Press Release

Medellin, February 5, 2019

Today, Tuesday, February 5, EPM will close the second powerhouse intake gate of the Ituango Hydroelectric Project.

- **The premise, as in all activities that are being carried out since the beginning of the contingency, is to protect lives in the communities.**
- **EPM has been preparing to safely carry out this closure.**
- **The flow of the Cauca River will decrease, downstream of the project, for approximately 3 days.**
- **More than 700 people were hired to rescue fish and other species from Puerto Valdivia to La Mojana.**
- **EPM deeply regrets the effects that this decision causes the environment, and is working hard to address and mitigate them.**

With the same attitude of responsibility and full commitment to protecting the lives of the people living downstream of the Ituango Hydroelectric Project, and in order to mitigate the major effects on the environment, EPM made the decision to close the last open intake gate for passage of water through the powerhouse.

This decision was made after testing in different instances and considering recommendations by both internal and external experts.

The maneuver will take place this Tuesday, February 5, around noon, in conditions and with procedures similar to closure of the first gate: a compact piece of steel that weighs 85 tons and measures 4.70 meters wide by 7.30 meters high, with a thickness of 80 centimeters. Once the gate is lowered, in approximately 30 minutes, a first monitoring period of the different variables will begin, including the behavior of the flow entering the reservoir and the stability of the structure of the powerhouse and the rock massif.

What follows is monitoring for 48 hours, with the goal of assuring that the task is completed in accordance with what is expected and identifying and dealing with any unforeseen circumstance that may have arisen in a prompt manner. If an anomaly is logged, the monitoring must continue until the indicators are stable.

EPM CEO, Jorge Londoño De la Cuesta, thanked all the people and entities joining the company in properly managing this situation, in coordination with the National Disaster Risk Management System of the Office of the Colombian President.

“Again, during the course of this activity, as has been the premise from the beginning of construction of the Ituango Hydroelectric Project, first and foremost are people’s lives and the environment. The project recovery is moving to a third plane, as we are certain that its construction and startup only makes real sense if

the surrounding settlements prosper. We won't spare any effort and we won't give up faith that we'll make it through this difficult time," said Londoño De la Cuesta.

Decrease of flow

After the smooth closure of the first gate on January 16, the company's projection was to wait until the hydrological and technical conditions were in place to finish filling the reservoir up to level 401, so that the flow would begin to flow naturally through the spillway, without affecting the flow of the river. However, with the additional risk monitoring in the last few weeks, and taking into account the current scarcity of rainfall in Colombia, the panel of experts advising the Company recommended anticipating this closure, especially to prevent further damage that could be caused downstream by the uncontrolled flow of water through the powerhouse.

This operation will reduce the flow of the Cauca River by approximately 3 days, which will have some environmental, economic and social consequences in the short term, once the gate is closed, downstream of the project. When the reservoir is refilled, normal spillway operation will resume, as was the case late last year for 47 days.

To mitigate the potential environmental impact on the Lower Cauca (*Bajo Cauca*) and La Mojana marshes, EPM will increase the reserves in its Porce II and Porce III reservoirs so that they are able to discharge the level of water associated with their maximum production on days when the flow of the Cauca river decreases (downstream of the township of Nechí).

EPM is prepared

After the analysis of the different indicators of monitoring been carried out in the last two weeks, EPM communicated the decision to the Unified Command Post

(*Puesto de Comando Unificado*, PMU) that has been operating nationwide, while informing the competent bodies and authorities, this is also true for the communities and administrations of the townships in the project's area of influence, mainly in the Cauca River riparian areas.

Although this is an action that will be carried out ahead of schedule, EPM has been making thorough preparations on the various social and environmental fronts. A whole contingent, between Company officials and contractors, as well as local residents and specially hired technicians and professionals, have been intensely working on gathering information and prevention in the townships of Valdivia, Tarazá, Cáceres, Caucasia and Nechí, downstream of the project.

For example, as part of the contingency plan to deal with these impacts, more than 700 people, mostly local farmers and fishermen, were hired and trained to effectively rescue fish and other species. They work safely, distributed in groups and coordinated by professionals of the hydrobiological component along 14 stretches of the river banks, from the dam site through Puerto Valdivia, Tarazá, Cáceres, Caucasia and Nechí, including the protection of the local marshes.

In addition, 21 tank cars, 82 water containers and 33 stationary tanks were installed to supply safe water to the settlements whose source is the Cauca River. This is in addition to other mitigation activities such as solid waste management, mobility, activation of the epidemiological monitoring system, and monitoring water quality and riverbanks, among others.

After closing this gate, the next step is to pump the water that is dammed in the powerhouse, and then proceed to remove all the material that entered with the river water.

The maneuver of this Tuesday, February 5, closes a major chapter in the recovery project's process. By not bringing more water into the powerhouse, which was not built as a system for discharging the Cauca River, the risks to the population downstream are reduced. As it may be recalled, in May 2018, while the dam's construction had not yet been finished, the powerhouse had to be set up as a channel for the water to be discharged from the reservoir, with the likelihood of an overflow. In this way, the safety of people living downstream of the project was protected.

EPM deeply regrets the effects that this action will bring and is working hard to address and mitigate, to the greatest extent possible, the consequences of having a stretch of the river with a reduced flow for this period of time.

For the benefit of the people who live in the riparian areas, the Company will continue to work toward the well-being of the communities, protecting their environment and supporting the settlements' economic activities.