



Per the press release issued by Sociedad Hidroeléctrica Ituango on the non-payment of the acceleration plan, taken up by some media, EPM reiterates:

1. As announced by the company in a press release, and reported to the Colombian Superintendence of Finance (*Superintendencia Financiera de Colombia*) last September 26, as long as the reasons that brought about the contingency in the Ituango Hydroelectric Project are not known, we cannot define whether it is pertinent to pay the successful completion bonus. It totals up to \$70 billion and was agreed as part of the Acceleration Plan with the contractor of the main works (Consortio CCC Ituango).

Bilateral modification record No.16 between EPM and the Consortio CCC Ituango indicates: "If the accelerated program works entrusted to the contractor, which enable startup of the first generation unit, cannot be completed by November 28, 2018 due to events or circumstances beyond the control of the parties, including but not limited to those described below: force majeure, act of God, need to execute unforeseen works of such transcendence that prevent the objective from being reached at the expected time and events caused by third parties, this will cause the parties (EPM-Consortio CCC Ituango) to reach a new agreement within the criteria of equity, proportionality, rationality, objectivity, and aligned interests."

It further states: "If any of these events occur, the parties will try to reach a private agreement regarding the value and form of payment of the incentive within a period of 3 months. If no agreement has been reached in this period of time, the parties will resort to one of the alternative dispute resolution options established in the law, an option that they will define by mutual agreement within a term of no more than 15 business days. If this period expires, and no agreement is reached, regarding an alternative option for dispute resolution, the parties agree to seek an arbitration tribunal."

2. It is important to note that it is stated in the BOOMT contract (*Build, Own, Operate, Maintain and Transfer*) that once the construction, financed by EPM, is concluded, an independent auditor will determine the final cost of construction, under the parameters set forth in the BOOMT contract, which will serve as the basis for the settlement of EPM's remuneration.

Medellín, November 19th, 2018