



EPM is carrying out appropriate internal assessments on different fronts (regulatory, financial and commercial, among others), regarding the regulatory elements of the Colombian residential public utilities sector, in particular in connection with the possible future application of measures of a general nature related to Decree 0227 of February 16, 2023, issued by the Presidency of the Republic, and the request made today by the Office of the Mayor of Medellín to the National Government, regarding authorization to freeze the rates of the public utilities provided by EPM, covering the regions of Medellín, Antioquia, Córdoba, Bolívar, Sucre, Santander, Caldas, Quindío, Risaralda, Quibdo, Providencia and Santa Marta.

The assessment is being carried out following strict technical, legal, and financial criteria, as has been characteristic of EPM in the performance of its operations in the country for nearly 67 years of operation in the public utilities sector.

It should be noted that on October 7, 2022, EPM delivered its rate reduction proposal to the electricity resellers with which it has long-term sales contracts. At that time, EPM, through its Power Generation Business, joined the National Government's Pact for Rate Justice, aimed at reducing electricity rates in the country in view of the substantial increase in the Producer Price Index (PPI). This proposal implied a contribution of COP 340 thousand million over a 12-month period, an 8.7% rate reduction for resellers that primarily service customers from socioeconomic levels 1 and 2, and a higher unit cost per kilowatt of electricity. For all other companies with long-term contracts, it implies a 4.7% rate reduction. The above effects have already been incorporated into the company's 2023 budget.

To date, we are not aware of any specific measures adopted by the National Government in connection with adjustments to the sector's regulatory scheme.

To the extent that new regulatory measures are issued, and the respective assessments are completed, the Company will communicate its assessment of the impacts to its various stakeholder audiences through traditional channels.

### **Context**

Presidential Decree No. 0227 of February 16, 2023, whereby the President of the Republic retakes control over Presidential regulatory functions related to residential public utilities.