraph 3.2. of the Code of Good Corporate Governance and Article Seven of Title III of the General Shareholders' Meeting Regulations establish that ordinary meetings of the General Shareholders' Meeting must be called no less than fifteen (15) business days in advance. Likewise, Article 39 of the Company's Bylaws, paragraph 3.2. of the Code of Good Corporate Governance and article nine of Title III of the General Shareholders' Meeting Regulations state that extraordinary meetings of this corporate body must be called no less than five (5) calendar days in advance.</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

Implementation Date	
Modification Dates	

10.2. In addition to the traditional and mandatory means provided for in the legal framework, **the company ensures the maximum dissemination and publicity of the call through the use of electronic media**, such as the corporate website, alert messages through individualized e-mails, and, if deemed appropriate, through social networks.

10.2 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p> <p>Articles 36 and 39 of the Company's Bylaws and paragraph 3.2. of the Code of Good Corporate Governance establish the possibility of issuing the notice of ordinary and extraordinary meetings of the General Shareholders' Meeting by e-mail or publication on the Company's website. In effect, due to the small number of shareholders, the notices are sent by e-mail to each shareholder and published on the Company's website to ensure the maximum dissemination and publicity of the notice. Likewise, the notice is posted as Relevant Information on the web page of the Financial Superintendence of Colombia.</p>
<p>NO. Explain:</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

Implementation Date	June 16, 2003
Modification Dates	March 28, 2019

10.3. To increase the transparency of the decision-making process during the General Meeting, in addition to the Agenda of the meeting with the item-by-item listing of the topics to be discussed, **the Company has foreseen that simultaneously with the call or at least fifteen (15) days prior to the meeting, the proposed resolutions** that the Board of Directors will submit to the General Meeting of Shareholders for each item on the Agenda will be made available to the shareholders.

10.3 Implement the Measure YES NO N/A

YES. Indicate briefly:

In accordance with the provisions of Article 36 (a), Article 39 (a) of the Company's Bylaws and Section 3.2 of the Code of Good Corporate Governance, simultaneously with the call to ordinary and extraordinary meetings of the Company's General Shareholders' Meeting, the Company shall make available to the shareholders the proposed resolutions or resolutions that will be submitted to the General Shareholders' Meeting for each item on the agenda.

NO. Explain:

N/A. Specify the rules that prevent the adoption of the recommendation:

Implementation Date	May 24, 2018
Modification Dates	N/A

10.4. The improper spin-off can only be analyzed and approved by the General Shareholders' Meeting when this item has been expressly included in the notice of the respective meeting.

10.4 Implement the Measure YES NO N/A

YES. Indicate briefly:

NO. Explain:

In accordance with the provisions of paragraph 12 of Article 45 of the Company's Bylaws and paragraph (d) of Article 5 of the Regulations of the General Shareholders' Meeting, the General Shareholders' Meeting may not delegate the function of approving the spin-off (improper spin-off) of the Company. However, the recommendation is not included in the Company's corporate documents, since article 38 of the Company's Bylaws and article seven, paragraph d) of Annex 2 of the Code of Good Corporate Governance, Regulations of the General Shareholders' Meeting, establish that in extraordinary meetings the General Shareholders' Meeting may only make decisions on the items included in the agenda included in the notice of meeting. However, with the favorable vote of 70% of the shares represented, the General Shareholders' Meeting may deal with other items not included in the agenda of the notice of meeting. No prohibition is contemplated for ordinary meetings.

N/A. Specify the rules that prevent the adoption of the recommendation:

Implementation Date	
Modification Dates	

10.5. The Agenda proposed by the Board of Directors contains the precise content of the topics to be discussed, avoiding the concealment or masking of important topics under vague, generic, overly general, or broad terms such as "*other*" or "*proposals and miscellaneous*".

10.5 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p> <p>In accordance with the provisions of Articles 36 and 39 of the Company's Bylaws, paragraph 3.2. of the Code of Good Corporate Governance and articles eight and ten of the Annex to the Regulations of the General Shareholders' Meeting, the summons to the ordinary and extraordinary meetings of the General Shareholders' Meeting shall contain the proposed agenda with a precise indication of the content of the items to be discussed.</p> <p>NO. Explain:</p>
N/A. Specify the rules that prevent the adoption of the recommendation:

Implementation Date	June 16, 2003
Modification Dates	March 28, 2019

10.6. In the case of amendments to the Bylaws, each article or group of substantially independent articles is voted separately. In any case, an article is voted separately if any shareholder or group of shareholders, representing at least five percent (5%) of the capital stock, so requests during the Meeting, a right that is made known to the shareholders in advance.

10.6 Implement the Measure YES NO N/A

YES. Indicate briefly:

<p>NO. Explain: The recommendation is not reflected in the Company's corporate documents. However, there is no impediment to voting separately on each article or group of articles that are substantially independent in the event of a possible amendment of the Bylaws if so, proposed at the General Shareholders' Meeting. The sense of the vote of the shareholders on the proposed amendments to the Bylaws is recorded in the corresponding minutes in which such a decision is adopted.</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

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10.7. Without prejudice to the provisions of Article 182 of the Code of Commerce, to strengthen and guarantee the shareholders' right of inspection and information prior to the meeting of the Assembly, **the Bylaws recognize the right of shareholders, regardless of the size of their shareholding, to propose the introduction of one or more items to be discussed in the Agenda of the General Shareholders' Meeting**, within a reasonable limit and provided that a justification accompanies the request for the new items. The request by the shareholders must be made within five (5) common days following the publication of the call.

10.7 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p>
<p>No. Explain.</p> <p>The recommendation has not been implemented; however, it is reported that Article 36 (b) of the Company's Bylaws establishes that: <i>"shareholders may, up to five days before the date of the meeting, request information or clarifications, through written petitions addressed to the Secretary of the Company, regarding the matters included in the agenda, (...)"</i>. Additionally, this possibility is regulated in the Regulations of the Shareholders' Meeting in articles eleventh and twelfth, which indicate the information that will be available to the shareholders from the publication of the notice of the meeting and the right of inspection, without any limitation to the percentage of participation in the capital.</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

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10.8. If the Board of Directors rejects the request, **the latter is obliged to respond in writing** to those requests supported by at least five percent (5%) of the capital stock, or a lower percentage established by the corporation based on the degree of concentration of ownership, **explaining the reasons for its decision and** informing the shareholders of their right to present their proposals during the Meeting in accordance with the provisions of the Article mentioned above 182 of the Code of Commerce.

10.8 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p>
<p>NO. Explain: In accordance with the provisions of Article 36 (b), Article 39 (b) of the Company's Bylaws and Section 3.2 of the Code of Good Corporate Governance, the Company's General Secretary is the person who will attend to requests submitted by shareholders, regardless of the percentage of their participation in the capital stock.</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

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10.9. In the event that the Board of Directors accepts the request, once the shareholders' time to propose items in accordance with the preceding recommendations has expired, **a supplement to the notice of the General Shareholders' Meeting is published at least** fifteen (15) common days prior to the meeting.

10.9 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p>
<p>NO. Explain: Due to the small number of the Company's shareholders, responses to shareholder requests are provided through the Secretary General at the General Shareholders' Meeting.</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

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10.10. Within the same term indicated in section 10.7, **the shareholders may also submit new Proposals for Resolutions on matters already included** in the Agenda. For these requests, the Board of Directors acts in a manner similar to that provided for in items 10.8 and 10.9 above.

10.10 Implement the Measure YES NO N/A

YES. Indicate briefly:
NO. Explain: However, it is reported that paragraph b) of Article 36 of the Company's Bylaws, which states: <i>"the shareholders may, up to five days prior to the date of the meeting, request information or clarifications, through written petitions addressed to the Secretary of the Company, in relation to the matters included in the agenda, (...)"</i> .
N/A. Specify the rules that prevent the adoption of the recommendation:

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10.11. The Company undertakes to use electronic means of communication, mainly the corporate website with exclusive access to shareholders, to provide them with the documents and information associated with each item on the Meeting Agenda.

10.11 Implement the Measure YES NO N/A

YES. Indicate briefly: Articles 36 and 39 of the Company's Bylaws and section 3.2. of the Code of Good Corporate Governance establish the possibility of using electronic means, such as e-mail and the Company's website, to send the documents and information associated with each of the items on the Agenda of the meeting, that is, the proposed resolutions or resolutions that for each item on the Agenda will be submitted to the General Shareholders' Meeting and other documents required by the Company's Bylaws and the Law, depending on whether they are ordinary or extraordinary meetings. The information is sent in writing and by e-mail.
NO. Explain:
N/A. Specify the rules that prevent the adoption of the recommendation:

Implementation Date	May 24, 2018
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10.12. The Company's Bylaws recognize the right of shareholders to request, sufficiently in advance, the information, or clarifications they deem pertinent, through traditional channels and/or, where appropriate, new technologies, or to formulate in writing the questions they deem necessary in relation to the matters included in the Agenda, the documentation received, or the public information provided by the Company. Depending on the period chosen by the Company to convene the General Shareholders' Meeting, the Company determines the period within which shareholders may exercise this right.

10.12 Implement the Measure YES NO N/A

<p>YES. Indicate briefly: In accordance with the provisions of Article 36 (b), Article 39 (b) of the Bylaws and Section 3.2 of the Code of Good Corporate Governance, shareholders have the right, up to five days prior to the date of the meeting, to request information or clarifications, through written requests addressed to the Secretary of the Company, regarding the matters included in the agenda, the documentation received or the public information provided by the Company, for ordinary or extraordinary meetings of the General Shareholders' Meeting.</p>
<p>NO. Explain:</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

Implementation Date	May 24, 2018
Modification Dates	March 28, 2019

10.13. The company has foreseen that the requested information may be denied if, according to internal procedures, it may be qualified as: i) unreasonable; ii) irrelevant to know the progress or interests of the company; iii) confidential, which shall include privileged information in the field of the securities market, industrial secrets, ongoing operations whose success for the company depends substantially on the secrecy of their negotiation; and iv) others whose disclosure would put the company's competitiveness in severe and imminent danger.

10.13 Implement the Measure YES NO N/A

<p>YES. Indicate briefly: Pursuant to the provisions of Article 36 (b), Article 39 (b) of the Company's Bylaws and Section 3.2. of the Code of Good Corporate Governance and Annex 2 of the Regulations of the General Shareholders' Meeting, clauses eight (i) and ten (i), the Company may refuse to provide additional information if the shareholder's request can be qualified as (i) unreasonable; (ii) irrelevant to know the Company's business; (iii) unreasonable; (iv) irrelevant to know the Company's business; (v) unreasonable; and (vi) unreasonable: (i) unreasonable; (ii) irrelevant to know the progress or interests of the Company; (iii) relating to confidential information, which shall include privileged information in the field of the securities market, industrial secrets, ongoing operations whose good end for the Company substantially depends on the secrecy</p>

of their negotiation; or (iv) relating to other information whose disclosure would put the competitiveness of the Company at risk.

NO. Explain:

N/A. Specify the rules that prevent the adoption of the recommendation:

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10.14. When the response provided to a shareholder may put him/her at an advantage, **the company guarantees access to such response to the other shareholders** simultaneously, in accordance with the mechanisms established for this purpose, and under the same conditions.

10.14 Implement the Measure

YES

NO

N/A

YES. Indicate briefly: Chapter 7 of the Code of Good Corporate Governance states that *"In order to guarantee equal access to information, when in the Company's opinion the answer given to a shareholder or investor may place him/her at an advantage, we will publish on our website (www.telefonica.co/atenciónalinversionista) the answers provided, so that they are available to all shareholders and investors."*

NO. Explain:

N/A. Specify the rules that prevent the adoption of the recommendation:

Implementation Date	March 27, 2014
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Measure 11: Regulation of representation.

11.1. Notwithstanding the limits set forth in Article 185 of the Code of Commerce, External Circular 24 of 2010 and the rules that modify, add or replace them, **the Company does not limit the shareholder's right to be represented at the General Shareholders' Meeting** and may delegate their vote to any person, whether a shareholder or not.

11.1 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p> <p>In accordance with the provisions of Article 31 of the Company's Bylaws, Article 2.1 (c) of the Code of Good Corporate Governance and Article Fourteen of Title IV of Appendix 2 of the Code of Good Corporate Governance, Regulations of the Shareholders' Meeting, the Company does not limit the shareholder's right to be represented at the General Shareholders' Meeting and may delegate its vote to any person, whether or not such person is a shareholder.</p> <p>NO. Explain:</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

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11.2. The Company minimizes the use of blank proxies, without voting instructions, by actively promoting the use of a standard proxy form that the Company itself sends to the shareholders or publishes on its website. The model includes the items on the Agenda and the corresponding Proposals for Resolutions determined in accordance with the procedure established above and which will be submitted to the shareholders for their consideration, so that the shareholder, if they deem it convenient, may indicate, in each case, the direction of their vote to their representative.

11.2 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p>
<p>NO. Explain: The Company does not have a standard form of representation letter. It is not considered necessary to implement the recommendation, given the reduced number of shareholders of the Company; therefore, no special procedure is foreseen for these purposes.</p>

N/A. Specify the rules that prevent the adoption of the recommendation:

Implementation Date	
Modification Dates	

Measure No. 12: Attendance of persons other than shareholders.

12.1. To revitalize the role of the General Assembly in shaping the will of the corporation, and to make it a much more participatory body, the Regulations of the Assembly of the **corporation require that the members of the Board of Directors and, especially, the Chairmen of the Committees of the Board of Directors, as well as the President of the corporation, attend the Assembly** to respond to the concerns of the shareholders.

12.1 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p>
<p>NO. Explain: It is not expressly provided for in the Regulations of the Shareholders' Meeting, but both the Chairperson of the Audit Committee of the Board of Directors and the President of the Company may attend freely and regularly to respond to concerns raised by shareholders amid a General Shareholders' Meeting.</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

Implementation Date	
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II. BOARD OF DIRECTORS

Measure No. 13: Functions of the Board of Directors.

13.1. The Bylaws expressly state those functions that may not be delegated to Senior Management, including those established in recommendation 13.1.

13.1 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p> <p>Article 53 of the Company's Bylaws establish the functions of the Board of Directors and does not establish the possibility of delegating the functions of the Board of Directors to Senior Management. In addition, Article 54 of the Company's Bylaws states that in the event of any doubt or collision regarding the functions or powers of the Board of Directors and the Chief Executive Officer, the Board of Directors shall always have the casting vote in favor of the Chief Executive Officer.</p> <p>Likewise, article eighteen of Title IV of the Regulations of the Board of Directors also states the functions of this corporate body and provides that those powers that the Law or the Bylaws reserve to the Board of Directors, as well as those others necessary for the responsible exercise of its basic function of supervision and control, may not be delegated.</p>
<p>NO. Explain:</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

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13.2. Without prejudice to the autonomy of the governing bodies of the Subordinate Companies, **when the company acts as the parent company of a Conglomerate**, these functions of the Board of Directors have a group approach and are **developed through general policies, guidelines, or requests for information that respect the balance between the interests of the parent company and the subordinates, and of the Conglomerate as a whole.**

13.2 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p> <p>NO. Explain: The Company does not act as a parent company of a conglomerate. The Company is part of a business group and acts as a subsidiary since it adopts corporate policies of the group indicated by the parent company, which also exercises control over the Company. However, the corporate policies do not contemplate the need to amend the bylaws or adopt corporate policies reflecting the functions of the Board of Directors with a group approach.</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

Implementation Date	
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Measure No. 14: Regulations of the Board of Directors.

14.1. The Board of Directors has approved the internal regulations that govern its organization and operation and the functions and responsibilities of its members, the Chairperson and the Secretary of the Board of Directors, and their duties and rights. These rules are distributed to the shareholders and are binding on the members of the Board of Directors.

14.1 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p> <p>The Regulations of the Board of Directors were approved by the General Shareholders' Meeting together with the Code of Good Corporate Governance, are an integral part of it, and are binding for the Board of Directors.</p> <p>NO. Explain:</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

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Measure No. 15: Dimension of the Board of Directors.

15.1. The company has statutorily opted not to appoint Alternate Members of the Board of Directors.

15.1 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p> <p>Pursuant to Article 47 of the Company's Bylaws, while the Company is listed on the Colombian Stock Exchange, the members of the Board of Directors shall not have alternates.</p> <p>NO. Explain:</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

Implementation Date	May 24, 2018
Modification Dates	N/A

Measure No. 16: Composition of the Board of Directors.

16.1. Based on the premise that once elected, all members of the Board of Directors act for the benefit of the company, in an exercise of maximum transparency, **the company identifies the origin of the different members of the Board of Directors** in accordance with the scheme defined in recommendation 16.1.

16.1 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p> <p>Section 5.01. of the Framework Investment Agreement (FIA) indicates how the members of the Board of Directors shall be appointed. In addition, Article 47 of the Company's Bylaws, the aforementioned section 5.01 of the Framework Investment Agreement, paragraph 4.1.2. of Article 4.1. of Chapter IV of the Code of Good Corporate Governance and articles thirteen and sixteen of Title III of the Regulations of the Board of Directors provide that 25% of the members must be independent.</p> <p>NO. Explain:</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

Implementation Date	May 24, 2018
Modification Dates	N/A

16.2. The company has a procedure, articulated through the Appointments and Remuneration Committee or another committee that fulfills its functions, that allows the Board of Directors, through its own dynamics and the conclusions of the annual evaluations, to achieve the objectives indicated in recommendation 16.2.

16.2 Implement the Measure YES NO N/A

YES. Indicate briefly:
NO. Explain: The Company does not have a procedure to achieve the objectives of the recommendation, nor does it have an Appointments and Remuneration Committee. However, according to the provisions of numeral 4.1.10 of Article 4 of Chapter IV of the Code of Good Corporate Governance and Article Thirty-three of Title VIII of the Regulations of the Board of Directors, it shall annually evaluate its management, information that shall be presented in the Report on Good Corporate Governance Practices that is submitted to the General Shareholders' Meeting at the ordinary meeting.
N/A. Specify the rules that prevent the adoption of the recommendation:

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16.3. The professional profiles identified as necessary are reported by the Board of Directors to the shareholders so that the different stakeholders, mainly controlling shareholders, significant shareholders, families, groups of shareholders and institutional shareholders, if any, and the Board of Directors itself, are in a position to identify the most suitable candidates.

16.3 Implement the Measure YES NO N/A

YES. Indicate briefly:
Section 4.1.4. of Article 4 of Chapter IV of the Code of Good Corporate Governance and Article Fifteenth of Title III of the Regulations of the Board of Directors regulate the quality of the members of the Board of Directors. Additionally, it states that the members of the Board of directors' profiles shall be published on the website http://www.telefonica.co/junta-directiva.

NO. Explain:	
N/A. Specify the rules that prevent the adoption of the recommendation:	

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16.4. The company considers that the mere evaluation of the resumes by the shareholders is an insufficient resource to determine the suitability of the candidates, so **it has an internal procedure to evaluate the legal incompatibilities and disqualifications and the suitability of the candidate to the needs of the Board of Directors**, through the evaluation of a set of criteria that must meet the functional and personal profiles of the candidates, and the verification of compliance with certain objective requirements to be a member of the Board of Directors and other additional requirements to be an Independent Member.

16.4 Implement the Measure YES NO N/A

YES. Indicate briefly:	
Section 4.1.4. of Article 4 of Chapter IV of the Code of Good Corporate Governance and Article Fifteenth of Title III of the Regulations of the Board of Directors establish the conditions and profiles that the members of the Board of Directors must have. Additionally, the Company verifies internally that the candidates comply with such profiles.	
NO. Explain:	
N/A. Specify the rules that prevent the adoption of the recommendation:	

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16.5. In addition to the independence requirements already provided for in Law 964 of 2005, **the Company has voluntarily adopted a more rigorous definition of independence** than that established in the aforementioned law. This definition has been adopted as a reference framework through its Board of Directors Regulations and includes, among other requirements that must be evaluated, the relationships or links of any nature of the candidate to Independent Member with controlling or significant

shareholders and their Related Parties, domestic and foreign, and requires a double declaration of independence: (i) of the candidate before the corporation, its shareholders and members of Senior Management, instrumented through its Letter of Acceptance and, (ii) of the Board of Directors, regarding the independence of the candidate.

16.5 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p>
<p>NO. Explain: The Company complies with the independence criteria of Law 964 of 2005, which were incorporated in Article 47 of the Company's Bylaws, paragraph 4.1.5. of Article 4 of Chapter IV of the Code of Good Corporate Governance and Articles Thirteenth and Sixteenth of Title III of the Regulations of the Board of Directors, and in any case, at the time of accepting the position, the independent members of the Board of Directors must state in their letter of acceptance of appointment that they hold the status of independent in accordance with the provisions of Law 964 of 2005.</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

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16.6. The Company, through its internal regulations, considers that the Board of Directors, through its Chairperson and with the support of the Appointments and Remuneration Committee or whoever fulfills its functions, is the most appropriate body to centralize and coordinate the process of composition of the management body prior to the General Meeting. In this way, the shareholders who, based on their shareholding, aspire to be part of the Board of Directors can know the needs of the Board of Directors and present their aspirations, negotiate the shareholding balances and the distribution among the different categories of members, present their candidates and accept that the Appointments and Remuneration Committee evaluate the suitability of their candidates prior to the vote at the General Shareholders' Meeting.

16.6 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p>
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NO. Explain:

The Company does not have a Nominating and Compensation Committee or equivalent. Section 4.1.4. of Article 4 of Chapter IV of the Code of Good Corporate Governance and Article Fifteenth of Title III of the Regulations of the Board of Directors establish the conditions and profiles that the members of the Board of Directors must have. Additionally, the Company verifies internally that the candidates comply with such profiles.

N/A. Specify the rules that prevent the adoption of the recommendation:

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16.7. The Regulations of the Board of Directors provide the evaluation of the suitability of candidates. It is an activity to be carried out prior to the holding of the General Shareholders' Meeting so that shareholders have sufficient information (personal qualities, suitability, background, experience, integrity, etc.) on the candidates proposed to be members of the Board of Directors, in advance to allow for their adequate evaluation.

16.7 Implement the Measure YES NO N/A

YES. Indicate briefly:

NO. Explain:

The Regulations of the Board of Directors do not provide for the evaluation of the suitability of the candidates; this is an activity whose execution is prior to the holding of the General Shareholders' Meeting. However, it is reported that the shareholders' agreement, called Framework Investment Agreement (MAI), is in Section 5.01. regulates the guidelines for the appointment process of the Board of Directors. Article 4.1.4. of the Code of Good Corporate Governance and Article Fifteenth of the Board of Directors Regulations regulate the quality that the members of the Board of Directors must have.

N/A. Specify the rules that prevent the adoption of the recommendation:

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Measure No. 17: Functional structure of the Board of Directors.

17.1. The Regulations of the Board of Directors stipulate that the **Independent and Patrimonial Members are always in the majority with respect to the Executive Members**, whose number, in the event of joining the Board of Directors, is the minimum necessary to meet the needs of information and coordination between the Board of Directors and the Senior Management of the company.

17.1 Implement the Measure YES NO N/A

YES. Indicate briefly:
NO. Explain: The Regulations of the Board of Directors do not establish that the Independent and Patrimonial Members must always be in the majority with respect to the Executive Members. The AMI in its Section 5.01. regulates the guidelines for the appointment process of the Board of Directors. This section was modified by Amendment No. 1 of the AMI in clause 4. Article 47 of the Bylaws, numeral 4.1.5. of Article 4 of Chapter IV of the Code of Good Corporate Governance and articles thirteenth and sixteenth of Title III of the Board of Directors Regulations establish that at least 25% of the Principal Members must be independent members.
N/A. Specify the rules that prevent the adoption of the recommendation:

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17.2. From the minimum percentage of twenty-five percent (25%) of Independent Members established in Law 964 of 2005, **the company analyzes and voluntarily adjusts, upwards, the number of Independent Members**, taking into account, among others, that the number of independent members is related to the Floating Capital.

17.2 Implement the Measure YES NO N/A

YES. Indicate briefly:

<p>NO. Explain:</p> <p>The recommendation has not been implemented; however, it is reported that the AMI in Section 5.01. regulates the guidelines for the appointment process of the Board of Directors. This section was modified by Amendment No. 1 of the Investment Framework Agreement in clause 4. According to the established procedure, 3 of the ten members of the Board of Directors shall be independent.</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

Implementation Date	
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Measure No. 18: Organization of the Board of Directors.

18.1. The duties of the Chairperson of the Board of Directors are set forth in the Bylaws, and their main responsibilities are those set forth in recommendation 18.1.

18.1 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p> <p>It is regulated in the paragraph of Article 49 of the Company's Bylaws.</p>
<p>NO. Explain:</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

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18.2. The Company's internal regulations provide for the possibility that the **Chairperson of the Board of Directors may be treated differently from the other members**, both in terms of their obligations and remuneration, as a result of the scope of their specific duties and their greater dedication of time.

18.2 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p>
<p>NO. Explain:</p> <p>Despite the specific functions assigned to them, there is no differentiated treatment for the Chairperson of the Board of Directors in their remuneration.</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

Implementation Date	
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18.3. The Bylaws contain the rules for the appointment of the Secretary of the Board of Directors, among which the most important are those indicated in recommendation 18.3.

18.3 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p>
<p>NO. Explain:</p> <p>Article 65 of the Company's Bylaws establishes the rules for the appointment of the Company's Secretary General, who shall be both Secretary of the General Shareholders' Meeting and for the Board of Directors. The Secretary General is a position of free appointment and removal by the Board of</p>

<p>Directors, without prior proposal by the Company's President or prior report. The position of Secretary General implies per se another executive position within the corporation and the possibility of being a member of the Company's Board of Directors.</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

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18.4. The Regulations of the Board of Directors establish the duties of the Secretary, including those set forth in recommendation 18.4.

18.4 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p> <p>The duties of the Secretary General, who shall be at the same time Secretary of the General Shareholders' Meeting and for the Board of Directors, are regulated in Article 66 of the Company's Bylaws and in Article twenty and twenty-first of the Regulations of the Board of Directors.</p> <p>NO. Explain:</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

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18.5. The Board of Directors has established a Nominating and Compensation Committee.

18.5 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p>

<p>NO. Explain:</p> <p>The Company does not have an Appointment and Remuneration Committee; the functions of the Appointment and Remuneration Committee are assigned to the Board of Directors.</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

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18.6. The Board of Directors has established a Risk Committee.

18.6 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p>
<p>NO. Explain:</p> <p>The Board of Directors has not established a Risk Committee. However, Articles 29 and 58 of the Company's Bylaws and Article 4.3. of Chapter IV of the Company's Code of Good Governance provide for an Audit Committee of the Board of Directors. According to the provisions of Article 60 of the Company's Bylaws and paragraph 4.3.2. of Article 4.3. of Chapter IV of the Company's Code of Good Governance, the Audit Committee of the Board of Directors shall be responsible for supervising compliance with the internal audit program, which takes into account the business risks and comprehensively supervises all areas of the Company.</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

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18.7. The Board of Directors has established a Corporate Governance Committee.

18.7 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p>
<p>NO. Explain:</p> <p>The functions of the Corporate Governance Committee are vested in the Board of Directors.</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

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18.8. If the company has considered that it is not necessary to set up all of these committees, their functions have been distributed among the existing committees or have been assumed by the Board of Directors as a whole.

18.8 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p> <p>The Company's Board of Directors has assumed the functions of the Appointment and Remuneration Committee and the Corporate Governance Committee mentioned above, which are regulated in Article 53 of the Company's bylaws, paragraph 4.1.2. of the Code of Good Corporate Governance and eighteenth of the Board of Directors Regulations. The functions of a Risk Committee are attributed to the Audit Committee of the Board of Directors, which are regulated in Article 60 of the Company's bylaws and paragraph 4.3.2. of Chapter IV of the Code of Good Corporate Governance.</p>
<p>NO. Explain:</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

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18.9. Each of the Committees of the Board of Directors has an Internal Regulation that regulates the details of its formation, the matters, functions on which the Committee must work, and its operations, paying special attention to the communication channels between the Committees and the Board of Directors and, in the case of Conglomerates, to the mechanisms of relationship and coordination between the Committees of the Board of Directors of the Parent Company and those of the Subordinate companies, if any.

18.9 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p>
<p>NO. Explain:</p> <p>The Board of Directors has assumed the functions of the Appointment and Remuneration Committee and the Corporate Governance Committee mentioned above and has its own internal regulations. The Audit Committee of the Board of Directors has not adopted any internal regulations for its operation; however, the details of its composition, matters, and functions are regulated in Articles 58 and subsequent articles of the Bylaws and in Article 4.3 of Chapter IV of the Code of Good Corporate Governance.</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

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18.10. The Committees of the Board of Directors comprises of independent or Patrimonial Members, with a minimum of three (3) members and chaired by an Independent Member. In the case of the Appointments and Remuneration Committee, the Independent Members are always the majority.

18.10 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p> <p>In accordance with the provisions of Article 58 of the Company's Bylaws and Article 4.3. of Chapter IV of the Code of Good Corporate Governance, the Audit Committee is composed of five (5) members of the Board of Directors, who shall be appointed as follows: three (3) members shall be independent; and two principal members appointed by the majority of the shareholders present at the General Shareholders' Meeting at which the members of the committee are appointed. Additionally, they state that the Audit Committee</p>
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<p>will be chaired by an independent member of the Board of Directors.</p> <p>Conversely, the Board of Directors has assumed the functions of the Nominating and Compensation Committee and the Corporate Governance Committee mentioned above.</p>
<p>NO. Explain:</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

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18.11. The Committees of the Board of Directors may obtain support, on an ad hoc or permanent basis, from members of Senior Management with experience in the matters within their competence and/or from external experts.

18.11 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p> <p>In accordance with the provisions of Article 60 of the Company's Bylaws and paragraph 4.3.2. of Article 4.3. of Chapter IV of the Company's Code of Good Governance, the Audit Committee of the Board of Directors may hire independent specialists in specific cases in which it deems it appropriate, in accordance with the Company's general hiring policies.</p>
<p>NO. Explain:</p>

N/A. Specify the rules that prevent the adoption of the recommendation:

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18.12. For the integration of its Committees, the Board of Directors takes into consideration the profiles, knowledge, and professional experience of the members in relation to the subject matter of the Committee.

18.12 Implement the Measure YES NO N/A

YES. Indicate briefly:

In accordance with the provisions of Article 58 of the Company's Bylaws and Article 4.3 of Chapter IV of the Code of Good Corporate Governance, the composition of the Board of Directors' Committees takes into consideration their independent status and establishes that all of them have knowledge of accounting, financial and other related matters.

In the extraordinary meeting No. 71 of November 27, 2020, of the General Shareholders' Meeting, there was a modification to the composition of the Company's Board of Directors, which in turn modified the composition of the Audit Committee as three of its members were replaced. The composition of this committee is published on the Company's web page, which can be accessed through the following link: <https://www.telefonica.co/comite-auditoria>

NO. Explain:

N/A. Specify the rules that prevent the adoption of the recommendation:

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18.13. Minutes are taken of the meetings of the Committees, a copy of which is sent to all the members of the Board of Directors of the Company. If the Committees have delegated decision-making powers, the minutes comply with the requirements of Articles 189 and 431 of the Code of Commerce.

18.13 Implement the Measure YES NO N/A

YES. Indicate briefly:

Pursuant to Article 59 of the Company's Bylaws, the Committee's decisions shall be recorded in minutes, in strict chronological order in a book to be set aside for this purpose, which must be signed by the persons designated at the meeting. In addition, paragraph 4.3.1 of Article 4.3 of Chapter IV of the Code of Good Corporate Governance establishes that the decisions and actions of the Audit Committee must be recorded in minutes, which must comply with the provisions of Article 189 of the Code of Commerce.

NO. Explain:

N/A. Specify the rules that prevent the adoption of the recommendation:

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18.14. Unless the applicable legal or regulatory framework requires their creation, in the case of Conglomerates, the internal regulations provide that **the Boards of Directors of the Subordinate Companies may choose not to create specific Committees** to deal with certain matters. These tasks may be assumed by the Committees of the Board of Directors of the Parent Company, without this implying a transfer to the Parent Company of the responsibility of the Boards of Directors of the Subordinate Companies.

18.14 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p>
<p>NO. Explain:</p> <p>Each company in the Business Group has its own rules for its corporate bodies.</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

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18.15. The main task of the Audit Committee is to assist the Board of Directors in its supervisory role by evaluating accounting procedures, liaising with the Statutory Auditor, and, in general, reviewing the Company's Control Architecture, including the audit of the risk management system implemented by the Company.

18.15 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p> <p>In accordance with the provisions of Article 60 of the Company's Bylaws and paragraph 4.3.2 of Article 4.3 of Chapter IV of the Company's Code of Good Governance, the Audit Committee of the Board of Directors shall supervise compliance with the internal audit program, which must take into account the business risks and comprehensively evaluate all areas of the Company. It shall also ensure that the preparation, presentation, and disclosure of financial information complies with the provisions of the law, in addition to the functions assigned to it by the Board of Directors.</p>
<p>NO. Explain:</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

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18.16. The members of the Audit Committee have knowledge of accounting, financial, and other related matters, which enables them to make rigorous pronouncements on matters within the Committee's competence at a level sufficient to understand their scope and complexity.

18.16 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p> <p>Pursuant to Article 58 of the Company's Bylaws and Article 4.3. of Chapter IV of the Code of Good Corporate Governance, the members of the Audit Committee of the Board of Directors must have knowledge of accounting, financial, and other related matters. They must also have adequate experience to comply with the functions corresponding to the same thoroughly.</p> <p>The profile of the members of the Audit Committee and the other members of the Board of Directors is published on the Company's website. It can be accessed through the following link: https://www.telefonica.co/junta-directiva.</p> <p>NO. Explain:</p> <p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>
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Implementation Date	June 16, 2003
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18.17. At the request of the Chairperson of the Meeting, the Chairperson of the Audit Committee reports to the General Meeting of Shareholders on specific aspects of the Committee's work, such as the analysis of the scope and content of the Statutory Auditor's Report.

18.17 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p> <p>NO. Explain:</p> <p>However, although this recommendation is not expressly regulated, Article 5 paragraph (i) of the Regulations</p>
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<p>of the General Shareholders' Meeting establishes that among the decisions that are the exclusive and non-delegable competence of the General Shareholders' Meeting is to "consider the reports of the administrators and the manager on the state of the company's business and the Statutory Auditor's report." Likewise, Article 27 of the Corporate Governance Code establishes that the Board of Directors may request, at any time, the reports of the Audit and Statutory Auditor to evaluate the performance of the company and its work team in each of the areas.</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

Implementation Date	March 28, 2019
Modification Dates	N/A

18.18. The Internal Regulations of the Audit Committee assign to it the functions set forth in recommendation 18.18.

18.18 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p>
<p>NO. Explain:</p> <p>The Audit Committee has not adopted any internal regulations. However, Article 60 of the Company's Bylaws and paragraph 4.3.2 of Article 4.3. of Chapter IV of the Code of Good Corporate Governance establish the functions of the Audit Committee.</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

Implementation Date	
Modification Dates	

18.19. The main objective of the Appointments and Compensation Committee is to support the Board of Directors in the exercise of its decision-making or advisory functions related to the appointment and compensation of the members of the Board of Directors and Senior Management and to oversee compliance with the rules of Corporate Governance, periodically reviewing compliance, recommendations, and principles (in those cases in which this function is not expressly attributed to another committee of the company).

18.19 Implement the Measure YES NO N/A

YES. Indicate briefly:
NO. Explain:
The Company does not have a Nominating and Compensation Committee. The Board of Directors has assumed the functions of this committee.
N/A. Specify the rules that prevent the adoption of the recommendation:

Implementation Date	
Modification Dates	

18.20. Some Nomination and Compensation Committee members have expertise in strategy, human resources (recruitment and selection, hiring, training, personnel administration or management), salary policy, and related matters, with a sufficient level to understand the scope and complexity of these matters present in the company.

18.20 Implement the Measure YES NO N/A

YES. Indicate briefly:
NO. Explain:
The Company does not have a Nominating and Compensation Committee. The Board of Directors has assumed the functions of this committee.
N/A. Specify the rules that prevent the adoption of the recommendation:

Implementation Date	
Modification Dates	

18.21. At the request of the Chairperson of the Meeting, the Chairperson of the Nomination and Compensation Committee may report to the General Meeting of Shareholders on specific aspects of the Committee's work, such as, for example, the monitoring of the compensation policies of the Board of Directors and Senior Management.

18.21 Implement the Measure YES NO N/A

YES. Indicate briefly:
NO. Explain: The Company does not have a Nominating and Compensation Committee. The Board of Directors has assumed the functions of this committee. At the request of the Chairperson of the Meeting, the Chairperson of the Board of Directors may report to the General Meeting of Shareholders on specific aspects of Nomination and Compensation matters.
N/A. Specify the rules that prevent the adoption of the recommendation:

Implementation Date	
Modification Dates	

18.22. The Internal Regulations of the Appointments and Remuneration Committee assign to it the functions set forth in recommendation 18.22.

18.22 Implement the Measure YES NO N/A

YES. Indicate briefly:
NO. Explain: The Company does not have a Nominating and Compensation Committee. The Board of Directors has assumed the functions of this committee. Therefore, there is no such internal regulation.
N/A. Specify the rules that prevent the adoption of the recommendation:

Implementation Date	
Modification Dates	

18.23. The main purpose of the Risk Committee is to assist the Board of Directors in fulfilling its oversight responsibilities in relation to risk management.

18.23 Implement the Measure YES NO N/A

YES. Indicate briefly:
NO. Explain: There is no Risk Committee; however, considering its functions, the Audit Committee of the Board of Directors is equivalent to such committee. In accordance with the provisions of Article 60 of the Company's Bylaws and paragraph 4.3.2 of Article 4.3 of Chapter IV of the Company's Code of Good Governance, the Audit Committee of the Board of Directors shall supervise compliance with the internal audit program, which must take into account the business risks and comprehensively evaluate all areas of the Company.
N/A. Specify the rules that prevent the adoption of the recommendation:

Implementation Date	
Modification Dates	

18.24. At the request of the Chairperson of the Meeting, the Chairperson of the Risk Committee may report to the General Meeting of Shareholders on specific aspects of the Committee's work.

18.24 Implement the Measure YES NO N/A

YES. Indicate briefly:
NO. Explain: Although it is not expressly stated in any internal rule, the chairperson of the meeting may request this information from the chairperson of the audit committee.
N/A. Specify the rules that prevent the adoption of the recommendation:

Implementation Date	
Modification Dates	

18.25. With the necessary adjustments to distinguish between companies belonging to the financial sector and those belonging to the real sector of the economy, and without prejudice to the functions assigned to this committee by current regulations, the Internal Regulations of the Risk Committee assign to it the functions set forth in recommendation 18.25.

18.25 Implement the Measure YES NO N/A

YES. Indicate briefly:
NO. Explain: The Audit Committee of the Board of Directors, which is equivalent to the Risk Committee, has not adopted any internal regulations.
N/A. Specify the rules that prevent the adoption of the recommendation:

Implementation Date	
Modification Dates	

18.26. The main task of the Corporate Governance Committee is to **assist the Board of Directors in its functions of proposing and supervising the Corporate Governance measures** adopted by the company.

18.26 Implement the Measure YES NO N/A

YES. Indicate briefly:
NO. Explain: The Company has not formed a Corporate Governance Committee. The Board of Directors has assumed the functions of this committee.
N/A. Specify the rules that prevent the adoption of the recommendation:

Implementation Date	
Modification Dates	

18.27. The Internal Regulations of the Corporate Governance Committee assign to it the functions set forth in recommendation 18.27.

18.27 Implement the Measure YES NO N/A

YES. Indicate briefly:

NO. Explain: Since there is no Corporate Governance Committee, there are no internal regulations. The Board of Directors has assumed the functions of this committee.
N/A. Specify the rules that prevent the adoption of the recommendation:

Implementation Date	
Modification Dates	

Measure No. 19: Operation of the Board of Directors

19.1 The Chairperson of the Board of Directors, with the assistance of the Secretary and the President of the company, **prepares a work plan for the Board of Directors** for the period under evaluation, a tool that facilitates determining the reasonable number of regular meetings per year and their estimated duration.

19.1 Implement the Measure YES NO N/A

YES. Indicate briefly: <p>Corporate Governance Code, the Board of Directors shall meet on an ordinary basis at least six (6) times a year (once every two (2) months). In accordance with the provisions of Article 51 of the Company's Bylaws and Article Twenty One of the Board of Directors Regulations, the Board of Directors shall meet at least once every two (2) months on the dates determined by the Board of Directors. Additionally, in accordance with the provisions of paragraph 4.1.8. of Article 4 of Chapter IV of the Code of Good Corporate Governance, the Board of Directors shall meet at least once every two (2) months on the dates determined by the Board of Directors. During the year 2020, the Board of Directors met seven times.</p> <p>Likewise, the minimum content of the meetings of the Board of Directors is planned by the Secretary General, the Chief Executive Officer of the Company, and the Chairperson of the Board of Directors.</p> <p>The agenda of the Board of Directors is defined jointly by the Chairperson of the Board of Directors and the General Manager of Colombia Telecomunicaciones S.A. ESP, with the support of the General Secretary.</p>
NO. Explain:
N/A. Specify the rules that prevent the adoption of the recommendation:

Implementation Date	June 16, 2003
Modification Dates	March 28, 2019

19.2. Except for supervised entities, which are required to hold at least one (1) meeting per month, the Board of Directors of the corporation holds between eight (8) and twelve (12) ordinary meetings per year.

19.2 Implement the Measure YES NO N/A

YES. Indicate briefly:
NO. Explain: In accordance with the provisions of Article 51 of the Company's Bylaws and Article Twenty One of the Regulations of the Board of Directors, the Board of Directors shall meet at least once every two (2) months on such dates as it may determine. In addition, in accordance with the provisions of paragraph 4.1.8. of Article 4 of Chapter IV of the Code of Good Corporate Governance, the Board of Directors shall meet at least six (6) times a year (once every two (2) months).
N/A. Specify the rules that prevent the adoption of the recommendation:

Implementation Date	
Modification Dates	

One (1) or two (2) meetings per year of the Board of Directors have a clear focus on defining and monitoring the company's strategy.

19.3 Implement the Measure YES NO N/A

YES. Indicate briefly: The Company's strategy and management were monitored at Board of Directors' meetings No. 133, 135, 136, 137, 138, and 139 held during 2020.
NO. Explain:
N/A. Specify the rules that prevent the adoption of the recommendation:

YES. Indicate briefly:

Article 55 of the Company's bylaws establish that: "The documentation and information necessary for the discussions that will be the object of the foreseen agenda shall be sent to the members of the Board of Directors with the notice of the meeting." In addition, Article 23 of the Regulations of the Board of Directors establishes that: " In order for the members of the Board of Directors to have access in advance to the information that is relevant for decision making, in accordance with the agenda contained in the call, the General Secretary or its Corporate Affairs Management will send to each of the Directors the information that will be submitted for their consideration within two (2) business days prior to the date of the meeting. (...)"

NO. Explain:

N/A. Specify the rules that prevent the adoption of the recommendation:

Implementation Date	June 16, 2003
Modification Dates	March 28, 2019

19.6. The Chairperson of the Board of Directors, with the assistance of the Secretary of the Board of Directors, assumes the ultimate responsibility for ensuring that the members receive the information sufficiently in advance and that the information is valuable so that in the set of documents that are delivered (Board of Directors *dashboard*), quality must take precedence over quantity.

19.6 Implement the Measure YES NO N/A

YES. Indicate briefly:

The documentation and information are sent to the members of the Board of Directors respecting the minimum advance notice established in article 55 of the Bylaws and the twenty-second article of the Regulations of the Board of Directors. In accordance with the provisions of paragraph (vi) of Article 49 of the Bylaws and paragraph 4.4 sub-number (vi) of the Regulations of the Board of Directors, the Chairperson of the Board of Directors shall be responsible for ensuring that the information is delivered, in due time and form, to the Members of the Board of Directors, directly or through the Secretary of the Board of Directors.

NO. Explain:

N/A. Specify the rules that prevent the adoption of the recommendation:

Implementation Date	June 16, 2003
Modification Dates	March 28, 2019

19.7. The ultimate responsibility for preparing the Agenda of the Board of Directors' meetings lies with the Chairperson of the Board of Directors and not with the President of the company. It is structured according to specific parameters that allow a logical order of presentation topics and discussions.

19.7 Implement the Measure YES NO N/A

YES. Indicate briefly: The minimum content of the meetings of the Board of Directors is planned in advance by the Secretary General, the Chief Executive Officer of the Company, and the Chairperson of the Board of Directors. In any case, the final decision rests with the Chairperson of the Board of Directors.

NO. Explain:

N/A. Specify the rules that prevent the adoption of the recommendation:

Implementation Date	June 16, 2003
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Modification Dates	
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19.8. In the Annual Corporate Governance Report and on the corporate website, the company discloses the attendance of members at meetings of the Board of Directors and its Committees.

19.8 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p>
<p>NO. Explain:</p> <p>The Company keeps internal control of the attendance of the members of the Board of Directors in the respective minutes of meetings.</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

Implementation Date	
Modification Dates	

19.9. Annually, the Board of Directors evaluates the effectiveness of its work as a collegiate body, that of its Committees and that of the members individually considered, including peer evaluation, as well as the reasonableness of its internal rules and the dedication and performance of its members, proposing, if necessary, the modifications to its organization and operation that it deems pertinent. In the case of Conglomerates, the Board of Directors of the parent company requires that the evaluation process is also carried out in the Boards of Directors of the Subordinate Companies.

19.9 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p> <p>In accordance with the provisions of paragraph 4.1.10 of Article 4 of Chapter IV of the Code of Good Corporate Governance and Article Thirty-three of the Regulations of the Board of Directors, the Board of Directors performs an annual evaluation of its management through the mechanism defined by the Board itself. The self-evaluation contemplates, among others, the active participation and attendance of its members to the meetings, their knowledge of the main aspects of the Company and the follow-up of the decisions made by this corporate body and their contribution to defining the strategies and projection of the Company.</p> <p>The results of the self-evaluation of the members of the Company's Board of Directors and the management carried out during the year will be included in the Report on compliance with good corporate governance practices 2020, which is published on the Company's website.</p> <p>NO. Explain:</p>

N/A. Specify the rules that prevent the adoption of the recommendation:	

Implementation Date	March 27, 2014
Modification Dates	March 28, 2019

19.10. The Board of Directors alternates the internal self-evaluation technique with the external evaluation performed by independent consultants.

19.9 Implement the Measure YES NO N/A

YES. Indicate briefly:
NO. Explain:
The board of directors is only evaluated internally. However, information regarding the results of the evaluation is sent to the Company's statutory auditor.
N/A. Specify the rules that prevent the adoption of the recommendation:

Implementation Date	
Modification Dates	

Measure No.20: Duties and Rights of the members of the Board of Directors.

20.1. The Rules and Regulations of the Board of Directors complement the provisions of the regulatory framework regarding the duties and rights of the members of the Board of Directors.

20.1 Implement the Measure YES NO N/A

YES. Indicate briefly:
This is regulated in Title II of the Regulations of the Board of Directors.
NO. Explain:

N/A. Specify the rules that prevent the adoption of the recommendation:	

Implementation Date	March 27, 2014
Modification Dates	March 28, 2019

20.2. The Rules of Procedure of the Board of Directors develop the company's understanding of the duties of the members of the Board of Directors referred to in recommendation 20.2.

20.2 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p> <p>This is regulated in Title II of the Regulations of the Board of Directors.</p> <p>NO. Explain:</p>
N/A. Specify the rules that prevent the adoption of the recommendation:

Implementation Date	March 27, 2014
Modification Dates	March 28, 2019

20.3. The Rules and Regulations of the Board of Directors develop the content of the rights of the members of the Board of Directors established in recommendation 20.3

20.3 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p> <p>The rights of the members of the Board of Directors are regulated in the Regulations of the Board of Directors as follows: The right to information is regulated in article twenty-two of the regulations, which states that together with the notice of meeting, the documentation and information necessary for the discussion that will be the subject of the foreseen agenda will be sent. The right to have the assistance of experts is regulated in article twenty-eight of the regulations, which establishes the possibility of requesting external advisors.</p> <p>The right to remuneration or remuneration is regulated in article thirty-fourth of the regulations. The right to the right of induction is regulated in article fourteen, which establishes that the members upon their</p>

<p>appointment shall receive a documentary and practical induction of the relevant aspects of the business, among other elements.</p> <p>NO. Explain:</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

Implementation Date	March 27, 2014
Modification Dates	March 28, 2019

Measure No. 21: Conflicts of Interest.

21.1. The company has a policy and procedure defined and formalized in internal regulations **for the knowledge, management, and resolution of conflict of interest situations**, whether direct or indirect through Related Parties, which may affect members of the Board of Directors and other Administrators.

21.1 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p>
<p>NO. Explain: The Company does not have a policy to resolve conflict of interest situations that may exclusively affect the members of the Board of Directors and other Administrators; however, Article 9 of the Code of Good Corporate Governance and Title VI of the Regulations of the Board of Directors establish specific conditions in relation to conflicts of interest arising between members of the Board of Directors and indicate that the Board of Directors will manage them. On the other hand, it is reported that the Company has a <u>Conflict of Interest Policy that is published on its website.</u></p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

Implementation Date	
Modification Dates	

21.2. The procedure for managing conflicts of interest distinguishes between sporadic and permanent conflicts of interest. If the conflict of interest is intermittent, the applicable procedure indicates the rules and steps to be followed, which should be relatively easy to manage and difficult for the affected party to avoid. In the case of permanent conflicts of interest, the procedure considers that if

this situation affects the company's operations as a whole, it must be understood as a cause for mandatory resignation on the part of the affected party since it makes it impossible for them to exercise the position.

21.2 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p>
<p>NO. Explain:</p> <p>Article nine of the Code of Good Corporate Governance and Title VI of the Board of Directors Regulations regulate this matter without distinguishing between the types of conflicts.</p> <hr/> <p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

Implementation Date	
Modification Dates	

21.3. The members of the Board of Directors, Legal Representatives, members of Senior Management and other Administrators of the company periodically inform the Board of Directors of the relationships, direct or indirect, that they maintain among themselves or with other entities or structures belonging to the Conglomerate of which the issuer is a part, or with the issuer, or with suppliers, or with clients or with any other Interest Group, from which situations of conflict of interest may arise or influence the direction of their opinion or vote, thus building a "map of Related Parties" of the Directors.

21.3 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p> <p>There is no map of related parties of the directors. However, it is reported that the Conflict of Interest Regulations in its numeral 6. establishes the conditions under which any employee of the Company must comply with its duty to notify any situation associated with a conflict of interest and the procedure for such notification. Additionally, in accordance with the provisions of paragraphs 3.7. and 4.1.2 of the Code of Good Corporate Governance and the thirty-first paragraph of the Regulations of the Board of Directors, when the members of the Board of Directors are involved in a conflict of interest, they must act in accordance with the principles of independence, abstention, and confidentiality and must communicate any situation of conflict they may have with the interest of the Company.</p> <p>The members of the Company's Board of Directors and Senior Management, as responsible for establishing adequate controls and procedures to ensure compliance with Telefónica's Code of Ethics (Our Principles of Responsible Business) certify annually compliance with ethical and accountable management, including situations of conflicts of interest or situations that generate undue advantages for the company within their area of responsibility, by signing the Certificate of Directors in Anti-Corruption matters.</p>

<p>NO. Explain:</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

Implementation Date	
Modification Dates	

21.4. Situations of relevant conflict of interest are understood as those that would oblige the affected party to abstain from a meeting and/or vote, in which the members of the Board of Directors and other Administrators find themselves, **are included in the public information published annually by the Company on its website.**

21.4 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p>
<p>NO. Explain:</p> <p>Conflict of interest situations are subject to the process established in paragraphs 3.7. and 4.1.2. of the Company's Code of Good Governance and in the thirty-first paragraph of the Regulations of the Board of Directors.</p> <hr style="width: 40%; margin-left: 0;"/>

N/A. Specify the rules that prevent the adoption of the recommendation:

Implementation Date	
Modification Dates	

21.5. For these purposes, the definition of Related Party applied by the Company is consistent with International Accounting Standard No. 24 (IAS 24).

21.5 Implement the Measure YES NO N/A

YES. Indicate briefly:
NO. Explain: The Company considers related parties to be parents, affiliates, subsidiaries, or any other person over which it exercises the direct or indirect power to direct the management or policies of another.
N/A. Specify the rules that prevent the adoption of the recommendation:

Implementation Date	
Modification Dates	

Measure No. 22: Related Party Transactions.

22.1. The company has a policy that defines the specific procedure for the valuation, approval, and disclosure of transactions with Related Parties, including outstanding balances and relationships between them, except for transactions with a specific regulation.

22.1 Implement the Measure YES NO N/A

YES. Indicate briefly:

This matter is regulated in paragraph (a) of Article 52 of the Company's Bylaws. This matter was also regulated in section 8.01 and Chapter IX of the Investment Framework Agreement (IFA) and article 3.6. of the Code of Good Corporate Governance. In the development of the above, all the contracts entered into with related parties are presented at all the Company's Board of Directors' Meetings.

NO. Explain:

N/A. Specify the rules that prevent the adoption of the recommendation:

Implementation Date	June 16, 2003
Modification Dates	March 28, 2019

22.2. The company's policy on transactions with related parties addresses the aspects covered by recommendation 22.2.

22.2 Implement the Measure YES NO N/A

YES. Indicate briefly:

Transactions with related parties must be presented in commercially reasonable terms, as required from a third party. Contracts are required to be entered into under market and reasonable terms, based on objective criteria, to be reported and/or approved prior to the Board of Directors and, if necessary, prior approval by the General Shareholders' Meeting, as established in Article 52 (a) of the Bylaws, Section 8.01 and Chapter IX of the AMI and Article 3.6 of the Code of Good Corporate Governance, Article twenty-four of the Board of Directors Regulations. Likewise, the supervisor appointed through the Framework Investment Agreement verifies compliance with the obligations of the AMI in accordance with the provisions of Chapter XIV of the AMI.

NO. Explain:

N/A. Specify the rules that prevent the adoption of the recommendation:

Implementation Date	June 16, 2003
Modification Dates	March 28, 2019

22.3 The policy stipulates that no express authorization by the Board of Directors is required for recurring related-party transactions typical of the ordinary course of a business carried out under adhesion contracts, or general framework contracts, whose conditions are perfectly standardized, are applied on a massive scale and are carried out at market prices, generally set by whoever acts as a supplier of the good or service in question, and whose individual amount is not relevant for the company.

22.3 Implement the Measure YES NO N/A

YES. Indicate briefly:

Management shall not submit for approval of the Board of Directors transactions with related parties when these contracts are entered into under market conditions or are transactions in the ordinary course of business of the Company that is not material, as established in Article 3.6 of the Code of Good Corporate Governance and the Paragraph of Article twenty-fifth of the Regulations of the Board of Directors. Likewise, this matter is regulated in Chapter IX of the MOU. The Management shall not submit for approval of the Board of Directors transactions with related parties when these contracts are entered into under market conditions or are transactions pertaining to the ordinary course of business of the Company that is not material, as established in Article 3.6 of the Code of Good Corporate Governance and the Paragraph of Article twenty-fifth of the Regulations of the Board of Directors. This matter is also regulated in Chapter IX of the AMI.

NO. Explain:

N/A. Specify the rules that prevent the adoption of the recommendation:

Implementation Date	June 16, 2003
Modification Dates	March 28, 2019

Measure No. 23: Remuneration of the members of the Board of Directors.

23.1. The company has a remuneration policy for the Board of Directors, approved by the General Shareholders' Meeting and reviewed each year, which identifies all the components of remuneration that can actually be paid. These components may be fixed or variable. They may include fixed fees for being a member of the Board of Directors, fees for attending meetings of the Board and/or its Committees and other emoluments of any kind accrued during the year, whatever their cause, in cash or in-kind, as well as the obligations incurred by the company in terms of pensions or payment of life insurance premiums, or other concepts, with respect to both former and current members, as well as those insurance premiums for civil liability (D&O policies) contracted by the company in favor of the members of the Board of Directors.

23.1 Implement the Measure YES NO N/A

YES. Indicate briefly:

NO. Explain:

However, it is reported that in accordance with the provisions

of Article 57 of the Company's Bylaws, paragraph 4.1.7. of Chapter IV of the Code of Good Corporate Governance and Article 34 of Title IX of the Board of Directors Regulations, the members of the Board of Directors may receive fees for their attendance, which shall be set by the General Shareholders' Meeting, based on the responsibility of the position, the size of the Company and market guidelines.

In meeting No. 45 of the General Shareholders' Meeting held on August 9, 2012, the remuneration of the fees of the members of the Board of Directors was set at \$4,000,000, a value that has remained unchanged since 2012.

On the other hand, it is reported that fees are not recognized and paid to the members appointed by the Telefónica Group who are labor related to the same.

N/A. Specify the rules that prevent the adoption of the recommendation:

Implementation Date	
Modification Dates	

23.2. If the company adopts remuneration systems by recognizing a variable component linked to the company's good performance in the medium and long term, the remuneration **policy incorporates limits on the amount that the Board of Directors may distribute** and, if the variable component is related to the company's profits or other management indicators at the end of the period under evaluation, it must take into account any qualifications contained in the Statutory Auditor's report that could reduce the results for the period.

23.2 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p>
<p>NO. Explain:</p> <p>The Company does not have variable compensation systems for members of the Board of Directors.</p>

N/A. Specify the rules that prevent the adoption of the recommendation:

Implementation Date	
Modification Dates	

23.3. Equity and Independent Members of the Board of Directors are expressly excluded from compensation systems that incorporate stock options or variable compensation linked to the absolute variation of the share price.

23.3 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p> <p>The Company does not have compensation systems that incorporate stock options or variable compensation for members of the board of directors.</p> <p>NO. Explain:</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

Implementation Date	N/A
Modification Dates	N/A

23.4. For each period evaluated, within the framework of the compensation policy, the General Shareholders' Meeting approves a maximum cost of the Board of Directors for all approved compensation components.

23.4 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p>
<p>NO. Explain:</p> <p>Although the General Shareholders' Meeting defines the compensation policy, this corporate body does not establish a maximum cost for the Board of Directors for all approved compensation components.</p>

N/A. Specify the rules that prevent the adoption of the recommendation:

Implementation Date	
Modification Dates	

23.5. The total effective cost of the Board of Directors during the period evaluated, which includes all the compensation components paid to the members of the Board of Directors as well as the reimbursement of expenses, is known to the shareholders and published on the Company's website, with the level of disaggregation and detail approved by the Board of Directors.

23.5 Implement the Measure YES NO N/A

YES. Indicate briefly:
NO. Explain: This information is known to the shareholders since it is included in the Management Report presented for approval at the ordinary meeting of the Shareholders' Meeting. In addition, the Management Report is published on the company's website.
N/A. Specify the rules that prevent the adoption of the recommendation:

Implementation Date	
Modification Dates	

Measure No. 24: The President of the corporation and Senior Management.

24.1. The governance model of the corporation establishes an effective separation between the administration or governance of the corporation (represented by the Board of Directors) and the ordinary course of business (conducted by Senior Management under the leadership of the President of the corporation).

24.1 Implement the Measure YES NO N/A

YES. Indicate briefly: The Company's Bylaws establish an effective separation between the functions of administration or governance and those of the ordinary course of the Company's business. The functions of administration or governance, headed by the Board of Directors and the Chairperson of the Board of Directors, are regulated in Articles 53 and paragraph of Article 49 of the Company's Bylaws, respectively. At the same time, the functions related to the ordinary course of business are the responsibility of the Chief Executive Officer of the Company, regulated in Article 64 of the Company's Bylaws. In addition, the separation of functions is also reflected in paragraphs 4.4. and 4.5. of Chapter IV of the Code of Good Corporate Governance, since it distinguishes between the functions of
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the Chairperson of the Board of Directors and the Chief Executive Officer, emphasizing that the latter will be in charge of the administrative and financial management of the Company.

NO. Explain:

N/A. Specify the rules that prevent the adoption of the recommendation:

Implementation Date	June 16, 2003
Modification Dates	May 24, 2018

24.2. In general, the policy of the Board of Directors is to delegate the ordinary course of business to the Senior Management team, concentrating its activity on the general functions of strategy, supervision, governance, and control.

24.2 Implement the measure YES NO N/A

YES. Indicate briefly:

In accordance with the provisions of Article 53 of the Company's Bylaws, the general functions of strategy, supervision, governance, and control are in the hands of the Board of Directors, specifically, the provisions of paragraph 15 of said article, which states that the Board of Directors is responsible for approving and periodically monitoring the strategic plan, the business plan, management objectives and annual budgets of the Company. Article 61 of the Company's Bylaws states that the General Manager, who is the company's legal representative, is in charge of the administration and management of the Company's business.

NO. Explain:

N/A. Specify the rules that prevent the adoption of the recommendation:

Implementation Date	June 16, 2003
Modification Dates	May 24, 2018

24.3. As a general rule, the members of Senior Management are identified, evaluated, and appointed directly by the President of the company since they are their direct collaborators. Alternatively, the company may choose to have the members of Senior Management appointed by the Board of Directors at the proposal of the President of the company. Regardless of who makes the final

appointment, candidates for key executive positions in the company are known and evaluated by the Appointments and Remuneration Committee of the Board of Directors, which shall issue its opinion.

24.3 Implement the Measure YES NO N/A

<p>YES. Indicate briefly: The members of senior management are appointed by the Chief Executive Officer of the Company. Also, according to Article 29 and Article 65 of the Company's Bylaws, the Secretary General is appointed by the Board of Directors.</p> <p>NO. Explain:</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

Implementation Date	June 16, 2003
Modification Dates	May 24, 2018

24.4. The company has a clear policy of delegation of functions approved by the Board of Directors and/or a scheme of powers that allows knowing the level of empowerment of the President of the company and the other members of Senior Management.

24.4 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p> <p>In relation to the level of empowerment of the "President of the Company and other members of Senior Management," it is reported that the bylaws do not include the figure of "President of the Company." Still, it does establish in Article 61 the figure of the General Manager who will be the representative of the Company and will be in charge of the administration and management of the Company's business. This same article establishes the alternate representatives that the Company will have and the power to grant special powers to the vice presidents of each management area to represent the Company in the acts of their competence.</p> <p>On the other hand, we inform that at the Board of Directors' meeting held on June 23, 2006, as stated in Minute No. 40, the Telefónica Group's policies were adopted, that is to say, that these policies will apply to Colombia Telecomunicaciones S.A. ESP. The purpose of this corporate regulation is to: i) delimit, within the group, a framework for the empowerment of directors of subsidiary companies, based on the functions and competencies inherent to the various positions; ii) indicate the basic criteria to be followed to grant such empowerments; and iii)</p>
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24.6 Implement the Measure

YES

NO

N/A

YES. Indicate briefly:

NO. Explain:

At the Board of Directors' meeting of June 23, 2006, recorded in Minute No. 40, the Telefónica Group's policies were adopted, i.e., they will be applied to Colombia Telecomunicaciones S.A. ESP., including the compensation policy in accordance with the Group's practices and policies.

N/A. Specify the rules that prevent the adoption of the recommendation:

Implementation Date	
Modification Dates	

24.7. If the remuneration of the Chairperson of the company includes a fixed and a variable component, its technical design and method of calculation prevent the variable component from exceeding the maximum limit established by the Board of Directors.

24.7 Implement the Measure

YES

NO

N/A

YES. Indicate briefly:

NO. Explain:

The compensation of the Chief Executive Officer does not have a maximum limit set by the Board of Directors.

N/A. Specify the rules that prevent the adoption of the recommendation:

Implementation Date	
Modification Dates	

III. CONTROL ARCHITECTURE

Measure No. 25: Control Environment.

25.1. The Board of Directors is ultimately responsible for the existence of a solid control environment within the company, adapted to its nature, size, complexity, and risks to comply with the requirements indicated in recommendation 25.1.

25.1 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p> <p>In accordance with the provisions of Article 53 of the Company's bylaws, Article 8.1 of the Code of Good Corporate Governance, and the nineteenth of the Board of Directors Regulations, this corporate body is responsible for determining the Company's internal structure, as well as internal controls.</p> <p>NO. Explain:</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

Implementation Date	June 16, 2003
Modification Dates	March 28, 2019

25.2. In the case of Conglomerates, the Parent Company's Board of Directors **shall promote the existence of a Control Architecture with a consolidated,** formal scope, covering all the Subordinate companies, establishing responsibilities regarding the policies and guidelines on this matter at the conglomerate level and defining clear reporting lines that allow a consolidated view of the risks to which the Conglomerate is exposed and the adoption of control measures.

25.2 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p> <p>The Risk Management Policy is applied.</p> <p>NO. Explain:</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

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Implementation Date	June 26, 2008
Modification Dates	September 28, 2016

Measure No. 26: Risk Management.

26.1. In the company, **the objectives of risk management** are those envisaged in recommendation 26.1.

26.1 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p> <p>At the Board of Directors' meeting of June 23, 2006, recorded in Minute No. 40, the Telefónica Group's policies were adopted, i.e., they will be applied to Colombia Telecomunicaciones S.A. ESP., and among these policies is the Risk Management Policy.</p> <p>In 2008 the Board of Directors of Telefónica S.A. approved the Risk Management Policy, which applies to Colombia Telecomunicaciones S.A. ESP., defining the principles.</p> <p>NO. Explain:</p> <p> </p> <p>N/A. Specify the rules that prevent the adoption of the recommendation:</p> <p> </p>
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Implementation Date	June 26, 2008
Modification Dates	September 28, 2016

26.2. The company has a **risk map**, understood as a tool for identifying and monitoring the financial and non-financial risks it is exposed to.

26.2 Implement the Measure YES NO N/A

YES. Indicate briefly:

In accordance with the Company's Risk Management Manual, the risk map is updated every six months to identify, evaluate and manage the following risk categories:

- 1. Business: possible losses of value or results arising from changes in the business environment, the competitive and market situation, changes in the regulatory framework, or strategic uncertainty.**
- 2. Operational: possible losses of value or results derived from events caused by inadequacy or failures arising from customer service, processes, human resources, physical equipment, and computer systems, security, compliance with contracts, laws, and regulations, or derived from external factors.**
- 3. Financial: possible losses of value or results derived from adverse movements in financial variables, and the company's inability to meet its commitments or liquidate its assets, as well as commercial credit risks and risks of a tax nature.**
- 4. Global: possible losses of value or results derived from events that affect the Telefónica Group globally, related to reputation management and corporate sustainability, communication, advertising strategy, brand, sponsorship, and media or innovation.**

NO. Explain:
N/A. Specify the rules that prevent the adoption of the recommendation:

Implementation Date	July 4, 2008
Modification Dates	April 9, 2019

26.3. The Board of Directors is responsible for defining a risk management policy and setting maximum exposure limits for each identified risk.

26.3 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p> <p>Pursuant to Article 52 of Colombia Telecomunicaciones S.A. ESP's Bylaws and Article 25 of the Board of Directors Regulations, the Board of Directors shall approve decisions on the audit and risk management plan. At the Board of Directors' meeting of June 23, 2006, recorded in Minute No. 40, the Telefónica Group's policies were adopted, i.e., they will apply to Colombia Telecomunicaciones S.A. ESP.</p> <p>NO. Explain:</p> <p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>
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Implementation Date	June 23, 2006
Modification Dates	N/A

26.4. The Board of Directors is aware of and periodically supervises the company's effective exposure to the maximum risk limits defined and proposes corrective and follow-up actions in the event of deviations.

26.4 Implement the Measure YES NO N/A

YES. Indicate briefly:

It is reported that in accordance with the provisions of Article 60 of the Company's Bylaws and Article 4.3.2. of the Corporate Governance Code, the Audit Committee of the Board of Directors shall supervise compliance with the internal audit program, which must take into account the business risks and comprehensively evaluate all areas of the Company. The preceding is within the framework of the risk management plan approved annually by the Board of Directors.

In accordance with the above, the audit committees periodically review the situation of the Company's main risks and their mitigation strategies to supervise the effectiveness of Risk Management.

NO. Explain:

N/A. Specify the rules that prevent the adoption of the recommendation:

Implementation Date	April 19, 2006
Modification Dates	N/A

26.5. Within the framework of the risk management policy, **Senior Management is the owner of the processes and is responsible for risk management**, that is, for identifying, evaluating, measuring, controlling, monitoring, and reporting risks, defining methodologies, and ensuring that risk management is consistent with the strategy, the defined risk policy, and the approved ceilings.

26.5 Implement the Measure YES NO N/A

YES. Indicate briefly:

If it complies, the Risk Management Model recognizes as responsible for the risks the top management, made up by the Board of Directors and the Management Committee, assigning them the responsibility of:

- **Identify the main risks, both from the Group's perspective and specific to the main operations that comprise it.**
- **Evaluate risks considering their probability, as well as their qualitative and quantitative impact, with the support of indicators, metrics, trend analysis, evolution perspectives, insurance level, and any additional element that helps to prioritize risks.**
- **Establish mechanisms for action against risks, considering both global actions and those defined locally.**
- **To monitor the evolution of risks and the action plans to address them.**

The Management Committee periodically supervises risks, both from the perspective of global risks and matters specific to the operation.

The Company has a level of risk tolerance or acceptable risk established by Telefónica S.A.

NO. Explain:

N/A. Specify the rules that prevent the adoption of the recommendation:

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Implementation Date	June 26, 2008
Modification Dates	September 28, 2016

26.6. The company has a risk delegation policy, approved by the Board of Directors, which establishes the risk limits that can be managed directly by each level in the company.

26.6 Implement the Measure YES NO N/A

YES. Indicate briefly:
NO. Explain: In any case, the Company has policies and guidelines that determine the powers of each level of management.
N/A. Specify the rules that prevent the adoption of the recommendation:

Implementation Date	
Modification Dates	

26.7. In Conglomerates, risk management must be done at a consolidated level so that it contributes to the cohesion and control of the companies that make up the Conglomerate.

26.7 Implement the Measure YES NO N/A

YES. Indicate briefly:
The risk management exercise takes into account the subsidiaries with which the Company consolidates results, applying the Risk Management Policy.
NO. Explain:
N/A. Specify the rules that prevent the adoption of the recommendation:

Implementation Date	January 1, 2008
Modification Dates	

26.8. If the company has a complex and diverse structure of businesses and operations, **there is the position of the *Chief Risk Officer (CRO)*** with competence at the Conglomerate level in the case of companies integrated into situations of control and/or business group.

26.8 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p>
<p>NO. Explain:</p> <p>The Company has a risk management coordinator.</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

Implementation Date	
Modification Dates	

Measure No. 27: Control Activities.

27.1. The Board of Directors is responsible for ensuring the existence of an adequate internal control system adapted to the company and its complexity and consistent with the risk management in force.

27.1 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p> <p>This matter is regulated within the functions of the Board of Directors, set forth in Articles 52 and 60 of the Company's Bylaws. Likewise, this matter is regulated in Chapter VIII of the Code of Good Corporate Governance and in Article 5 paragraph b) of the Board of Directors Regulations.</p>
<p>NO. Explain:</p>

N/A. Specify the rules that prevent the adoption of the recommendation:

Implementation Date	June 16, 2003
Modification Dates	March 28, 2019

27.2. The Board of Directors is responsible for supervising the effectiveness and adequacy of the internal control system, which may be delegated to the Audit Committee, without the Board losing its supervisory responsibility.

27.2 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p> <p>This matter is regulated within the functions of the Board of Directors, as set forth in Articles 52 and 60 of the Company's Bylaws. Likewise, this matter is regulated in Chapter VIII of the Code of Good Corporate Governance.</p> <p>NO. Explain:</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

Implementation Date	June 16, 2003
Modification Dates	March 28, 2019

27.3. In society, the principle of self-control is applied and required, understood as the "ability of the people involved in the different processes to consider control as an inherent part of their responsibilities, fields of action and decision making."

27.3 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p> <p>This matter is regulated in Chapter VIII of the Code of Good Corporate Governance.</p> <p>NO. Explain:</p>

N/A. Specify the rules that prevent the adoption of the recommendation:

Implementation Date	March 27, 2014
Modification Dates	March 28, 2019

Measure 28: Information and communication.

28.1. The risk culture, philosophy, policies, and the approved exposure limits are communicated downwards and horizontally throughout the company so that the entire organization considers the risks and control activities in its business.

28.1 Implement the Measure YES NO N/A

YES. Indicate briefly:

Training and involving employees in the risk management culture, encouraging them to identify risks and actively participate in their mitigation is one of the principles guiding Risk Management in the Company.

Each area has a delegated risk manager in charge of articulating the construction of risk maps by the Directorate.

NO. Explain:

N/A. Specify the rules that prevent the adoption of the recommendation:

Implementation Date	June 26, 2008
Modification Dates	September 28, 2016

28.2. The company has a mechanism for reporting information upwards (to the Board of Directors and Senior Management), which is truthful, understandable, and complete, to support and enable informed decision making and risk management and control.

28.2 Implement the Measure YES NO N/A

YES. Indicate briefly:

The Company has a monitoring and reporting process comprised of five bodies:

1. Operating Committee.
2. Executive Committee.
3. Steering Committee.
4. Telefónica S.A. Corporate Risk Units.
5. Audit Committee of the Board of Directors of Colombia Telecomunicaciones S.A.

NO. Explain:

N/A. Specify the rules that prevent the adoption of the recommendation:

Implementation Date	June 26, 2008
Modification Dates	September 28, 2016

28.3. The **company's communication and reporting mechanism** allows: i. senior management to involve the company as a whole by highlighting its responsibility for risk management and the definition of controls, and ii. company personnel to understand their role in risk management and the identification of controls, and their individual contribution in relation to the work of others.

28.3 Implement the Measure YES NO N/A

YES. Indicate briefly:

This matter is regulated in Chapter VIII of the Code of Good Corporate Governance.

NO. Explain:

N/A. Specify the rules that prevent the adoption of the recommendation:

Implementation Date	March 27, 2014
Modification Dates	March 28, 2019

28.4. Internal “whistleblower” hotlines allow employees to anonymously report illegal or unethical behavior or behavior that may contravene the company's risk management and control culture. A report on these reports is made to the company's Board of Directors.

28.4 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p> <p>The Company has a Responsible Business Office responsible for disseminating the Responsible Business Principles, ensuring their implementation, overseeing their compliance, dealing with queries and complaints on the subject, and promoting policies and regulations to safeguard their applicability. This matter is also regulated in Chapter X of the Company's Code of Good Corporate Governance. Additionally, paragraph 4 of the Responsible Business Principles Annex provides the corresponding channel for making complaints.</p> <p>NO. Explain:</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

Implementation Date	March 27, 2014
Modification Dates	March 28, 2019

Measure No. 29: Control Architecture Monitoring.

29.1. In the company, the Board of Directors, through the Audit Committee, is responsible for supervising the effectiveness of the different components of the Control Architecture.

29.1 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p> <p>This matter is regulated within the functions of the Board of Directors, as set forth in Articles 52 and 60 of the Company's Bylaws. Likewise, this matter is regulated in Chapter 8 of the Corporate Governance Code.</p> <p>NO. Explain:</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

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Implementation Date	March 27, 2014
Modification Dates	March 28, 2019

29.2. In the company, **the monitoring work aimed at assuring the effectiveness of the Control Architecture** mainly involves the **internal audit in collaboration with the Statutory Auditor** in matters within its competence and, in particular, concerning the financial information generated by the company.

29.2 Implement the Measure YES NO N/A

YES. Indicate briefly: This aspect is regulated in Chapter VIII of the Code of Good Corporate Governance. NO. Explain: N/A. Specify the rules that prevent the adoption of the recommendation:
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Implementation Date	March 27, 2014
Modification Dates	March 28, 2019

29.3. The company's internal audit function has an **Internal Audit Charter**, approved by the Audit Committee, which expressly states the scope of its functions in this area, which should include the matters indicated in recommendation 29.3.

29.3 Implement the Measure YES NO N/A

YES. Indicate briefly:

The Audit Committee has approved the Statute of the Internal Auditing Activity of Colombia Telecomunicaciones S.A ESP. of the Board of Directors. Its purpose is to establish the purpose, authority, and responsibility of the Internal Auditing, Intervention, and Inspection function of Telefónica Colombia, breaking down its mission, scope, code of ethics, assignment of duties, independence, responsibility, authority, and rules for the exercise of auditing.

NO. Explain:

N/A. Specify the rules that prevent the adoption of the recommendation:

Implementation Date	December 10, 2010
Modification Dates	March 1, 2017

29.4. The person in charge of internal auditing maintains a relationship of professional independence with respect to the Senior Management of the company or Conglomerate that hires him/her through their exclusive functional dependence on the Audit Committee.

29.4 Implement the Measure YES NO N/A

YES. Indicate briefly:

NO. Explain: The internal auditor reports to the Company's Audit Committee, the Chief Executive Officer, and the audit management of the parent company.

N/A. Specify the rules that prevent the adoption of the recommendation:

Implementation Date	
Modification Dates	

29.5. In the Company, the appointment and removal of the person in charge of internal auditing is a responsibility of the Board of Directors, at the proposal of the Audit Committee, and their removal or resignation is communicated to the market.

29.5 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p>
<p>NO. Explain:</p> <p>The internal auditor is appointed by the audit committee of the parent company.</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

Implementation Date	
Modification Dates	

29.6. The Statutory Auditor of the company or Conglomerate maintains clear independence with respect to them, a quality that must be declared in the respective audit report.

29.6 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p> <p>In accordance with the provisions of Article 68 of the Company's Bylaws and paragraph 8.2 of Chapter VIII of the Code of Good Corporate Governance, the Statutory Auditor must be independent. The Statutory Auditors may not be associates of the same Company, its parent or subordinate companies who are related by marriage or kinship within the fourth degree of consanguinity, first civil or second degree of affinity or are partners of the Company's directors and officers, auditor or accountant and those who hold any other position in the Company or its subordinate companies.</p>
<p>NO. Explain:</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

Implementation Date	June 16, 2003
Modification Dates	March 28, 2019

29.7. If the company acts as the Parent Company of a Conglomerate, **the Statutory Auditor is the same for all companies, including *off-shore* companies.**

29.7 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p>
<p>NO. Explain:</p> <p>The Company is not a parent of a conglomerate.</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

Implementation Date	
Modification Dates	

29.8. **The Company has a policy for the appointment of the Statutory Auditor,** approved by the Board of Directors and disclosed to the Shareholders, which includes the provisions set forth in recommendation 29.8.

29.8 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p> <p>In accordance with the provisions of Article 67 of the Company's Bylaws, the statutory auditor is appointed by the General Shareholders' Meeting. For this purpose, the rules of the firm's suitability to be selected are taken into account. In addition, as established in section 5.02. of the AMI, the shareholders agreed that the statutory auditor of the Company would be exercised by an auditing firm of worldwide recognition, chosen by the shareholders of the Telefónica Group from a list of 4 prepared by the shareholders represented by the Nation-Ministry of Finance and Public Credit unless there is a justified objection to be presented at the same meeting.</p>
<p>NO. Explain:</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

NO. Explain:

The Company does not promote the rotation of the partner of the Statutory Auditor's firm assigned to the Company and its work teams in the middle of the period. Changes in the work team are made as indicated by the Statutory Auditor's firm. The replacement of the Statutory Auditor's firm is made in the periods defined by the General Shareholders' Meeting.

N/A. Specify the rules that prevent the adoption of the recommendation:

Implementation Date	
Modification Dates	

29.11. In addition to the current prohibition of not contracting **with the Statutory Auditor** for professional services other than those of the financial audit itself and other functions recognized in the current regulations, the Company extends this limitation to persons or entities related to the Statutory Auditor's firm, among which are included the companies of its group, as well as companies in which there is a broad coincidence of its partners and/or administrators with those of the Statutory Auditor's firm.

29.11 Implement the Measure YES NO N/A

YES. Indicate briefly:

In accordance with the provisions of paragraph 8.2. of Chapter VIII of the Code of Good Corporate Governance, the Company shall not contract with the Statutory Auditor for services other than those directly or indirectly related to auditing.

NO. Explain:

N/A. Specify the rules that prevent the adoption of the recommendation:

Implementation Date	March 27, 2014
Modification Dates	March 28, 2019

29.12. In its public information, **the company discloses the total amount of the contract with the Statutory Auditor** and the proportion that the fees paid by the company represent in relation to the total income of the firm related to its statutory audit activity.

29.12 Implement the Measure YES NO N/A

YES. Indicate briefly:

<p>NO. Explain:</p> <p>The Company's Code of Good Corporate Governance does not contemplate the obligation to publish the aforementioned information.</p> <hr/> <p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

Implementation Date	
Modification Dates	

V. TRANSPARENCY AND FINANCIAL AND NON-FINANCIAL INFORMATION

Measure No. 30: Information disclosure policy.

30.1. The Board of Directors has approved a disclosure policy, which identifies, at a minimum, the information covered by the recommendation.

30.1 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p>
<p>NO. Explain:</p> <p>The Board of Directors has not approved an information disclosure policy. However, in accordance with the provisions of Chapter VII of the Corporate Governance Code, the Company recognizes that the disclosure of information is the main mechanism of contact between the Company and its stakeholders. In accordance with the preceding, it undertakes to provide, subject to the provisions of the law and the Company's Bylaws, promptly to its stakeholders accurate, truthful, and complete information on the Company's material issues that allows them to have adequate knowledge of the Company's situation, and to have sufficient elements of judgment to make decisions regarding the Company.</p> <p>Likewise, all information considered material and that by regulation must be published as Relevant Information is published on the web page of the Financial Superintendency of Colombia.</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

Implementation Date	
Modification Dates	

In the case of Conglomerates, the disclosure to third parties of information is comprehensive and transversal, referring to the group of companies, allowing external third parties to form an informed opinion on the reality, organization, complexity, activity, size, and governance model of the Conglomerate.

30.2 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p> <p>The parent company is a publicly traded company, an issuer of securities, and discloses information on its website and in accordance with applicable regulations. The Company has on its website information for investors about its parent company.</p>
<p>NO. Explain:</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

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Implementation Date	June 23, 2006
Modification Dates	N/A

Measure No. 31: Financial Statements.

31.1. In the event of any qualifications in the Statutory Auditor's report, these, and the actions that the Company proposes to take to remedy the situation shall be the subject of a pronouncement **by the Chairperson** of the Audit Committee to the shareholders at the General Meeting.

31.1 Implement the Measure YES NO N/A

YES. Indicate briefly:
NO. Explain:
Although the recommendation is not expressly included, it is reported that the Statutory Auditor's report is presented in its entirety at the General Shareholders' Meeting, whether or not qualifications are included, so that the shareholders may express their opinion on it, as established in paragraph 1) of Article 45 of the Company's Bylaws.
N/A. Specify the rules that prevent the adoption of the recommendation:

Implementation Date	
Modification Dates	

31.2. Given the qualifications and/or paragraphs of emphasis of the Statutory Auditor, the Board of Directors considers that it should maintain its criterion. This position is **adequately explained and justified in a written report to the General Meeting**, specifying the content and scope of the discrepancy.

31.2 Implement the Measure YES NO N/A

YES. Indicate briefly:

<p>NO. Explain: The Company has always accepted the statutory auditor's report.</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

Implementation Date	
Modification Dates	

31.3 Transactions with or between Related Parties, including transactions between companies of the Conglomerate that, utilizing objective parameters such as volume of the transaction, percentage of assets, sales, or other indicators, are qualified as material by the company, **are included in detail in the public financial information, as well as the mention of *off-shore* transactions..**

31.3 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p> <p>The Company reports transactions with related parties in the notes to the financial statements and the Report on Compliance with Good Corporate Governance Practices.</p> <p>NO. Explain:</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

Implementation Date	June 23, 2006
Modification Dates	N/A

Measure No. 32: Information to markets.

32.1. Within the framework of the information disclosure policy, the Board of Directors (or the Audit Committee) **adopts the necessary measures to ensure that all financial and non-financial information about the company** required by current legislation is transmitted to the financial and capital markets, in addition to any other information it considers relevant for investors and customers.

32.1 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p> <p>Financial and non-financial information is published on the Company's website and is reported to the Financial Superintendency of Colombia. Likewise, all information considered material and that by regulation must be published as Relevant Information is published on the web page of the Financial Superintendence of Colombia.</p> <p>NO. Explain:</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

Implementation Date	N/A
Modification Dates	N/A

32.2. The company's website is organized in a *user-friendly* manner so that it is easy for the user to access the information associated with or related to Corporate Governance.

32.2 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p> <p>It is easy to access the information associated with the Company's Corporate Governance through the website, organized in a user-friendly manner so that it is easy for the user to access such information.</p> <p>NO. Explain:</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

Implementation Date	N/A
Modification Dates	N/A

32.3. The company's website includes at least the links referred to in recommendation 32.3.

32.3 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p> <p>The company's website includes information about the company, its shareholders, investor relations, corporate governance, sustainability, and responsible business.</p> <p>NO. Explain:</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

Implementation Date	N/A
Modification Dates	N/A

32.4. The media used by society, in general, to communicate information to the markets are documents that can be printed, downloaded, and shared.

32.4 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p> <p>All information published on the website is in PDF format and can be downloaded.</p> <p>NO. Explain:</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

Implementation Date	N/A
Modification Dates	N/A

32.5. If the company is a large and complex enterprise, it publishes annually on the website an explanatory report on the organization, methods, and procedures of the Control Architecture implemented to provide correct and secure financial and non-financial information, safeguarding the entity's assets and the efficiency and security of its operations. A risk management report complements the information on the Control Architecture.

32.5 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p>

<p>NO. Explain:</p> <p>The Company has a Control Architecture organization, methods, and procedures. However, an explanatory report on the organization, practices, and procedures of the Control Architecture is not prepared or made public.</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

Implementation Date	
Modification Dates	

Measure No. 33: Annual Corporate Governance Report.

33.1. The Company prepares an annual Corporate Governance Report, the content of which is the responsibility of the Board of Directors, after review and favorable report from the Audit Committee, which is presented together with the rest of the year-end documents.

33.1 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p> <p>In accordance with the provisions of paragraph (16) of Article 53 of the Company's Bylaws and Article 4.1.2. of the Code of Good Corporate Governance, the management shall prepare and submit the Good Corporate Governance Report to the Board of Directors for approval. Subsequently, this report shall be submitted to the General Shareholders' Meeting in accordance with the provisions of Article 2.5. of the Code of Good Corporate Governance. .</p> <p>NO. Explain:</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

Implementation Date	June 16, 2003
Modification Dates	March 28, 2019

33.2. The company's Annual Corporate Governance Report is not a mere transcription of the Corporate Governance rules included in the Bylaws, internal regulations, codes of good governance, or other corporate documents. Its purpose is not to describe the company's governance model but to explain the reality of its operation and the relevant changes during the year.

33.2 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p> <p>The report on compliance with good corporate governance practices gathers the main and relevant information related to the operation of the corporate governance bodies and the milestones that occurred in the area of corporate governance during the year.</p> <p>NO. Explain:</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

Implementation Date	N/A
Modification Dates	N/A

33.3. The company's Annual Corporate Governance Report contains information at the end of the year **describing how the corporate governance recommendations adopted by the company were complied with during the year and the main changes that occurred.**

The company's Annual Corporate Governance Report structure is aligned with the scheme contemplated in recommendation 33.3.

33.3 Implement the Measure YES NO N/A

<p>YES. Indicate briefly:</p> <p>NO. Explain:</p> <p>The annual report on compliance with good corporate governance practices describes how the Company complied with its corporate governance rules and reflects the functioning of the corporate governance bodies. In any case, the aforementioned report includes most of the aspects covered by recommendation 33.3.</p>
<p>N/A. Specify the rules that prevent the adoption of the recommendation:</p>

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Implementation Date	N/A
Modification Dates	N/A