



Medellín, July 8, 2020

EPM gets a sign of support from the international financial markets with a bond award in Colombian pesos and US dollars, which provides it with greater financial strength in the midst of the current pandemic

- **The Company awarded bonds in the amount of COP 635.000 million and in the amount of USD 575 million on the international capital market**
 - **EPM highlights investor support for the Company, in times of global contraction and uncertainty as a result of the coronavirus pandemic (COVID-19)**
- **Investors, located in the United States, Canada, Europe, Asia, Chile, Peru and Colombia demanded 3.4 times the amount offered by EPM**

In a demonstration of credibility and confidence in EPM's financial soundness, the Company successfully made its sixth foray in the international capital market, through the award of COP 635.000 million and USD 575 million in bonds. Through this transaction, EPM becomes the largest issuer of Colombian peso-denominated bonds in that market, this being its fifth transaction with this type of financing.

EPM's CEO, Álvaro Guillermo Rendón López, indicated that "the results of the allocation are a reflection of the credibility of local and international investors in EPM's financial strength, even in the midst of the current circumstances of uncertainty in the global economy, due to the effects caused by the coronavirus pandemic (COVID-19)". The executive added that "the Organization has achieved a solid position in the international financial markets since its first bond issue in 2009, based on information transparency".

Corporate Strategy.

Additionally, with the combination of a tranche of the issue in Colombian pesos, the Company simultaneously advances the execution of its exchange risk management strategy, by maximizing the use of the mechanism of global bonds in pesos, which diversify the sources of financing resources without affecting the quotas with local sources. Five of these transactions include international bonds denominated in Colombian pesos, making EPM the largest Colombian issuer in this financing framework.

Once this bond issue is closed, EPM will strengthen its liquidity and financial position to face the new challenges derived from the uncertainty associated with the coronavirus pandemic (COVID-19).

The Transaction

The bond allocation, made on Wednesday, July 8, received orders from a diversified group of investors from the United States, Canada, Europe, Asia, Colombia, Chile and Peru.

The issue consists of two tranches: one in "global peso" format worth COP 635.000 million, in a reopening of the EPM bond maturing in 2027 and, another tranche, in the amount of USD 575 million, maturing in 2031.

For the process, the underwriting banks relied on thorough due diligence according to market standards, in which they analyzed the situation of the Company in depth on all fronts, with the support of international and local law firms, an international audit firm and an updated review of the risk rating firms. EPM was advised by Clifford Chance US LLP and Mosquera Abogados.

Investment Grade Bonds

The international bond issue was rated investment grade, equal to EPM's rating by Fitch Ratings and Moody's.

According to Fitch Ratings, EPM's ratings are the result of the Company's low commercial risk, thanks to its diversification and characteristics as a provider of public utilities. "EPM is a leading electricity generator in Colombia and has a diversified portfolio in the provision of public utilities that include electricity generation, transmission and distribution, water and sewage services, natural gas distribution and waste collection and disposal services. The company's ratings also reflect its strong credit protection measures backed by moderate historical and projected leverage, sound interest coverage and an adequate liquidity position.

In turn, Moody's affirms that "EPM's ratings reflect its consolidated and diversified revenue base by sector, where the electricity distribution business is the largest contributor to EBITDA with a 43% share at March 2020".

The success of this EPM bond award, in the midst of a situation of economic contraction as a result of the global pandemic, is considered by the Organization to be a clear sign of investor confidence, supported by its positive financial performance and open, proactive communication with the financial markets. This enabled EPM to access the resources of capital market investors who have liquidity and an appetite for companies with a good risk profile, such as EPM.

Information for Journalists

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