



### **Due to Hidroituango contingency, Mapfre insurer made a third payment to EPM for 100 million dollars**

- **With this new disbursement, Mapfre has already paid EPM USD 350 million for the contingency that occurred in the Project in April 2018**
- **The resources of this payment will be directed to the recovery of the Project**
- **Hidroituango advances in its goal of starting to generate energy next year**

This Tuesday, August 31, EPM received an advance of USD 100 million from the insurer Mapfre for material damages in the Ituango Hydroelectric Project, with which the resources received so far for the contingency registered in the Project in April 2018 amount to USD 350 million.

Jorge Andrés Carrillo Cardoso, CEO of EPM, highlighted this good news for the Company and for the development of Hidroituango. "The USD 350 million received to date for the compensation of the contingency in the Ituango Hydroelectric Project, through the 'all-risk construction and assembly' policy, are the product of this new payment for USD 100 million, added to the USD 150 million delivered by Mapfre in December 2019 and the USD 100 million reimbursed in September 2020 ", said Carrillo Cardoso, who added that " thanks to the teamwork of various areas of EPM this milestone was achieved".

This figure paid by Mapfre corresponds to that recommended by the Adjuster, based on the expenses and investments made by EPM in the recovery of Hidroituango.

Last July, the Company updated the value of the investments necessary for the completion of the Project by COP 2.1 billion, resources that will ensure the entry into commercial operation of the first two generation units in the second half of 2022 and the six units remaining between 2023 and 2025. With this, the total investments in the future power plant amount to COP 18.3 billion.



## Press Release



The resources obtained by this payment from the insurer will be earmarked for attending the recovery of the Ituango Hydroelectric Project and the development of the works, which will allow the hydroelectric plant to be operational, which will generate 17% of the energy that the country needs.

### **The insurance**

The 'construction and assembly all risk' insurance policy that covers the contingency that occurred in the Ituango Hydroelectric Project, on April 28, 2018, has an insured limit of USD 2,556 million for coverage of material damage to infrastructure and equipment.

It also has coverage for the delay in the entry into operation of the Hydroelectric Plant (money not received due to damages derived from the contingency) for USD 628 million, amount that establishes the maximum responsibility of the insurer. It is important to indicate that the compensation will correspond to the value of the damage suffered by the Project and covered by the insurance, considering that it is a partial loss.

EPM continues with the loss adjustment generated by the contingency of April 28, 2018 in the project and is committed to providing its constant collaboration to Mapfre and the Adjuster in said process that is carried out in accordance with the terms and conditions of the policy.

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