



REGARDING ITUANGO PROJECT AND EPM'S PARTNERS

Regarding information that has been circulating in the last few hours in some media, it is very important to point out that EPM has held inter-institutional relationships for several decades with different major international financial institutions. In this context, the Inter-American Development Bank (IDB) is a very important partner for EPM, and has been so for the Ituango Project.

In the framework of this inter-institutional relationship, EPM and IDB Invest (the private branch of IDB) entered into a loan agreement on December 29, 2017, as part of the funding of the Ituango Hydroelectric Project. To date, the balance of this loan is USD 450 million (equivalent to COP 1.7 billion, at the current spot market exchange rate (TRM, for the Spanish original). The loan has two tranches with terms of 8 and 12 years, respectively.

Subsequently, on March 30, 2021, both entities signed an amendment to the loan agreement, mainly due to the effects of the 2018 contingency on the project. The negotiations on said amendment took place in several stages during 2019, 2020 and part of 2021.

As is traditional for multilateral loans, said contract and its amendment include clauses related to the fulfillment of milestones of the funded project, in this case of the Ituango Hydroelectric Project, among other contractual commitments.

In the hypothetical event of breach of any of the clauses established in these agreements with IDB Invest, there are some contractual instruments that, subject to the parties' willingness, can be timely agreed and may be reached to avoid any default or call for mandatory prepayment.

EPM holds ongoing, proactive, and constructive dialogs with IDB representatives, delivering information in real time, and explanations of the strategies aimed at continuing the project construction process without further delays. It is important to clarify to the public opinion that EPM has been complying with all its contractual financial and technical commitments with IDB Invest.

EPM, as is its traditional practice, maintains different communications channels open with the financial public in general, to allow them to objectively evaluate the information related to the Company and the Ituango Hydroelectric Project.



Press Release



EPM acts responsibly to honor its commitment to the country's energy security

Acting with full corporate responsibility, in the framework of the legal and administrative duties that the company has as a state-owned company, and with the objective of complying with the commitments it has acquired with the country regarding energy security, with the start-up of operations of the Hidroituango Project in the second half of 2022, taking into consideration that the successful, effective and efficient completion of the Project also protects the social and environmental management of the area of influence of the works, EPM is carrying out the stages of a procurement process for possible contractors capable of offering the services required to move forward the works and startup operations of this project. This, in the hypothetical scenario that the current contractors wouldn't be able to continue, due to the effects they would face in the event the ruling of fiscal responsibility issued recently by the Office of the Comptroller General of the Nation is upheld.