2023 Periodic Year-end Report

EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P.

Medellín – Antioquia

Carrera 58 No. 42 – 125

Periodic Year-end Report
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Brief description of current security issuances:

EPM bonds outstanding in the local capital market

a) Type of security: Public debt bonds
b) Trading system: Colombian Securities Exchange /DECEVAL
c) Securities exchange on which the securities are listed, if applicable: Colombian Securities Exchange /DECEVAL
d) Issuance amount: Amount outstanding at December 31, 2023: COP 1,449,990,000,000
e) Amount placed: Total amount awarded at December 31, 2023: COP 2,997,280,000,000
f) Balance pending placement, if applicable: The currently authorized amount of the Global Limit of the Bond Issuance and Placement Program is: COP 4,500,000,000,000, hence, the remaining balance to be placed is COP 1,502,720,000,000.

EPM bonds outstanding in international capital markets

a) Type of security: “Senior Notes” (Bonds)
b) Trading system: Depository Trust Company (DTC/) Euroclear/ Clearstream
c) Securities exchange on which the securities are listed, if applicable: Luxembourg Stock Exchange
d) Issuance amount: Amount outstanding at December 31, 2023: COP 5,131,264,000,000 and in USD 1,575,000,000.
e) Amount placed: Not applicable
f) Balance pending placement, if applicable: Not applicable

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Glossary

Control activity: Actions defined in the processes, policies, procedures or other tools that enable following Management's instructions to mitigate the risks related to achieving the objectives.

Monitoring activities: Determine whether each of the five components of the internal control system are in place and operating adequately in the organization.

Control environment: The control environment sets the tone for an organization. It is the base for the other components of internal control because it defines the values and principles that govern the entity and influences the employees' understanding of how the operations should be carried out.

ANDEMOS: National Association for Sustainable Mobility

Associate: Entity over which EPM has significant influence on decisions of financial and operating policies, but does not hold control or joint control.

COMFIS: Municipal Fiscal Policy Council, a collegiate body that directs economic and social policy and acts as coordinator of the public administration's budget system.

Inter-institutional Committee for the Coordination of Internal Control: Senior-level advisory and decision-making body on matters related to internal control, the creation of which is mandatory for all government entities. (Art 13 of Law 87/1993, and Decree 648/2017).

Component: One of the five elements of the Internal Control Standard Model (MECI, for the Spanish original).

Effective Internal Control: An Internal Control System is deemed effective if each of the five components of the MECI and its guidelines are in place, implemented and operating in coordination with the Integrated Planning and Management Model (MIPG, for the Spanish original).

Internal Control: Structure of processes, policies, procedures, manuals and other tools designed by the entity to provide reasonable assurance that the objectives and goals will be achieved and that undesirable events will be either avoided or detected and corrected.

CRA: The Drinking Water and Basic Sanitation Regulatory Commission (CRA, for the Spanish original) is a national government entity created by means of Article 69 of Law 142/1994 as a Special Administrative Unit with administrative, technical and equity independence, governed by the Political Constitution and by law, not incorporated as a legal entity, and that reports to the Ministry of Housing, City and Territory. By means of Decree 1524/1994 functions were delegated to it in connection with defining general policies on the administration and control of efficiency of the residential public utilities that are assigned to the President of the Republic by Article 370 of the Political Constitution.

Sustainable credit: Sustainable financing is an organization's capacity to obtain funding for its activities, on the basis not only of financial criteria, but also of environmental, social and corporate governance criteria.

CREG: Energy and Gas Regulatory Commission (CREG, for the Spanish original): The mission of CREG is to regulate electric power and combustible gas public utilities in a technical, independent and transparent manner, promoting the development of these sectors.

CU: Unit Cost of Service Provision.

Investment impairment: A change in the fair value of an investment. The Company periodically reviews the existence of any indications of impairment in value, and, if necessary, recognizes impairment losses on its investments in a subsidiary, associate or joint venture. Impairment losses are recognized through the current period's profit or loss, and are calculated as the difference between the carrying value of the subsidiary, associate or joint venture, and its recoverable value, defined as whichever is greatest between its value in use and its fair value less the costs of selling.

Prepaid electricity: A modality under which a customer pays an amount to be consumed through a special meter, which may also be used to normalize debts through installments paid on a percentage of the prepayment.

ENFICC: Maximum amount of electric power that a generation plant is able to deliver continuously, under low water level conditions, over a one-year period.

Risk Assessment: Dynamic and iterative process carried out to identify and assess the risks associated with achieving the organization's objectives.

Cash surpluses distributed to the Company's owner (Transfers): The Company recognizes a liability to make cash distributions to the owner when such distribution has been authorized and is no longer discretionary for the Company. The corresponding amount is recognized directly against net equity.

In operation: The finding that the components and guidelines are systematically applied in the manner in which they were designed, and it is possible to assess their effectiveness in preventing the materialization of risks by comparing against relevant information.

Information and Communication: Information is necessary for an organization to be able to implement the internal control responsibilities as support for achieving its objectives.

IoT: The Internet of Things refers to the collective network of connected devices and the technology that facilitates communications between the devices and the cloud, as well as between the devices themselves.

KV: Symbol for kilovolt in the International System of Units.

kWp: The unit of measure used to compare the performance of different photovoltaic solar energy systems.

Guideline: Fundamental specifications associated with each of the components of the MECI that enable determining the effectiveness of the Internal Control System.

Lines of Defense: A scheme for assigning responsibilities adapted from the 3 Lines of Defense Model of the Institute of Auditors, which provides a simple and effective means for improving communications related to risk management and control by clarifying the key functions and duties assigned to the different control levels.
The Periodic Year-end Reports must include a glossary of the key terms used and that require a definition because of their special nature.

Joint venture: An agreement in which EPM has joint control, under which the Company has rights over the net assets of the agreement, rather than rights over its assets and obligations for its liabilities.

Opportunity for Improvement: A finding where even though compliance exists, it is found, based on objective criteria, that there is room for improvement in order to further optimize a specific activity, task or process.

Portfolio: A set of sub-portfolios, projects, programs and/or operations grouped together than are managed in an effective and coordinated manner in order to fulfill the organization's strategic objectives.

In place: The finding that the requirements associated to management and performance policies exist in terms of both design and implementation.

WWTP: Wastewater Treatment Plant, which cleans served and waste water to enable returning it to the environment in a safe manner. It eliminates the solids found in wastewater, which may include plastics, fabrics and viscera, as well as sand and smaller particles.

PV: Percentage of monthly change to be applied by the reseller over the Unit Cost.

RETIE: Technical Regulations for Electrical Installations

RUNT: Unified National Transit Registration

Operating segment: A component of the Company that performs business activities from which it may obtain revenues from ordinary activities and incur in expenses, including revenues and expenses from transactions with other Company segments, and whose operating results are regularly reviewed and on which separate financial information is available.

Reportable segment: An operating segment or a group of two or more operating segments that may be aggregated in accordance with aggregation criteria, which exceeds the quantitative thresholds, or which Management has decided to report separately in the information by segments because it considers that providing separate information for the segment may be useful for the users of the consolidated financial statements to understand the Company's businesses.

Subsidiary: An entity controlled by EPM. Control exists when EPM controls the relevant activities of the subsidiary and is exposed, or has rights, to the variable income from the subsidiary and it has the capacity to influence such income.

Telemetering: Remote measurement of consumption through technological tools.

XM: Operator of the National Interconnected System (NIS) and manager of the Wholesale Energy Market (WEM), to which effect we perform the functions of the National Dispatch Center (CND, for the Spanish original), Commercial Exchange System Administrator (ASIC, for the Spanish original) and Account Settler of Charges (LAC, for the Spanish original) for the use of the networks of the National Interconnected System. XM also manages the short-term International Energy Transactions (TIE, for the Spanish original) with Ecuador.

Contents of the Periodic Year-end Report Group A Issuer

1. Part One: General aspects of the operation

1.1. Description of the issuer's business purpose:

- EMPRESAS PÚBLICAS DE MEDELLIN E.S.P.

The corporate purpose of EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P. is to provide residential public utilities in the areas of water supply, sewerage, electricity, combustible gas distribution, basic public switched telephone and local mobile telephony in the rural sector, and other telecommunications services. It may also provide the residential public utilities of sanitation, as well as the complementary activities of each and every one of these public utilities, as well as waste treatment and disposal. In order to fulfill its corporate purpose, EMPRESAS PÚBLICAS DE MEDELLÍN, without affecting the ownership of its assets, may enter into all types of contracts or partnerships or create consortia with other natural or legal persons, national or foreign, providers or users, in order to achieve universal coverage, quality and effectiveness in the provision of residential public utilities to its users, always ensuring the general well-being and improvement of the quality of life of the population, complying with specific technical criteria, legal rigor, operating costs and provision of public utilities, as well as solidarity and the redistribution of income.

PARAGRAPH: For the same purpose, it may enter into strategic partnerships and joint ventures, and sign any type of agreement or contract for business collaboration, that enable it to fulfill its objectives; participate in activities for the promotion of innovation, scientific research and technological development in fields related to the public utilities of its corporate purpose, and sign agreements to offer or receive technical cooperation, in accordance with the laws in force on the subject; and, in general, all those activities that are part of its corporate purpose or are necessary for the fulfillment of its purposes.

The main registered office for legal, administrative and any other effects shall always be the Municipality of Medellín, Department of Antioquia, Republic of Colombia, and by decision of the Board of Directors it may establish offices outside its domicile, both in the country and abroad, in order to fulfill its corporate purpose.

- Central Hidroeléctrica de Caldas. S.A. ESP Beneficio e Interés Colectivo. CHEC S.A. ESP BIC

ARTICLE 5.- (Amended EP No. 2293 of April 7, 2022) PURPOSE. The Company's purpose is to provide electricity public utilities, including:

a) Residential electricity public utilities, through the transportation of electricity from the regional transmission networks to the end user's residence, including connections and metering.
b) The supplementary activities of generation, commercialization, transformation, interconnection and transmission of electricity and other energy sources within and outside the national territory.
c) Perform the inherent activities of residential public utilities.
d) The commercialization of all types of goods or services to the benefit or in the interest of the users of the residential public utilities or of the supplementary activities that make up the main corporate purpose of the Company, which may be commercialized or sold with or without credit terms for repayment.
e) Provide services of Inspection, calibration and testing of: electric energy meters at fundamental frequency, transformers and electric instruments.

In performing its corporate purpose, the Company may hold equity interests in other companies or other entities that provide similar services, and offer security to guarantee their obligations. Acts directly related to the corporate purpose and those whose purpose is to exercise the rights or fulfill the obligations legally or conventionally derived from the existence and activity of the Company, shall be understood to be included in the corporate purpose. The Company shall not participate as partner in general partnerships, and shall not guarantee the obligations of third parties other than Business Group companies.

In the fulfillment of its corporate purpose, CHEC S.A. ESP, without undermining its ownership over its assets, may enter into all types of contracts, partnerships or consortia with other individuals or legal entities, national or foreign, service providers or users, in order to achieve universal coverage, quality and effectiveness in the provision of Residential Electricity Public Utilities to its users, always seeking the general well-being and the improvement of the quality of life of the population. It may enter into strategic partnerships and any type of agreement for the fulfillment of its purpose; participate in activities to promote innovation, scientific research and technological development in fields related to public utilities and that are part of its corporate purpose, and in general any other activities included therein or that are necessary to fulfill its purpose.

It shall additionally perform the following activities of commercial companies of collective benefit and interest (BIC, for the Spanish original): (i) REGARDING THE BUSINESS MODEL: Assign preference to entering into contracts with providers of goods and services that implement equitable and environmental practices. (ii) REGARDING CORPORATE GOVERNANCE: Disclose to its workers the financial statements of the Company and express the corporate purpose in various Company documents. (iii) REGARDING LABOR PRACTICES: Create benefits and well-being for its employees and design strategies to promote adequate nutrition, mental and physical health, and promote a balance between the work and private lives of its employees. (iv) REGARDING ENVIRONMENTAL PRACTICES: Carry out annual environmental audits, disclose the results to the general public, and train its employees on the corporate social responsibility policy and the Company's environmental policy. (v) REGARDING COMMUNITY PRACTICES: Create partnerships with foundations that support social works in the interest of the community.

In any case, these activities that are in the nature of companies for the collective benefit and interest shall be performed respecting the Strategic Direction and Sustainability Model of EPM Group.

In general, the Company may perform any activities related to its corporate purpose or that are necessary to fulfill its purpose.

The main registered address of the Company is in the city of Manizales, Department of Caldas, Republic of Colombia; however, the Company shall be authorized to operate in equal conditions in any place of the country and carry out its corporate purpose abroad, with no need for any additional permit from the Colombian authorities, pursuant to Article 23 of Law 142/1994.

- EMPRESA DE ENERGIA DEL QUINDIO S.A. E.S.P. EMPRESA DE SERVICIOS PUBLICOS

The purpose of the Company is to provide residential electricity public utilities, to which end it may perform the activities listed in Law 142 and 143/1994 or any provisions that supplement, amend or derogate them, as well as the supplementary activities inherent to the generation, commercialization, transformation, interconnection, transmission and distribution services provided by public utilities. In the development of its corporate purpose, the Company may additionally engage in the following activities: 1. The commercialization, with or without financing, of all types of products, goods or services associated with residential public utilities or the supplementary activities involved in the main corporate purpose of the Company, in the benefit or interest of the users and/or subscribers of such services and activities. 2. Provide invoicing and collection services to third parties. 3. Provide technical services associated with electricity generation, transmission and distribution. 4. Perform and provide advisory on matters related to its corporate purpose. 5. Commercialization with or without financing of the fiber optics network and provide related or ancillary communications services and activities, or any other technological means used for the transmission of voice and/or data, to perform its main economic activity. 6. Provide correspondent services to financial entities and perform all associated and supplementary activities, in accordance with applicable regulations of the financial system on this matter. 7. Use the offices and infrastructure for customer service, collections and all others related to the Company's commercial activities to provide all types of services to third parties and perform transactions that enable the monetization of the Company's infrastructure. 8. Act as operator in the provision of the non-residential public utilities of public lighting pursuant to applicable regulations and laws, as well as provide all types of technical services related to this service and its associated infrastructure. 9. Carry out activities and projects related to lighting, private lighting and Christmas lighting. 10. Commercialize all types of goods and services for third parties, arising from commercial partnerships entered into with private parties, or from inter-administrative contracts or agreements signed with public entities. 11. And, in general, any activities related to its corporate purpose or that are necessary to fulfill its purpose. In performing its corporate purpose, the Company may hold equity interests in companies or other entities that provide similar public utility services, and offer security to guarantee their obligations. Acts directly related to the corporate purpose and those whose purpose is to exercise the rights or fulfill the obligations legally or conventionally derived from the existence and activity of the Company, shall be understood to be included in the corporate purpose. The Company shall not participate as partner in general partnerships, and shall not guarantee the obligations of third parties other than Business Group companies. In the fulfillment of its corporate purpose, EDEQ, without undermining its ownership over its assets, may enter into all types of contracts, partnerships or consortia, national or foreign, with service providers or users, in order to achieve universal coverage, quality and effectiveness in the provision of residential electricity public utilities to its users, always seeking the general well-being and the improvement of the quality of life of the population, on the basis of sound technical criteria, strict legal compliance, operating costs and the provision of services, and solidarity and income redistribution. It may enter into strategic partnerships and any type of agreement for the fulfillment of its purpose; participate in activities to promote innovation, scientific research and technological development in the fields related to public utilities and that are part of its corporate purpose, and in general any other activities that are included therein or that are necessary to fulfill its purpose.

The main registered address of the Company is the city of Armenia (Quindío), Colombia. Carrera 13 No. 14-17

- Electrificadora de Santander SA ESP -ESSA ESP

The Company's purpose shall be to provide residential electricity public utilities and its supplementary activities of Generation, Transmission, Distribution, Commercialization, the inspection of meters and security seals and the calibration and testing of meters, patterns, measurement equipment, transformers and electric instruments; as well as the provision of services associated with or related to public utilities, and financing of related products and services, in accordance with the legal and regulatory framework.

In order to achieve its corporate purpose or other matters related to its existence or operation, the Company may enter into any acts and contracts, including: provide advisory, consulting, contract supervision or intermediation services; import, export, commercialize and sell all types of goods or services; collections; invoicing; meter reading; invoice distribution; build infrastructure, provide all types of technical services, administration, operation or maintenance or any goods; lease agreements or any other financial contract that may be required; install, repair and maintain the goods required for the provision of residential public utilities, shared-risk contracts, contracts associated with credit transactions, and financing of products and services; and others that may be necessary and/or convenient to achieve its corporate purpose. All the above in accordance with applicable legislation.

The main registered address is at Carrera 19 No. 24-56 Barrio Alarcon, Bucaramanga.

- CENTRALES ELECTRICAS DEL NORTE DE SANTANDER S.A. ESP

It may be identified for all effects as CENS S.A. E.S.P. and use the acronym CENS S.A. E.S.P
ARTICLE ONE - NAME (Bylaws)

The Company's purpose shall be to provide residential electricity public utilities and its supplementary activities of Transmission, Distribution, Commercialization, the inspection of meters and security seals and the calibration and testing of meters, patterns, measurement equipment, transformers and electric instruments; all telecommunications services, including the commercialization and provision of telecommunications services or activities, as well as the provision of ancillary or related services to public utilities, and financing of related products and services, in accordance with the legal and regulatory framework.

In order to achieve its corporate purpose or other matters related to its existence or operation, the Company may enter into any acts and contracts, including: provide advisory, consulting, contract supervision or intermediation services; import, export, commercialize and sell all types of goods or services; collections; invoicing; meter reading; invoice distribution; build infrastructure, provide all types of technical services, administration, operation or maintenance or any goods; lease agreements or any other financial contract that may be required; install, repair and maintain the goods required for the provision of residential public utilities, shared-risk contracts, contracts associated with credit transactions, and financing of products and services; and others that may be necessary and/or convenient to achieve its corporate purpose. All the above in accordance with applicable legislation.

The main registered address of the Company is in the city of San José de Cúcuta, Department of Norte de Santander, Republic of Colombia; however, in abidance with the law, the Company may establish branches or offices, and provide or perform its corporate purpose in any place of the country or abroad.

- CaribeMar De La Costa S.A.S. E.S.P.

The main corporate purpose of the Company shall be to engage in any commercial or civil legal activity, especially, but without limiting the generality of the foregoing, the provision of public utilities of electricity distribution and commercialization, as well as performance of all associated activities, works, services and products. In developing its corporate purpose, the Company may buy, sell, acquire or dispose of, in any way, all types of fixed or chattel assets; make or take interest-bearing loans; encumber in any way its fixed or chattel assets, and offer them as collateral or mortgage; draft, endorse, acquire, accept, collect, protest, pay or settle securities and accept them as payment; obtain property rights over brands, drawings, ensigns, patents and privileges, and assign them by any means; promote and create companies of the same type of in businesses directly related to its corporate purpose, and contribute to them all types of assets; enter into company or partnership contracts to exploit businesses included in or directly related to its corporate purpose; acquire or dispose of by any means equity interests, parts of interest or shares in companies of the same type or with purposes directly related to its corporate purpose; represent or act as agent for individuals or legal entities involved in the same activities or activities directly related to its corporate purpose; get involved in and/or participate in public or private bidding processes, either individually or jointly with other individuals or legal entities through consortia, temporary joint venture or any other type of partnership, and enter into and perform the contracts derived from them; act as guarantor for the obligations of third parties and offer security with its own assets for obligations other than its own; provide services as certified calibration and testing body for meters and other measurement equipment for new and existing internal facilities related to the supply of electricity to residential, commercial, industrial and public sector users. The Company may use its available infrastructure and resources to provide other types of services and sell other types of products that are not related to the provision of electricity services; and, in general, engage in, at any place, in its own name or on the account of third parties, or jointly with them, any type of operations and execute and enter into all types of acts or contracts, either civil, industrial, commercial or financial, that are convenient or necessary to achieve its objectives and that are directly related to its corporate purpose.

The main registered address is at Carrera 13b # 26-78 Edificio Inteligente Chambacu, piso 3. Cartagena

- Empresa Eléctrica de Guatemala, Sociedad Anónima

The Company's purpose is the generation, purchase, transmission, distribution and commercialization of electricity. OTHER ACTIVITIES: In developing its corporate purpose, the Company may engage in any commercial or industrial activity or consulting; it may engage in and perform the production, commercialization and distribution of all types of merchandise and goods associated with its main corporate purpose; it may import, export, buy, sell, store, lease and distribute products, merchandise and goods of any type and any good that can be legally traded. In developing its main corporate purpose, the Company may perform the following activities: a) Wholesale and retail trading of all types of merchandise; b) Imports and exports; c) Representation of foreign trading houses; d) Distribution of raw materials and manufactured products; e) Manufacture, transform, process and package any type of raw material or compound for wholesale or retail trading; f) Transport all types of raw materials and compounds, materials, products and items related to its commercial or industrial activities, or derived therefrom; g) Provide technical-professional services, to which end it may contract, subcontract or enter into any type of agreement or contract with Guatemalan or foreign technicians and professionals; h) Advise other individuals or entities in connection with the provision of the indicated services; it may acquire all types of goods and consequently perform any type of legal activity that is not limited by any legal or government provision that would require express authorization.

The main registered address is at Sixth Avenue, eight-fourteen, Zone One, City of Guatemala, Department of Guatemala, Central America.

- Transportista Eléctrica Centroamericana, Sociedad Anónima

The Company's corporate purpose shall include, but will not be limited to, the activities described below, which it may carry out within and outside of the Republic of Guatemala: A) Transportation, transmission and transformation of electricity and any type of related activity, including, for descriptive purposes but without limitation, services associated to such activities, such as the design, construction, extension, maintenance and operation of infrastructure; B) Investment in real estate properties that enable the diversification of activities on such properties, to which it may incorporate chattel assets and rights, construct, build, introduce any type of improvements and in general develop on such properties commercial, industrial, tourism, agricultural, services and livestock projects; C) Acquire and sell, exploit and dispose of in any way any type of chattel or fixed assets, companies of all types and economic units, either of its own or of third parties, including the exploitation, ownership, tenancy and possession of such assets as well as their disposal, encumbrance and commercialization, and give and take them in usufruct, use, lease, administration or any other form of disposal, free of charge or for consideration; D) Undertake, carry out, assist in, promote or become engaged in research and development work related to the commercialization, distribution and sale of goods; E) Borrow or lend money for any of the Company's purposes, and draft, make, create, accept, endorse, intervene, trade, secure, exchange, grant and issue promissory notes, drafts, bills of exchange, bonds, recognition of debt, and other tradable or non-tradable debt instruments and guarantee the obligations or the debt titles or securities with the Company's corporate signature, or otherwise by means of collateral and mortgage fully or partly owned by the Company; F) Acquire by purchase, subscription, trade or any other means, free of charge or for consideration, shares and other securities and obligations of other companies, and exercise all rights and privileges of ownership over them; G) Organize, create, reorganize, participate in any manner in all types of legal entities, either for profit or not-for-profit, either from their incorporation and/or foundation or at any other time, either local or foreign, and may participate as founder, shareholder, partner, associate, member of any governance body of such legal entities and in any other manner, dissolve or liquidate any company or other partnership and legal entity in which it participates, and merge with or acquire the assets and business of any company, partnership or other type of legal entity of any class, and deliver the equity shares of such company in exchange for or in payment of the mergers it carries out; H) Buy, redeem, or in any other manner acquire, maintain, sell or transfer its own capital shares of any type or class; I) Request, register, buy, hold with possession, sell, trade, exploit and grant rights and/or use patents, patent requests, licenses, manufacturing procedures, factory markings, trademarks and other forms of industrial property; J) Act, grant, enter into and participate in any type of acts, legal businesses, transactions or contracts, either civil, mercantile or of any other type, exercising rights and taking on obligations with no limitations other than those expressly established in the country's laws; K) Act as producer, principal, agent, intermediary, distributor for the production, marketing, commercialization or industrialization of goods, securities and products; L) Carry out any activities on assets owned by third parties pursuant to any type of relationship, express or implied, civil, mercantile or of any other nature, and to this effect it may create, incorporate or exploit any type of business or company; M) Exercise all types of special or general powers of attorney granted by individuals or legal entities, national or foreign; N) Participate in any type of mercantile contracts or relationships and establish or participate in any type of trust fund; Ñ) Establish advertising and marketing or promotion agencies for its own products, services or projects or otherwise contract the services from third parties; O) Grant loans and credits on its own account in accordance with civil and mercantile law, but without being able to act as an institution supervised by the Banking Superintendence, given that the spirit for the performance of its activities is to act freely with no other limitations that those set out in the country's ordinary laws; P) Provide warehousing, storage, packing, packaging services for merchandise and products in general, and it may also establish any commercial complex, factory, assembler, industrial facilities, outlets, branches or offices at any location in the national territory and abroad; Q) Build any type of real estate property and issue mortgage bonds, which may be traded with private or public, local or foreign financial entities, with or without domicile in the country; R) Carry out mercantile activities with goods of its own or of third parties under its administration for any reason; S) Engage in activities of the telecommunications industry, both directly or through satellites, and participate in telecommunications, telephone, radio communications and any other type of means of communication, including, for descriptive purposes but without limitation, the design, construction, extension, maintenance and operation of infrastructure in this field, T) Develop and participate in information technology and data processing activities, and provide these services to third parties. For the development of its corporate purpose, the Company may: (i) Enter into all technical, commercial or industrial transactions directly or indirectly related to or derived from its corporate purpose, including, without limitation, purchases, sales, trades, manufacturing, import, export, and distribution of all types of goods and products; (ii) Accept, grant and cancel real guarantees and encumbrances of any type; and (iii) Perform any type of act, request or activity, and grant any contract that its Manager or Management deems suitable to pursue its purpose, or necessary to increase and manage its businesses, operations and equity in general.

The main registered address is at Sixth Avenue, eight-fourteen, Zone One, City of Guatemala, Department of Guatemala, Central America

- Comercializadora Eléctrica de Guatemala, Sociedad Anónima

The Company's corporate purpose shall include, but will not be limited to, the activities described below, which it may carry out within and outside of the Republic of Guatemala: A) Commercialize, buy and sell blocks of electricity acting as intermediary; contract, manage and broker all types of electricity contracts; B) Invest in real estate properties that enable the diversification of activities on such properties, to which it may incorporate chattel assets and rights, construct, build, introduce any type of improvements and in general develop in the properties commercial, industrial, tourism, agriculture, service and livestock projects; C) Purchase and sell, exploit and dispose of in any manner any type of chattel or fixed assets, companies of all types and economic units, either of its own or of third parties, including the exploitation, ownership, tenancy and possession of such assets as well as their disposal, encumbrance and commercialization, and give and take them in usufruct, use, lease, administration or any other form of disposal, free of charge or for consideration; D) Undertake, carry out, assist in, promote or become engaged in research and development work related to the commercialization, distribution and sale of goods; E) Borrow or lend money for any of the Company's purposes, and draft, make, create, accept, endorse, intervene, trade, secure, exchange, grant and issue promissory notes, drafts, bills of exchange, bonds, recognition of debt, and other tradable or non-tradable debt instruments and guarantee such obligations or debt titles and/or securities with the Company's corporate signature, or otherwise by means of collateral and mortgage fully or partly owned by the Company, and perform collections on its own account or for third parties, and all activities related to collections of commercial or civil accounts; F) Acquire by purchase, subscription, trade or any other means, free of charge or for consideration, shares and other securities and obligations of other companies, and exercise all rights and privileges of ownership over them; as well as organize, create, reorganize, participate in any manner in all types of legal entities, either for profit or not-for-profit, either from their incorporation and/or foundation or at any other time, whether national or foreign, and may participate as founder, shareholder, partner, associate, member of any governance body of such legal entities and in any other manner; dissolve or liquidate any company or other partnership and legal entity in which it participates and merge with or acquire the assets and business of any company, partnership or other type of legal entity of any class, and deliver the equity shares of such company in exchange for or in payment of the mergers it carries out; G) Buy, redeem, or in any other manner acquire, maintain, sell or transfer its own capital shares of any type or class; H) Request, register, buy, hold with possession, sell, trade, exploit and grant rights and/or use patents, patent requests, licenses, manufacturing procedures, factory markings, trademarks and other forms of industrial property; I) Act, grant, enter into and participate in any type of acts, legal businesses, transactions or contracts, either civil, mercantile or of any other type, exercising rights and taking on obligations with no limitations other than those expressly established in the country's laws. J) Act as producer, principal, agent, intermediary, distributor for the production, marketing, commercialization or industrialization of goods, securities and products; K) Carry out any activities on assets owned by third parties pursuant to any type of relationship, express or implied, civil, mercantile or of any other nature, and to this effect it may create, incorporate or exploit any type of business or company; L) Exercise all types of special or general powers of attorney granted by individuals or legal entities, national or foreign; M) Participate in all types of mercantile contracts or relationships, and establish and participate in any type of trust fund; N) Establish advertising and marketing or promotion agencies for its own products, services or projects or otherwise contract the services from third parties; Ñ) Grant loans and credits on its own account in accordance with civil and mercantile law, but without being able to act as an institution supervised by the Banking Superintendence, given that the spirit in the performance of its activities is to act freely with no limitations other than those established in the country's ordinary laws; O) Provide warehousing, storage, packing, packaging services for merchandise and products in general, and it may also establish any commercial complex, factory, assembler, industrial facilities, outlets, branches or offices at any location of the national territory and abroad; P) Build any type of real estate property and issue mortgage bonds, which may be traded with private or public, local or foreign, financial entities, with or without domicile in the country; Q) Enter into all technical, commercial or industrial transactions directly or indirectly related to or derived from its corporate purpose, including, without limitation, purchases, sales, trades, manufacturing, import, export, and distribution of all types of goods and products, accept and grant real guarantees or of any other type; and R) Perform any activity or grant any contract that its Manager or Management deems suitable to pursue its purpose, to increase and manage its businesses, operations and its equity in general.

The main registered address is at Sixth Avenue, eight-fourteen, Zone One, City of Guatemala, Department of Guatemala, Central America

- Almacenaje y Manejo de Materiales Eléctricos, Sociedad Anónima

The corporate purpose of the Company includes: A) The purchase, sale and commercialization in any manner of electrical cables, accessories and all types of electrical materials related to the electricity industry in general; B) Cables, equipment, devices and systems for communications; C) The purchase and sale of all types of devices or instruments related to the use of electricity, both for residential and industrial services; D) The purchase and manufacture of all types of accessories, devices, tools and materials necessary for the industry and any of its uses and applications; E) The manufacturing and commercialization in any way of all types of materials or products related to the metallurgical industry and metals in general; F) The production and commercialization of utensils, devices, products, procedures or combinations of the above that are directly or indirectly related to the construction industry, as well as their sale, transfer, lease or lend-to-use; G) Manufacturing of any products or materials, either primary or accessory, related to industry in general and its applications; H) Acquire and exploit studies, services, patents and properties of all types, and create and organize means for the production, sale and transportation that may be suitable for its industrial and trade operations; I) Manage the transportation of local and international merchandise, as well as carry out the customs procedures and any other procedures necessary for the delivery of the products sold to consumers or trading intermediaries; J) For the effects of the above subsection, the Company may directly manage customs agents and participate in temporary enterprises; K) Explore commercial funds directly or indirectly related to the above activities, in order to receive from and provide to third parties technical assistance for everything related to the corporate purpose, and enter to this effect into appropriate contracts, and to this end it may also devise, design, develop, acquire, exploit and transmit invention patents, brands and trade names. Acquire, manage, exploit and participate in other civil and mercantile companies, including those whose domicile is abroad. In general, the Company may engage in all types of activities and any type of industrial and trading business related to its corporate purpose that contributes to its development; L) Arrange and provide purchasing management and storage services for third parties. In general, the Company may engage in any activity that is necessary or useful and directly or indirectly related to the listed activities. In this sense, the above list is merely illustrative, and the Company may participate in all types of businesses, make all types of investments, participate in all types of companies, both national and foreign, with no limitations other than those established by applicable law.

The main registered address is at Sixth Avenue, eight-fourteen, Zone One, City of Guatemala, Department of Guatemala, Central America

- Enérgica, Sociedad Anónima

The Company's corporate purpose shall include, but will not be limited to, the activities described below, which it may carry out within and outside of the Republic of Guatemala: A) Provide all types of services for the electricity sector, including, for descriptive purposes but without limitation, the design, construction, extension, maintenance and operation of infrastructure for the distribution and/or consumption of electricity and other types of energy, technical and logistics advisory, purchases and acquisitions, meter reading, distribution of invoices and similar activities, as well as activities that are associated with or related to the above; B) Investment in real estate properties that enable the diversification of activities on such properties, to which it may incorporate chattel assets and rights, construct, build, introduce any type of improvements and in general develop on such properties commercial and service projects; C) Purchase and sell, exploit and dispose of in any way any type of chattel or fixed assets, rights, companies of all types and economic units, either of its own or of third parties, including the exploitation, ownership, tenancy and possession of such assets as well as their disposal, encumbrance and commercialization, and give and take them in usufruct, use, lease, administration or any other form of disposal, free of charge or for consideration; D) Undertake, carry out, assist in, promote or become engaged in research and development work related to the commercialization, distribution and sale of goods and energy; E) Borrow or lend money for any of the Company's purposes, and draft, make, create, accept, endorse, intervene, trade, secure, exchange, grant and issue promissory notes, drafts, bills of exchange, bonds, recognition of debt, and other tradable or non-tradable debt instruments and guarantee the obligations or the debt titles or securities with the Company's corporate signature, or otherwise by means of collateral and mortgage fully or partly owned by the Company; F) Acquire by purchase, subscription, trade or any other means, free of charge or for consideration, shares and other securities and obligations of other companies, and exercise all rights and privileges of ownership over them; G) Organize, create, reorganize, participate in any manner in all types of legal entities, either for profit or not-for-profit, either from their incorporation and/or foundation or at any other time, whether national or foreign, and may participate as founder, shareholder, partner, associate, member of any governance body of such legal entities and in any other manner; dissolve or liquidate any company or other partnership and legal entity in which it participates, and merge with or acquire the assets and business of any company, partnership or other type of legal entity of any class, and deliver the equity shares of such company in exchange for or in payment of the mergers it carries out; H) Buy, redeem, or in any other manner acquire, sell or transfer its own capital shares of any type or class; I) Request, register, buy, hold with possession, sell, trade, exploit and grant rights and/or use patents, patent requests, licenses, manufacturing procedures, factory markings, trademarks and other forms of industrial property; J) Act, grant, enter into and participate in any type of acts, legal businesses, transactions or contracts, either civil, mercantile or of any other type, exercising rights and taking on obligations with no limitations other than those expressly established in the country's laws, including, without limitation, the participation in public bidding processes of any type; K) Act as producer, principal, agent, intermediary, distributor for the production, marketing, commercialization or industrialization of goods, securities and products in the performance of its activities; L) Carry out any activities on assets owned by third parties pursuant to any type of relationship, express or implied, civil, mercantile or of any other nature, and to this effect it may create, incorporate or exploit any type of entities; M) Exercise all types of special or general powers of attorney granted by individuals or legal entities, national or foreign; N) Participate in any type of mercantile contracts or relationships, including, without limitation, any type of third-party manufacturing activities, as well as establish and participate in any type of trust fund; Ñ) Establish advertising and marketing or promotion agencies for its own products, services or projects or otherwise contract the services from third parties; O) Grant loans and credits on its own account in accordance with civil and mercantile law, but without being able to act as an institution supervised by the Banking Superintendence, given that the spirit for the performance of its activities is to act freely with no other limitations that those set out in the country's ordinary laws; P) Provide warehousing, storage, packing, packaging services for merchandise and products in general, and it may also establish any commercial complex, factory, assembler, industrial facilities, outlets, branches or offices at any location of the national territory and abroad; Q) Build any type of real estate property and issue mortgage bonds, which may be traded with private or public, national or foreign financial entities, with or without domicile in the country; R) Carry out mercantile activities with goods of its own or of third parties under its administration for any reason; S) Engage in activities of the telecommunications industry, both directly or through satellites, and participate in telecommunications, telephone, radio communications and any other type of means of communication, including, for descriptive purposes but without limitation, the design, construction, extension, maintenance and operation of infrastructure in this field, and T) Develop and participate in information technology and data processing activities, and provide these services to third parties. In developing its corporate purpose, the Company may: (i) enter into all technical, commercial or industrial transactions directly or indirectly related to or derived from its corporate purpose, including, without limitation, purchases, sales, trades, manufacturing, import, export, exploitation and distribution of all types of goods and products; (ii) accept and grant real guarantees or of any other type; and (iii) perform any type of act or activity, and grant any contract that its Manager or Management deems suitable to pursue its purpose or necessary to increase and manage its businesses, operations and equity in general.

The main registered address is at Sixth Avenue, eight-fourteen, Zone One, City of Guatemala, Department of Guatemala, Central America.

- Inmobiliaria y Desarrolladora Empresarial de América, Sociedad Anónima

The Company's corporate purpose shall include, but will not be limited to, the activities described below, which it may carry out within and outside of the Republic of Guatemala: a) invest in real estate properties that enable the diversification of activities on such properties, to which it may incorporate chattel assets and rights, construct, build, introduce any type of improvements and in general develop on such properties commercial, industrial, tourism, agricultural, services and livestock projects; b) acquire and sell, exploit and dispose of in any manner any type of chattel or fixed assets, companies of all types and economic units, either of its own or of third parties, including the exploitation, ownership, tenancy and possession of such assets as well as their disposal, encumbrance and commercialization, and give and take them in usufruct, use, lease, administration or any other form of disposal, free of charge or for consideration; c) organize, create, reorganize, participate in any manner in all types of legal entities, either for profit or not-for-profit, either from their incorporation and/or foundation or at any other time, either local or foreign, and may participate as founder, shareholder, partner, associate, member of any governance body of such legal entities and in any other manner; dissolve or liquidate any company or other partnership and legal entity in which it participates, and merge with or acquire the assets and business of any company, partnership or other type of legal entity of any class, and deliver the equity shares of such company in exchange for or in payment of the mergers it carries out; d) acquire by purchase, subscription, trade or any other means, free of charge or for consideration, shares and other securities and obligations of other companies, and exercise all rights and privileges of ownership over them; e) undertake, carry out, assist in, promote or become engaged in research and development work related to the commercialization, distribution and sale of goods; f) borrow or lend money for any of the Company's purposes, and draft, make, create, accept, endorse, intervene, trade, guarantee, grant and issue debt securities, recognition of debt, and other tradable or non-tradable debt instruments and guarantee such obligations or debt titles and/or securities with the Company's corporate signature, or otherwise by means of collateral and mortgage fully or partly owned by the Company; g) buy, redeem, or in any other manner acquire, maintain, sell or transfer its own capital shares of any type or class; h) request, register, buy, hold with possession, sell, trade, exploit and grant rights and/or use patents, patent requests, licenses, manufacturing procedures, factory markings, trademarks and other forms of industrial property; i) act, grant, enter into and participate in any type of acts, legal businesses, transactions or contracts, either civil, mercantile or of any other type, exercising rights and taking on obligations with no limitations other than those expressly established in the country's laws; j) act as producer, principal, agent, intermediary, distributor for the production, marketing, commercialization or industrialization of goods, securities and products; k) Carry out any activities on assets owned by third parties pursuant to any type of relationship, express or implied, civil, mercantile or of any other nature and to this effect it may create, incorporate or exploit any type of business or company; l) exercise all types of special or general powers of attorney granted by individuals or legal entities, national or foreign; m) participate in all types of mercantile contracts or relationships, establish and participate in any type of trust fund; n) provide warehousing, storage, packing, packaging services for merchandise and products in general, and it may also establish any commercial complex, factory, assembler, industrial facilities, outlets, branches or offices at any location of the national territory and abroad; ñ) build any type of real estate property and issue mortgage bonds, which may be traded with private or public, local or foreign financial entities, with or without domicile in the country; and o) carry out mercantile activities with goods of its own or of third parties under its administration for any reason. For the development of its corporate purpose, the Company may: (i) enter into all technical, commercial or industrial transactions directly or indirectly related to or derived from its corporate purpose, including, without limitation, purchases, sales, trades, manufacturing, import, export, and distribution of all types of goods and products; (ii) accept, grant and cancel real guarantees and encumbrances of any type; and (iii) perform any type of act, request or activity, and grant any contract that its Manager or Management deems suitable to pursue its purpose, or necessary to increase and manage its businesses, operations and equity in general.

The main registered address is at Sixth Avenue, eight-fourteen, Zone One, City of Guatemala, Department of Guatemala, Central America

- Credieegsa, Sociedad Anónima

The corporate purpose of the Company shall include the following activities: I) The promotion, development, management, direct or indirect intervention in for-profit, commercial, agricultural, tourism, or any other type of activities and operations, as long as they are legal, within or outside the Republic of Guatemala, as well as the import, export, storage and marketing of chattel assets or livestock, and provide all assistance necessary for their realization; II) Purchase, sell, lease, exchange, divide in lots, urbanize, promote and enter into any other contract or business related to real estate properties; III) Buy, sell or trade in any manner securities, shares, bonds, debentures, promissory notes, letters of exchange, letters of credit, or any other type of real estate securities, chattel assets and merchandise; IV) Create, sell, join or participate in businesses and companies, both national or foreign; V) Economic participation through the acquisition of debt, shares, securities, documents of any other type in companies, businesses, business establishments and enterprises; VI) Purchase, sell, lease and distribute all types of merchandise, services, products and other legally traded goods; VII) Make collections on its own account or for third parties and any other activities related to collections of commercial accounts; VIII) Enter into all types of commercial and civil contracts, and act as agent to fulfill its purposes; IX) Purchase, sell, exchange, or trade in any manner allowed by law, and if required, after obtaining the corresponding approval, of foreign currencies. In general, it may contract and take on obligations of any type with individuals and legal entities, private entities, governments, municipalities and other public entities; enter into and execute, without limitation, any type of instruments and contracts required to fulfill its purposes; engage in any associated, derived or related activities to those listed above, and any other legal activity that its management body decides to engage in.

The main registered address is at Sixth Avenue, eight-fourteen, Zone One, City of Guatemala, Department of Guatemala, Central America

- Gestión de Empresas Eléctricas, Sociedad Anónima

The corporate purpose of the Company includes: a) management and operation of any type of trade companies, either national or foreign, particularly those devoted to the service of final distribution, transportation and/or generation of electricity, within or outside of the national territory; b) provide advisory and consulting services of all types for the electricity distribution, generation and transportation industry, to national or foreign entities; c) undertake, carry out, assist in, promote or become engaged in research and development work related to the commercialization, generation, transportation, distribution and sale of electric power; d) represent national or foreign entities related to the electricity industry in general; e) acquire and sell, exploit and dispose of in any way any type of fixed or chattel assets, rights, companies of all types and economic units, either of its own or of third parties, including the exploitation, ownership, tenancy and possession of such assets, as well as their disposal, encumbrance and commercialization, and give and take them in usufruct, use, lease, administration or any other form of disposal, free of charge or for consideration; f) borrow or lend money for any of the Company's purposes, and draft, make, create, accept, endorse, intervene, commercialize, secure, grant and issue all types of securities, such as promissory notes, drafts, bills of exchange, bonds, recognition of debt, and other tradable or non-tradable debt instruments and guarantee them; g) in general, the Company may engage in any activity that is necessary or useful, directly or indirectly related to the listed activities. In this sense, the above list is merely illustrative and non-comprehensive in nature, and the Company may participate in all types of businesses, make all types of investments, participate in all types of companies, both national and foreign, with no limitations other than those established in applicable law.

The main registered address is at Sixth Avenue, eight-fourteen, Zone One, City of Guatemala, Department of Guatemala, Central America

- DECA II - Distribución Eléctrica Centroamericana II S.A.

The Company's corporate purpose shall include, but will not be limited to, the activities described below, which it may carry out within and outside of the Republic of Guatemala:
A) Distribute, purchase and commercialize electricity and energy sources, as well as their associated or related activities; B) Invest in real estate properties that enable the diversification of activities on such properties, to which it may incorporate chattel assets and rights, construct, build, introduce any type of improvements and in general develop in these properties commercial and service projects; C) Purchase and sell, exploit and dispose of in any way any type of chattel or fixed assets, rights, companies of all types and economic units, either of its own or of third parties, including the exploitation, ownership, tenancy and possession of such assets, as well as their disposal, encumbrance and commercialization, and give and take them in usufruct, use, lease, administration or any other form of disposal, free of charge or for consideration; D) Undertake, carry out, assist, promote and get involved in research and development work related to the commercialization, distribution and sale of goods and energy; E) Borrow or lend money for any of the Company's purposes, and draft, make, create, accept, endorse, intervene, trade, secure, exchange, grant and issue promissory notes, drafts, bills of exchange, bonds, recognition of debt, and other tradable or non-tradable debt instruments and guarantee the obligations or the debt titles or securities with the Company's corporate signature or otherwise by means of guarantee or mortgage fully or partly owned by the Company; F) Acquire by purchase, subscription, trade or any other means, free of charge or for consideration, shares and other securities and obligations of other companies, and exercise all the rights and privileges or ownership over them; G) Organize, create, reorganize, participate in any manner in all types of legal entities, either for profit or not-for-profit, either from their incorporation and/or foundation or at any other time, whether national or foreign, and may participate as founder, shareholder, partner, associate, member of any governance body of such legal entities and in any other manner; dissolve or liquidate any company or other partnership and legal entity in which it participates, and merge with or acquire the assets and business of any company, partnership or other type of legal entity of any class, and deliver the equity shares of this company in exchange or as payment for the functions it performs; H) Buy, redeem or otherwise acquire, sell and transfer its own equity shares of any type or class; I) Request, register, buy, hold in possession, sell, exchange, exploit and grant rights to use patents, patent requests, licenses, manufacturing procedures, factory markings, trademarks and other forms of industrial property; J) Act, grant, enter into and participate in any type of acts, legal businesses, transactions or contracts, either civil, mercantile or of any other type, exercising rights and taking on obligations with no limitations other than those expressly established in the country's laws;
K) Act as producer, principal, agent, intermediary, distributor for the production, marketing, commercialization or industrialization of goods, securities and products in the performance of its activities; L) Carry out any activities on assets owned by third parties pursuant to any type of relationship, express or implied, civil, mercantile or of any other nature, and to this effect it may create, incorporate or exploit any type of entities;
M) Exercise all types of special or general powers of attorney granted by individuals or legal entities, national or foreign; N) Participate in all types of mercantile contracts or relationships, including, without limitation, all types of third-party manufacturing services, as well as establish and participate in any type of trust fund; Ñ) Establish advertising and marketing or promotion agencies for its own products, services or projects or otherwise contract the services from third parties; O) Grant loans and credits on its own account in accordance with civil and mercantile law, but without being able to act as an institution supervised by the Banking Superintendence, given that the spirit for the performance of its activities is to act freely with no other limitations that those set out in the country's ordinary laws; P) Provide warehousing, storage, packing, packaging services for merchandise and products in general, and it may also establish any commercial complex, factory, assembler, industrial facilities, outlets, branches or offices at any location of the national territory and abroad; Q) Build any type of real estate property and issue

mortgage bonds, which may be traded with private or government financial entities, whether or not with domicile in the country; R) Carry out mercantile activities with goods of its own or of third parties under its administration for any reason; S) Engage in activities of the telecommunications industry, both directly or through satellites, and participate in telecommunications projects, such as telephone, radio communications and any other means of communications, and

T) Develop and participate in information technology and data processing activities, as well as provide such services to third parties. In developing its corporate purpose, the Company may: i) enter into all technical, commercial or industrial transactions directly or indirectly related to or derived from its corporate purpose, including, without limitation, purchases, sales, trades, manufacturing, import, export, exploitation and distribution of all types of goods and products; ii) accept and grant real guarantees or of any other type; and iii) perform any activity or grant any contract that its Manager or Management deems suitable to pursue its purpose, or necessary to increase and manage its businesses, operations and equity in general.

The main registered address is at Sixth Avenue, eight-fourteen, Zone One, City of Guatemala, Department of Guatemala, Central America

- DISTRIBUIDORA DE ELECTRICIDAD DEL SUR, SOCIEDAD ANONIMA DE CAPITAL VARIABLE, or DISTRIBUIDORA DE ELECTRICIDAD DEL SUR, S.A. DE .CV. or DELSUR, S.A. DE C.V.

a) The transformation, distribution and supply of all types of energy, acquired from government or private plants or any other individual or entity that produces it; b) Provide public lighting and electricity public utilities, based on concessions granted by the government; c) Exploit the electricity industry in terms of the distribution and trade of its services, supplies and products. The Company may also engage in any type of business other than those related to the electricity sector, and may allocate the Company's capital to any other legal activity in which it has interest.

The main registered address is at Department of La Libertad, Municipality of Santa Tecla, El Salvador.

- INNOVA TECNOLOGIA Y NEGOCIOS, SOCIEDAD ANONIMA DE CAPITAL VARIABLE, or INNOVA TECNOLOGIA Y NEGOCIOS, S.A. DE C.V., or INNOVATE, S.A. DE C.V.

Engage in trade and industry in general, and in all types of acts and transactions allowed by law, in general, the exploitation of trade, industry, agriculture, tourism and services in all their branches and activities, and perform all types of legal acts or activities allowed by law.

The main registered address is in the Department and Municipality of San Salvador, El Salvador.

- ELEKTRA NORESTE, S.A.

The general purposes of the Company consist in performing any of the activities described below, in the same manner as they would be performed by individuals or legal entities in any place of the world, namely: a) Arrange, organize, carry out and promote the purchase of electricity in blocks; manage the transportation of electricity through distribution networks, transform the associated voltage, deliver electricity to customers, and measure, read, invoice and charge for the delivered electricity. b) Install, operate and maintain the public lighting in the concession area, according to the lighting levels and criteria established by the Public Utilities Regulator. c) Borrow and lend and issue bonds, promissory notes, letters of exchange, debentures and other debt obligations, securities and certificates, secured or non-secured, for money taken in loan or in payments for real or personal goods purchased or acquired for services provided or any other legal purpose; mortgage or encumber all or any part of its assets, rights, shares, easements and franchises, including assets or rights subsequently acquired, and any or all shares, bonds, debentures, or other debt securities, obligations and certificates that it may own or hold at any time. d) Enter into, draft, fulfill and perform all types of contracts for any legal purpose; enter into any arrangement with any government or authority, either municipal, local or of other type, and obtain from such governments or authorities any rights, privileges and concessions that the Company wishes to obtain, for itself or in representation of third parties, and perform and execute any such arrangements, rights, privileges and concessions. e) Perform any of the above activities and obtain and exercise all or any of the above powers in any part of the world, either as principal, agent, broker, factor, trader, representative, contractor or in any other capacity, on its own account or in partnership with others, and either through agents or other means; and perform any other activities that may be involved in or conducive towards the achievement of any or all of the above purposes. It is noted for the record that the intention of the organizers of the Company is that any of the purposes described in any part of this Article shall not be limited or restricted by reference or any of the other paragraphs, and that in the event of any ambiguity, such Article shall be interpreted in a manner that expands and does not restrict the purposes of the Company. The Company shall additionally have all the powers established in Article nineteen (19) of Law thirty-two (32) of nineteen-twenty-seven (1927) of the Republic of Panama, as well as any other powers that may be granted to this company or to companies in general through any other laws.

The main registered address is in Panama, Republic of Panama (Edificio corporativo ENSA, Urbanización Santa María Business District, Corregimiento de Juan Díaz, Provincia de Panamá)

- ENSA SERVICIOS, S.A.

The provision of technical, commercial and any other supplementary services to the provision of electricity services, without limitation for other similar, associated and/or compatible services that represent an added value for the described activities. The Company may also create, establish and/or perform any type of legal business, operation, activity and/or transaction of any type, in the same manner that would be done by other individuals or legal entities in the Republic of Panama or anywhere else in the world, either of a commercial, industrial or any other nature, that are related to the energy sector, including, without limitation, buy, sell, dispose of, transfer, exchange, manage, finance, trade, hold, assign, borrow or lend, mortgage, lease, secure, use, lend to usufruct or antichresis, any type of goods, which may be fixed or chattel assets, rights or shares, and enter into and perform all acts, contracts, operations, deals and transactions not prohibited by the Law of Joint Stock Companies.

The main registered address is in Panama, Republic of Panama (Edificio corporativo ENSA, Urbanización Santa María Business District, Corregimiento de Juan Díaz, Provincia de Panamá)

- HIDROECOLÓGICA DEL TERIBE, S.A.

The main corporate purpose of the Company is to provide water and sewage, electricity generation, distribution and commercialization and telecommunications public utilities in the Republic of Panama, as well as any supplementary or associated activities to said public utilities.
Acts directly related to the corporate purpose and those whose purpose is to exercise the rights or fulfill the obligations legally or conventionally derived from the existence and activity of the Company, shall be understood to be included in the corporate purpose. The Company may also establish, manage, realize and perform any other legal business allowed by the laws of the Republic of Panama. In addition to the purposes contained in this section, the Company shall also have all the powers defined in Article 19 of Law 32/February 26, 1927.

The main registered address is in Panama, Republic of Panama (Edificio corporativo ENSA, Urbanización Santa María Business District, Corregimiento de Juan Díaz, Provincia de Panamá)

- Empresa de Aguas del Oriente Antioqueño S.A. E.S.P.

The corporate purpose of the Company is to provide water and sewage residential public utilities, as well as the ancillary activities to such services. In developing its corporate purpose, it may also make capital investments in other public utilities companies, and offer security to guarantee their obligations, in proportion to the equity interest it holds therein. In developing its corporate purpose, it may operate in any part of the country or abroad. Acts directly related to the corporate purpose and those whose purpose is to exercise the rights or fulfill the obligations legally or conventionally derived from the existence and activity of the Company, shall also be understood to be included in the corporate purpose. The Company shall not participate as partner in general partnerships.

The main registered address is at El Retiro (Antioquia), Colombia

- Aguas Regionales EPM S.A. E.S.P.

The corporate purpose of the Company is to provide water, sewage, and waste collection residential public utilities, as well as the ancillary activities to such services, and waste treatment and disposal. In developing its corporate purpose, the Company may hold equity interests in other companies or other entities that provide similar services, and offer security to guarantee their obligations, in proportion to the equity interest it holds therein. Acts directly related to the corporate purpose and those whose purpose is to exercise the rights or fulfill the obligations legally or conventionally derived from the existence and activity of the Company, shall be understood to be included in the corporate purpose. The Company shall not participate as partner in general partnerships.

The main registered address is at Apartadó, Colombia

- Aguas Nacionales EPM S.A E.S.P.

The corporate purpose of the Company is to provide water, sewage and waste collection residential public utilities, and waste treatment and disposal, as well as supplementary activities and engineering services directly related to each of the above public utility services.
In developing its corporate purpose, the Company may engage in the following activities, among others, provided as an illustrative but non-exhaustive list:
1. Design, construction, contract supervision, advisory, administration and operation of interceptors, treatment plants, networks and engineering works related to the transportation and treatment of drinking water and wastewater. 2. Urban and environmental renovation and improvement of neighborhoods in the areas of influence of its works.
3. Contract loans and financing mechanisms, as well as offer any necessary guarantees. 4. Acquisition of chattel or fixed assets. 5. Operate in any part of the country, as a Regional company defined by the national government, or abroad. Acts directly related to the corporate purpose and those whose purpose is to exercise the rights or fulfill the obligations legally or conventionally derived from the existence and activity of the Company, shall also be understood to be included in the corporate purpose. It may also guarantee the obligations of companies or entities in which it has invested, in proportion to its share of equity interest in them. For the fulfillment of its corporate purpose, the Company may enter into all types of contracts or partnerships with other individuals or legal entities, national or foreign, enter into strategic alliances or business collaboration contracts or agreements.

LIMITATIONS, PROHIBITIONS AND AUTHORIZATIONS ESTABLISHED IN THE BYLAWS. PROHIBITIONS
Prohibitions for the Company. The Company shall not participate as partner in general partnerships. The functions of the Board of Directors include:

- Authorize the registered agent to acquire and dispose of any concession, privilege, patent, brand, trade name, or any other rights on intangible assets.
- Authorize the formalization of commercial contracts and agreements related to the public utilities it provides with national and international entities, and enter into contracts for strategic partnerships, which may or may not involve the creation of a new legal entity.
- Authorize the CEO to enter into or execute any acts included in the corporate purpose or that are directly related to the existence and operation of the Company, whenever its amount is greater than the equivalent of one thousand (1,000) monthly minimum wages.

The main registered address is in Medellín, Antioquia, Carrera 58 No. 42 -125 Piso 9

- Aguas de Malambo S.A. E.S.P

The Company's purpose is the provision of water, sewage and waste collection residential public utilities and the supplementary activities provided for in Law 142/1994 and any provisions that amend or replace it. The Company may enter into and execute any contracts necessary to integrate and operate the existing public utilities in its area of operations. In developing its corporate purpose, the Company may hold equity interests in other companies or other entities that provide similar services, and offer security to guarantee their obligations, in proportion to the equity interest it holds therein. Acts directly related to the corporate purpose and those whose purpose is to exercise the rights or fulfill the obligations legally or conventionally derived from the existence and activity of the Company, shall be understood to be included in the corporate purpose. The Company shall not participate as partner in general partnerships.

The main registered address is at Malambo - Atlántico

- Tecnología Intercontinental, S.A.P.I. de C.V. TICSA

It engages in the study, development, promotion and performance of industrial projects; the design, manufacturing, assembly and installation of machinery; the development of technology, including commercialization, commercial representation and trading in general. Construction of works for the treatment, distribution and supply of water and drainage.
1.- The planning, construction, development, promotion, equipment, start-up, operation, conservation and maintenance of plants and projects related to drinking water, sewage, wastewater treatment, wells and ancillary works, as well as operations, studies and services in all branches and disciplines related to the above. 2.- Participate in all types of bidding processes, requests for offers, auctions and direct award processes, buy all or part of the share capital of companies related to the infrastructure projects mentioned in the previous item, as well as process, industrialize and commercialize the various byproducts generated by projects of this type, that are not subject to the provisions of Articles 5 and 6 of the Foreign Investment Law. 3.- Sign and perform any type of contracts or agreements with public or private individuals and legal entities, as well as with municipal, state or federal authorities, with the objective of obtaining concessions, authorizations or permits of any type, as well as obtaining and using concessions and authorizations in general, granted by any type of authority. 4.- Provision and/or direct or indirect contracting, on its own account or through third parties, of all types of consulting and services directly or indirectly related to the activities performed or involving the Company, and all other similar and/or associated activities. It may also perform any other activities that may be directly or indirectly necessary to perform such activities. 5.- Promote, incorporate, organize, exploit, acquire and take equity interests in all types of trade or civil companies or partnerships, either industrial, commercial, of services or of any other nature, both national and foreign, as well as participate in their administration or liquidation. 6.- Buy, sell, dispose of, encumber and in general trade in any way in shares, parts of ownership, units, rights and stakes of interest in trade, civil or any other type of legal entity, national or foreign; as well as acquire its own shares in the terms of applicable legislation 7.- Receive from other companies and individuals, as well as provide to other companies or individuals, any service that may be necessary to achieve its objectives or corporate purposes, such as, among others, administrative services, financial, treasury, auditing and marketing services, preparation of balance sheets and budgets, drafting of programs and manuals, analysis of operating results, assessment of information on productivity and possible financing, preparation of studies on capital availability, technical assistance, advisory or consulting. 8.- Obtain, acquire, develop, commercialize, improve, use, grant and receive licenses, or dispose of by any legal means all types of patents, brands, invention certificates, trade names, utility models, industrial designs, industrial secrets and any other industrial property rights, as well as copyrights, options and preferences on such rights, both in the United Mexican States and abroad. 9.- Obtain all types of loans or credits, issue obligations, bonds, commercial papers, securities certificates and any other debt security or equivalent instrument, with or without granting specific real guarantees by means of pledge, mortgage, trust fund or any other legal instrument; as well as grant any type of financing or loans to trade or civil companies, entities or institutions with which the Company does business or in which it holds equity interests, with or without granting specific real or personal guarantees 11.- Sign, issue, draft and endorse all types of loan securities, as well as accept and transfer them. 12.- Perform, supervise or contract, on its own account or through third parties, all types of constructions, buildings or facilities for offices or establishments. 13.- Carry out, on its own

account or through third parties, training and development programs, as well as research work. 14.- Act as broker, agent or representative of any individual or company involved in industrial, administrative or commercial activities allowed by the laws of the United Mexican States. 15.- Give or take in lease or under lend-to-use arrangements; acquire, hold, exchange, sell, transfer, dispose of or encumber the ownership or possession of all types of chattel or fixed assets, as well as other real or personal rights thereof, that may be necessary or convenient for its corporate purpose or for the operations or corporate purposes of trade or civil companies, partnerships and institutions in which the Company has any interest or shares of any type 16.- In general, enter into and perform all associated, related or incidental acts, contracts and operations that may be necessary or convenient to achieve the above corporate purposes.

The main registered address is at Avenida Félix Cuevas # 6, Piso 4, Col. Tlacoquemécatl del Valle, Alcaldía Benito Juárez, C.P. 03200, Ciudad de México, México.

- AquaSol Morelia

Specific-purpose company to operate a municipal WWTP. Water catchment, treatment and supply for uses other than for households.
A. The operation, conservation and maintenance of the aforementioned emissions and plant, as well as the removal and final disposal of the solid waste and sludge generated by the plant. B. Process, industrialize and commercialize the various byproducts generated during the treatment plant process.
C. Develop drinking water projects and drinking water processing plants. D. Participate on its own account or through or with third parties, in all types of public or private bidding processes, requests for offers and auctions, and enter into all types of contracts and agreements with individuals and legal entities, public or private, municipal, state or federal authorities, with the purpose of obtaining concessions, authorizations, permits, etc., of any type, as well as obtaining and using concessions and authorizations in general, granted by any type of authority. E. Prepare project drafts and executive briefs of wastewater drainage, collection, emissions and treatment plants. F. Provide and/or contract, directly or indirectly, on its own account or through third parties, all types of advisory and services directly or indirectly related to the activities performed by or involving the Company, and all other similar or associated activities, as well as any other activities that are directly or indirectly necessary to perform such activities. G. Design, build, remodel, buy or sell, manage, use, exchange, mortgage, contribute to, establish trust funds, and carry out all types of transactions and similar legal acts with chattel or fixed assets, including the right to encumber them, built or unbuilt, as well as receive and/or give under lend-to-use agreements any type of chattel or fixed assets. H. Receive or grant credits or loans with or without real or personal guarantees; draft, accept, endorse, certify and/or issue all types of debt securities, including obligations with no specific guarantee, pursuant to law, as well as request, obtain and issue collateral of any type, request and obtain insurance, grant security and discount debt securities and invoices, and grant and/or receive guarantees on obligations of third parties, acquire or sell equity securities with individuals or legal entities to enable it to better carry out its activities. I. Receive as sunk costs federal, state and municipal funds. J. Acquire, hold, issue, offer and dispose of, directly or indirectly, all types of debt securities and obligations, on its own account or through third parties, including, for illustration purposes, in or through securities exchanges or other types of markets, either in the United Mexican States or abroad, without being subject to the provisions of Article 4 of the Securities Market Law. K. Subscribe, acquire, hold, sell, dispose of, receive and give in deposit of any type, all types of bonds, shares, debt securities, equity interests and securities and in general perform all types of transactions with them. L. In the terms of Article 3 of the Law of Electricity Public Utilities, the Company may: I. Generate electricity for self-supply, cogeneration or small production, II. Generate electricity by independent producers for sale to the CFE, III. Generate electricity by cogeneration, independent production and small production for export, IV. Importing of electricity by individuals or legal entities exclusively to cover their own use, and V. The generation of electricity to cover emergencies derived from interruptions in the electricity public utilities.

The main registered address is at Avenida Francisco I. Madero Oriente, # 11,995, Atapaneo, Morelia, C.P. 58300, Michoacan, Mexico.

- Ecosistemas de Colima

Provide services, maintenance and administration to plants (WWTP) of the government sector.

A. Prepare an executive summary of a project for a wastewater treatment plant with average design capacity of 800 lps; build, equip and start up the operation of said plant; the operation, conservation and maintenance of the plant, which covers a one-year period for construction, testing and start-up of operations, and nineteen years for the operation, conservation and maintenance of the plant for the municipalities of Colima and Villa de Álvarez, in the State of Colima. B. The operation, conservation and maintenance of said plant, as well as the removal and final disposal of the solid waste and sludge generated by the plant. C. Process, industrialize and commercialize the various byproducts generated during the plant's treatment process. D. Develop drinking water projects and drinking water processing plants. E. Participate on its own account, or with or through third parties, in all types of public or private bidding processes, requests for offers and auctions and enter into all types of contracts and agreements with individuals and legal entities, public or private, municipal, state and federal authorities, with the objective of obtaining concessions, authorizations or permits of any type as well as obtaining and using concessions and authorizations in general, granted by any type of authority. F. Prepare drafts and executive summaries of projects for wastewater drainage, collection, emissions and treatment plants. G. Provide and/or contract, directly or indirectly, on its own account or with third parties, all types of advisory and services directly or indirectly related to the activities performed by or involving the Company and all other similar or associated activities. As well as any other activities that are directly or indirectly necessary to perform such activities. H. Design, build, remodel, buy or sell, manage, use, exchange, mortgage, contribute to, establish trust funds, and carry out all types of transactions and similar legal acts with chattel or fixed assets, including the right to encumber them, built or unbuilt, as well as receive and/or give under lend-to-use agreements any type of chattel or fixed assets. I. Receive or grant credits or loans, with or without personal or real guarantees; draft, accept, endorse, certify and/or issue all types of debt securities, including obligations with no specific collateral, pursuant to law, as well as request, obtain and issue collateral of any type, request and obtain insurance, offer guarantees and discount debt securities and invoices, and grant and/or receive guarantees on obligations of third parties, buy or sell equity securities with individuals or legal entities to enable it to better carry out its activities. J. Receive as "sunk costs" federal, state and municipal funds. K. Acquire, hold, issue and dispose of, directly or indirectly, all types of debt securities and obligations, on its own account or through third parties, including, for illustration purposes, in or through securities exchanges or other types of markets, either in the United Mexican States or abroad, without being subject to the provisions of Article 4 of the Securities Market Law L. Subscribe acquire, hold, sell, dispose of, receive and give in deposit of any type, all types of bonds, shares, debt securities, equity interests and securities, and in general perform all types of transactions with them. M. In the terms of Article 3 of the Law of Electricity Public Utilities, the Company may: I. Generate electricity for self-supply, cogeneration or small production, II. Generate electricity by independent producers for sale to the CFE, III. Generate electricity by cogeneration, independent production and small production for export, IV. Importing of electricity by individuals or legal entities exclusively to cover their own use, and V. The generation of electricity to cover emergencies derived from interruptions in the electricity public utilities.

The main registered address is at Libramiento a los Limones Km 2, S/N, Loma de Juárez, Colima, C.P. 28,640, Colima, Mexico.

- Desarrollos Hidráulicos de Tam, S.A. de C.V.

Provide services, maintenance and administration to plants (WWTP) of the government sector.

A. Develop projects to build, equip and expand water supply systems and sewage services, as well as works for wastewater collection, drainage and treatment and all types of solid wastes, including performance, supervision and contracting on its own account or through third parties of all types of projects, constructions, buildings, facilities, structures, and in general any other infrastructure works that may be required. B. Commercialization and sale of treated wastewater and other byproducts of the wastewater treatment process. C. Obtain the concessions, permits or authorization required to fulfill its corporate purpose before all types of government entities. D. Enter

into all types of contracts and agreements with the federal government and/or local governments, or with public or private entities, individuals or legal entities, national or foreign. E. The acquisition, disposal, lease, sublease, lend-to-use or any other form of use, exploit, disposal or in general exploitation of all types of chattel or fixed assets, including parts and accessories. F. The incorporation, management and in general the acquisition of companies and entities, as well as the establishment of branches, offices and/or agencies in the Mexican Republic or abroad.
G. Provide or receive all types of assistance or technical or professional services. H. Register, buy, lease, assign, renew or verify the use and exploit of brands, patents, invention certificates, trade names, industrial drawings, commercial signs, model registrations, copyrights, inventions and processes. I. Acquire, dispose of and in general trade all types of shares, social arts and any securities allowed by Law. J. Issue, subscribe, accept, endorse or guarantee any securities allowed by law. K. Obtain and grant loans, secured or unsecured. L. Provide guarantees of any type for the obligations taken on by the Company, or by third party individuals or legal entities. M. Enter into all types of contracts and agreements, as well as perform any acts or transactions that may be necessary to fulfill its purposes.

The main registered address is at Miguel Hidalgo, #200 Oriente, Revolución Verde, Ciudad Madero, C.P. 89518, Tamaulipas, Mexico.

- Ecosistema de Celaya

Provide services, maintenance and administration to plants (WWTP) of the government sector. 1. Build, equip, start-up, operate and maintain a Wastewater Treatment System, as well as perform ancillary works under the modality of total recoverable private investment. 2. The operation, conservation and maintenance of the plant operated by this Company, as well as the removal and final disposal of the solid waste and sludge generated by the plant. 3. Process, industrialize and commercialize the various byproducts generated during the treatment plant process. 4. Develop drinking water projects and drinking water processing plants. 5. Prepare project drafts and executive briefs of wastewater drainage, collection, emissions and treatment plants. 6. Design, build, remodel, buy or sell, manage, use, exchange, mortgage, contribute to, establish trust funds, and carry out all types of transactions and similar legal acts with chattel or fixed assets, including the right to encumber them, built or unbuilt, as well as receive and/or give under lend-to-use arrangements any type of chattel or fixed assets. 7. Receive as "sunk costs" federal, state and municipal funds. 8. Perform all types of activities related to industrial processes in general. 9. Promote, advertise and design special events for the development of the corporate purpose. 10. Acquire and assign in ownership and/or lease and/or sublease, hold, build and manage all types of fixed or chattel assets, free of charge or for consideration, as well as exercise real rights over them. 11. Establish offices, warehouses, workshops, branches, agencies and/or any other facilities that may be required within or outside of the Mexican Republic. 12. The acquisition by any legal means of the chattels, equipment, machinery, devices, elements, tools, parts, remodeling and/or accessories necessary, as well as the construction, installation and/or conservation of buildings, offices, sales centers, stores, warehouses, workshops, yards and properties that may be convenient and/or necessary, within or outside of the Mexican Republic. 13. Asset or liability contracting of all types of services, enter into contracts and agreements, as well as acquire and/or commercially exploit securities, patents, franchises, agencies, industrial markings, trade names, options, inventions and/or preferences, copyrights and obtain and/or exploit authorizations, licenses and/or concessions, either of federal, state and municipal governments and/or private entities. 14. Acquire, accept and/or grant all types of representations, mercantile brokerage commissions and mandates of individuals or legal entities, acting in its own name or on behalf of the represented, principal or mandating party. 15. Enter into any type of contracts or agreements of a fiscal and/or trade nature, and in general engage in any type of business, exercising all the powers granted by Mexican law. 16. Enter into all types of credit transactions allowed by law; buy, sell, invest and/or receive, by any means, shares, equity stakes, bonds and/or securities of any class and perform all types of transactions with them. 17. Buy, sell, mortgage, assign, encumber, pledge, assign, manage, lease and trade chattel and fixed assets. 18. Grant any type of guarantees and/or collateral for loans, obligations and/or debt securities on its own account or for third parties. 19. Receive from other Mexican or foreign companies, and/or provide to companies in which it holds equity interests or to other companies, advisory, consulting and technical services, design and calculation of civil works, and commercial, industrial and private services of any type in any field. 20. Engage in all types of commercial acts, including, among other activities, the purchase and/or sale, import and/or export of all types of items, materials and/or merchandise related to the corporate purpose. 21. Contract the personnel required to fulfill the corporate purpose and delegate in one or more persons the fulfillment of mandates, brokerage commissions, services and other activities related to its purpose. In general, enter into all types of acts, transactions, agreements, contracts and/or securities, either of civil, mercantile or credit nature, that are directly or indirectly related to the above corporate purposes and any others that the Extraordinary General Meeting may decide to add.

The main registered address is at S/N, Celaya, C.P. 38000, Guajanajuato, Mexico.

- EcoAgua de Torreón

Provide services, maintenance and administration to plants (WWTP) of the government sector.

a) Build, install, exploit, use, manage, maintain and in any other way operate plants dedicated to wastewater treatment or water sanitation, as well as perform and contract all types of public or private works with federal, state or municipal governments or private parties, in connection with any of the above works, as well as bodies that receive discharges of wastewater and in general and particular, perform all the above acts and activities with the body named "Sistema Municipal de Aguas and Saneamiento de Torreón, Coahuila," (SIMAS, Torreón). b) Hold concessions, licenses or permits issued by the federal, state or municipal governments that may be required to perform the activities mentioned in subsection a), and in particular, enter into any contracts that may be required with the body named "Sistema Municipal de Aguas and Saneamiento de Torreón, Coahuila", in connection with the activities of a municipal wastewater treatment plant with capacity of 1,900 lps, which will be located in the city of Torreón, Coahuila; which will be donated to said body after the expiration of the term of the services defined in the Contract to be signed between this trade company and the aforementioned body. c) Build, buy, sell, lease, sublease, hold, encumber, mortgage and manage plants, buildings, workshops and warehouses, as well as all types of machinery, equipment and any other chattel or fixed assets of national or foreign origin directly or indirectly related to the activities mentioned in subsections a) and b) above. d) Obtain, acquire, use or dispose of all types of patents, brands, invention certificates, designations of origin, trade names and signs, industrial designs, utility models, copyrights, options, preferences and rights thereof, either in Mexico or abroad. e) Obtain all types of loans or credits, secured or unsecured, and grant loans to civil companies, entities and institutions with which the Company has business relations. f) Grant all types of guarantees and pledges on obligations or debt securities of its own or of companies, partnerships or institutions in which the Company has interest or equity shares, as well as obligations or debt securities on the account of other companies or individuals with which the Company has business relations, and receive such guarantees. g) Subscribe, accept, secure and endorse all types of debt securities. h) Buy, sell, offer as collateral, and in general trade in any other manner allowed by law, in all types of chattel assets and debt securities. i) Act as broker, agent, intermediary, distributor or dealer and accept to perform all types of representations for the activities described in subsections a) and j). In general, enter into and perform all associated, related or incidental acts, contracts and operations that may be necessary or convenient to achieve the above corporate purposes.

The main registered address is at Avenida Félix Cuevas # 6, Piso 4, Col. Tlacoquemécatl del Valle, Alcaldía Benito Juárez, C.P. 03200, Ciudad de México, México.

- Ecosistema de Ciudad de Lerdo

Provide services, maintenance and administration to plants (WWTP) of the government sector. 1. Build, equip, start-up, operate and maintain for 20 years a wastewater treatment system with capacity of 200 lps, in the city of Lerdo, Durango, as well as perform ancillary works under the modality of total recoverable private investment. 2. The operation, conservation and maintenance of said plant, as well as the removal and final disposal of the solid waste and sludge generated by the plant. 3. Process, industrialize and commercialize the various byproducts generated during the treatment plant process. 4. Develop drinking water projects and drinking water processing plants. 5. Prepare project drafts and executive briefs of wastewater drainage, collection, emissions and treatment plants. 6. Design, build, remodel, buy or sell, manage, use, exchange, mortgage, contribute to, establish trust funds, and carry out all types of transactions and similar legal acts with chattel or fixed assets, including the right to encumber them, built or unbuilt, as well as receive and/or give under lend-to-use agreements any type of chattel or fixed assets. 7. Receive as "sunk costs" federal, state and municipal funds. 8. Perform all types of activities related to industrial processes in general. 9. Promote, advertise and design special events for the development of the corporate purpose. 10. Acquire and assign in ownership and/or lease and/or sublease, hold, build and manage all types of fixed or chattel assets, free of charge or for consideration, as well as exercise real rights over them. 11. Establish offices, warehouses, workshops, branches, agencies and/or any other facilities that may be required within or outside of the Mexican Republic. 12. The acquisition by any legal means of the chattels, equipment, machinery, devices, elements, tools, parts, remodeling and/or accessories necessary, as well as the construction, installation and/or conservation of buildings, offices, sales centers, stores, warehouses, workshops, yards and properties that may be convenient and/or necessary, within or outside of the Mexican Republic. 13. Asset or liability contracting of all types of services, enter into contracts and agreements, as well as acquire and/or commercially exploit securities, patents, franchises, agencies, industrial markings, trade names, options, inventions and/or preferences, copyrights and obtain and/or exploit authorizations, licenses and/or concessions, either of federal, state and municipal governments and/or private entities. 14. Acquire, accept and/or grant all types of representations, mercantile brokerage commissions and mandates of individuals or legal entities, acting in its own name or on behalf of the represented, principal or mandating party. 15. Enter into any type of contracts or agreements of a fiscal and/or trade nature, and in general engage in any type of business, exercising all the powers granted by Mexican law. 16. Enter into all types of credit transactions allowed by law; buy, sell, invest and/or receive, by any means, shares, equity stakes, bonds and/or securities of any class and perform all types of transactions with them. 17. Buy, sell, mortgage, transfer, encumber, pledge, assign, manage, lease and trade chattel and fixed assets. 18. Issue, publish, draft, sign, endorse, grant, accept, discount, approve, guarantee and/or trade any debt security, including secured and non-secured loans and mortgage bonds. 19. Obtain all types of loans or credits, with or without specific guarantees, and/or grant loans to trade or civil companies in which it has interest or shareholdings, or to third parties. 20. Grant any type of guarantees and/or collateral for loans, obligations and/or debt securities on its own account or for third parties. 21. Receive from other Mexican or foreign companies, and/or provide to companies in which it holds equity interests or to other companies, advisory, consulting and technical services, design and calculation of civil works, and commercial, industrial and private services of any type in any field. 22. Engage in all types of commercial acts, including, among other activities, the purchase and/or sale, import and/or export of all types of items, materials and/or merchandise related to the corporate purpose. 23. Contract the personnel required to fulfill the corporate purpose and delegate in one or more persons the fulfillment of mandates, brokerage commissions, services and other activities related to its purpose. In general, enter into all types of acts, transactions, agreements, contracts and/or securities, either of civil, mercantile or credit nature, that are directly or indirectly related to the above corporate purposes and any others that the Extraordinary General Meeting may decide to add.

The main registered address is at WWTP Km 2, S/N, San Isidro, Lerdo, C.P. 35191, Durango, Mexico

- Ecosistema de Tuxtla

Provide services, maintenance and administration to plants (WWTP) of the government sector. 1. Build, equip, start-up, operate and maintain a Wastewater Treatment System, as well as perform ancillary works under the modality of total recoverable private investment. 2. The operation, conservation and maintenance of the plant operated by this Company, as well as the removal and final disposal of the solid waste and sludge generated by the plant. 3. Process, industrialize and commercialize the various byproducts generated during the treatment plant process. 4. Develop drinking water projects and drinking water processing plants. 5. Prepare project drafts and executive briefs of wastewater drainage, collection, emissions and treatment plants. 6. Design, build, remodel, buy or sell, manage, use, exchange, mortgage, contribute to, establish trust funds, and carry out all types of transactions and similar legal acts with chattel or fixed assets, including the right to encumber them, built or unbuilt, as well as receive and/or give under lend-to-use arrangements any type of chattel or fixed assets. 7. Receive as "sunk costs" federal, state and municipal funds. 8. Perform all types of activities related to industrial processes in general. 9. Promote, advertise and design special events for the development of the corporate purpose. 10. Acquire and assign in ownership and/or lease and/or sublease, hold, build and manage all types of fixed or chattel assets, free of charge or for consideration, as well as exercise real rights over them. 11. Establish offices, warehouses, workshops, branches, offices, agencies and/or any other facilities that may be required within or outside of the Mexican Republic. 12. The acquisition by any legal means of the chattels, equipment, machinery, devices, elements, tools, parts, remodeling and/or accessories necessary, as well as the construction, installation and/or conservation of buildings, offices, sales centers, stores, warehouses, workshops, yards and properties that may be convenient and/or necessary, within or outside of the Mexican Republic. 13. Asset or liability contracting of all types of services, enter into contracts and agreements, as well as acquire and/or commercially exploit securities, patents, franchises, agencies, industrial markings, trade names, options, inventions and/or preferences, copyrights and obtain and/or exploit authorizations, licenses and/or concessions, either of federal, state and municipal governments and/or private entities. 14. Acquire, accept and/or grant all types of representations, mercantile brokerage commissions and mandates of individuals or legal entities, acting in its own name or on behalf of the represented, principal or mandating party. 15. Enter into any type of contracts or agreements of fiscal and/or trade nature, and in general engage in any type of business, exercising all the powers granted by Mexican law. 16. Enter into all types of credit transactions allowed by law; buy, sell, invest and/or receive, by any means, shares, equity stakes, bonds and/or securities of any class and perform all types of transactions with them. 17. Buy, sell, mortgage, assign, encumber, pledge, assign, manage, lease and trade chattel and fixed assets. 18. Issue, publish, draft, sign, endorse, grant, accept, discount, approve, guarantee and/or trade any debt security, including secured and non-secured loans and mortgage bonds. 19. Obtain all types of loans or credits, with or without specific guarantees, and/or grant loans to trade or civil companies in which it has interest or shareholdings, or to third parties. 20. Grant any type of guarantees and/or collateral for loans, obligations and/or debt securities on its own account or for third parties. 21. Receive from other Mexican or foreign companies, and/or provide to companies in which it holds equity interests or to other companies, advisory, consulting and technical services, design and calculation of civil works, and commercial, industrial and private services of any type in any field. 22. Engage in all types of commercial acts, including, among other activities, the purchase and/or sale, import and/or export of all types of items, materials and/or merchandise related to the corporate purpose. 23. Contract the personnel required to fulfill the corporate purpose and delegate in one or more persons the fulfillment of mandates, brokerage commissions, services and other activities related to its purpose. In general, enter into all types of acts, transactions, agreements, contracts and/or securities, either of civil, mercantile or credit nature, that are directly or indirectly related to the above corporate purposes and any others that the Extraordinary General Meeting may decide to add.

The main registered address is at Carretera Chicoasen, S/N, Rincon de los Lagos, Tuxtla Gutierrez, C.P. 29020, Chiapas, Mexico.

- Corporate Engineering Projects

Administrative management or support services. 1. Provision of design, general engineering and/or construction services. 2. Enter into partnerships with professionals or professional services companies in the field of engineering, based in the Mexican Republic or abroad, to act as representatives or correspondents. 3. Provide professional and technical services for the operation, management, direction and performance of all activities in general required to perform the activities of any trade, industrial or services company, in the capacity of individual or legal entity. 4. Manage, select, hire and transfer personnel to perform duties at the facilities of the requesting companies, for whom the Company shall act in the capacity of employer at all times and in all places, pursuant to applicable labor laws. 5. Prepare or manage payrolls for companies, operate the process of paying remuneration to personnel, regarding payroll slips, and the coordination of payments in cash or by electronic transfer. 6. Provide professional services related to advisory, defense, lawsuits and legal conciliations. 7. Provision of professional services related to advisory and preparation of financial statements, perform tax audits, and in general perform, execute or fulfill any accounting or tax-related activity. 8. Provision of operations support, training, skills development and education services for personnel; develop and manage projects, advisory and consulting, supervision, verification and oversight of processes; organizational research and development; direction of operations; integration and coordination of resources; development, implementation and control of systems, and any other associated activities, and any others the Company may decide to undertake in the future. 9. Prepare studies on corporate affairs, management, marketing, project feasibility, production and finance, and on import and export procedures for trading, industrial processes and quality control of merchandise of all types. 10. Provide advisory on organizational systems, production, investment project assessment, project performance, commercialization, or receive such services. 11. Representation of professionals, individuals or legal entities, companies and entities in general, in the areas listed above for illustrative purposes, but without limitation, as well as perform technical, economic, commercial, labor, market and other types of studies and research, using its own or third-party systems or technologies, as deemed most convenient to fulfill said purpose. 12. Plan, select, train and develop human resources, mainly personnel specialized in areas related to management, financial, tax and any other field or discipline, and provide this service to private companies. 13. Obtain or use by any legal means all types of concessions, permits, franchises, licenses, authorizations, assignments, inventions, patents, brands, trade names and signs that directly contribute to achieving the corporate purpose and objectives. 14. Provide or contract technical services, consulting and advisory to perform all the activities listed above, or that arise from or are associated with such activities. 15. Obtain by means of any type of contract the ownership or use of fixed or chattel assets required to perform the corporate activities, as well as give or receive by lease, sublease or lend-to-use arrangement, all types of real estate properties. 16. Subscribe all types of shares in other civil companies with similar corporate purposes, and participate in the incorporation, management or liquidation of all types of companies. 17. Obtain or grant secured or unsecured loans, for itself, its shareholders or in favor of third parties, encumber its own assets if required, and sign all types of debt securities for such end. 18. Financing, on its own account or by assignment from third parties, with its own capital, or taking out loans, or with third-party capital, all types of viable industrial or trade projects, whether or not they are related to the corporate purpose. 19. Establish trust funds into which it may place in trust financial resources to create the fund's equity, as well as goods or assets of the Company, directly by the Company or by its shareholders on a personal basis, in which either party may appear as trustor or trustee, as a means to fulfill the own purposes of the Company and its shareholders or third parties, through national or foreign trust management companies; as well as make any type of deposits in national or foreign financial companies or institutions. 20. In general, enter into, within or outside of the Mexican Republic, on its own account or on behalf of third parties, all types of acts, contracts and agreements, either civil or mercantile, principal or accessory, or of any other type pursuant to law.

The main registered address is at Avenida Félix Cuevas # 6, Piso 4, Col. Tlacoquemécatl del Valle, Alcaldía Benito Juárez, C.P. 03200, Ciudad de México, México

- Corporación de Personal Administrativo, S.A. de C.V.

Administrative management or support services. 1. Provide professional services for the operation, management, direction and performance of all activities in general required to perform the activities of any trade, industrial or services company, in the capacity of individual or legal entity. 2. "Manage, select, hire and transfer personnel to perform duties at the facilities of the requesting companies, for whom the Company shall act in the capacity of employer at all times and in all places, pursuant to applicable labor laws." 3. Prepare or manage payrolls for companies, operate the process of paying remuneration to personnel, issuing payroll vouchers, and the coordination of payments in cash or by electronic transfer. 4. Provide professional services related to advisory, defense, lawsuits and legal conciliations. 5. Provision of professional services related to advisory and preparation of financial statements, perform tax audits, and in general perform, execute or fulfill any accounting or tax-related activity. 6. Provision of operations support, training, skills development and education services for personnel; develop and manage projects, advisory and consulting, supervision, verification and oversight of processes; organizational research and development; direction of operations; integration and coordination of resources; development, implementation and control of systems, and any other associated activities, and any others the Company may decide to undertake in the future. 7. Prepare studies on corporate affairs, management, marketing, project feasibility, production and finance, and on import and export procedures for trading, industrial processes and quality control of merchandise of all types. 8. Provide advisory on organizational systems, production, investment project assessment, project performance, commercialization, or receive such services. 9. Representation of professionals, individuals or legal entities, companies and entities in general, in the areas listed above for illustrative effects, but without limitation, as well as perform technical, economic, commercial, labor, market and other types of studies and research, using its own or third-party systems or technologies, as deemed most convenient to fulfill said purpose. 10. Plan, select, train and develop human resources, mainly personnel specialized in areas related to management, financial, tax and any other field or discipline, and provide this service to private companies. 11. Obtain or use by any legal means all types of concessions, permits, franchises, licenses, authorizations, assignments, inventions, patents, brands, trade names and signs that directly contribute to achieving the corporate purpose and objectives. 12. Provide or contract technical services, consulting and advisory to perform all the activities listed above, or that arise from or are associated with such activities. 13. Obtain by means of any type of contract the ownership or use of fixed or chattel assets required to perform the corporate activities, as well as give or receive by lease, sublease or lend-to-use arrangements all types of real estate properties. 14. Subscribe all types of shares in other civil companies with similar corporate purposes, and participate in the incorporation, management or liquidation of all types of companies. 15. Obtain or grant secured or unsecured loans, for itself, its shareholders or in favor of third parties, encumber its own assets if required, and sign all types of debt securities for such end. 16. Financing, on its own account or by assignment from third parties, with its own capital, or taking out loans, or with third-party capital, of all types of viable industrial or trade projects, whether or not they are related to the corporate purpose. 17. Establish trust funds to which it may place in trust financial resources to create the fund's equity, as well as goods or assets of the Company, directly by the Company or by its shareholders on a personal basis, in which either party may appear as trustor or trustee, as a means to fulfill the own purposes of the Company and its shareholders or third parties, through national or foreign trust management companies; as well as make any type of deposits in national or foreign financial companies or institutions. 18. In general, enter into, within or outside of the Mexican Republic, on its own account or on behalf of third parties, all types of acts, contracts and agreements, either civil or mercantile, principal or accessory, or of any other type pursuant to law. In general, enter into all types of legal acts, agreements and contracts related to the above purposes, that are necessary and/or convenient to fulfill its corporate purpose.

The main registered address is at Avenida Félix Cuevas # 6, Piso 4, Col. Tlacoquemécatl del Valle, Alcaldía Benito Juárez, C.P. 03200, Ciudad de México, México

- Aguas de Antofagasta S.A.

The sole and exclusive purpose of ADASA, by means of a concession contract, is to exploit the public utilities of production and distribution of drinking water and the collection and disposal of served water in the region of Antofagasta. The sanitation concession expires in 2033. Additionally, an operating activity of the Company is to provide and supply water to the mining companies located in the region.

The main registered address is at Avenida Pedro Aguirre Cerda No. 6496, Antofagasta, Chile.

- Inversiones y Proyectos Hidrosur SpA

Water and sanitation investments, advisory and project development.

The main registered address is at Av. Manquehue Norte No. 160 Of. 41-B, Las Condes, Chile

- EMPRESAS VARIAS DE MEDELLIN S.A. E.S.P

It was incorporated under Colombian law in the form of joint stock company, of the limited liability type, subject to the legal regime for public utilities established under Law 142/1994 and its supplementary legislation. It shall do business under the name "EMPRESAS VARIAS DE MEDELLIN S.A. E.S.P.", and it may use the abbreviation EMVARIAS S.A. E.S.P. The corporate purpose of the Company is to provide waste collection public utilities in the framework of the comprehensive management of solid waste, including: a) ordinary and special waste collection public utilities and associated and supplementary activities, as defined in Law 142/1994 and any provisions that amend or replace it. b) Handling, collection, treatment, transportation, final disposal and recycling of ordinary, special, industrial and hazardous waste within and outside the national territory. c) The commercialization of all types of products, goods or services to the benefit or interest of the users of the residential public utilities or the supplementary activities that comprise the main corporate purpose of the Company, which may be commercialized or sold with or without credit terms of payment. In any case, pursuant to the provisions of Article 18 of Law 142, the Company may participate as partner in other public utility companies; or in those whose main purpose is the provision of a service or good that is essential for the fulfillment of the corporate purpose, if there is not already a wide offer of this good or service on the market. It may also enter into partnerships, in the fulfillment of its corporate purpose, with national or foreign persons, or create consortia with them. In the fulfillment of its corporate purpose, the Company may participate in activities to promote innovation, scientific research and technological development in fields related to the public utilities included in its corporate purpose, and any other activities within the scope of its corporate purpose or that are necessary to fulfill its purpose. Acts directly related to the corporate purpose and those whose purpose is to exercise the rights or fulfill the obligations legally or conventionally derived from the existence and activity of the Company, shall be understood to be included in the corporate purpose. The Company shall not participate as partner in general partnerships.

Its corporate domicile shall be in the municipality of Medellín, Department of Antioquia, Republic of Colombia. The Company may establish branches in the municipalities where it provides services.

- FUNDACIÓN EMPRESAS PÚBLICAS DE MEDELLÍN (EPM Foundation).

The purpose of EPM Foundation is framed in the Corporate Social Responsibility objectives of the EPM Group, guided by the sustainability criteria, and shall include the performance of activities to promote innovation, scientific research, technological development, community participation, care for the environment, institutional outreach, social, educational and cultural aspects in fields related to the residential public utilities, social and environmental management, higher education and human development, as well as supplementary and associated activities related to each of the above.

- PROMOBILIARIA S.A.

Buy, sell, build, change, manage, lease and in general enter into any contract for the disposal, improvement, use and usufruct of real estate properties that are not necessary for the operations of Empresas Públicas de Medellín E.S.P. (EPM) or of any other company or entity, national or foreign, controlled by EPM; as well as build and remodel such properties for the use and enjoyment of EPM and its controlled companies. The Company may also perform the activities listed in the previous paragraph (except the purchase, sale and any act of disposal of ownership) over any property owned or used by EPM or any company or entity, national or foreign, controlled by EPM, when such activities enable the use and enjoyment of the property by EPM or any company or entity, local or foreign, controlled by EPM. Additionally, the Company may acquire properties from third parties for property management, to build, remodel and subsequently lease and/or sell to EPM or any company or entity, national or foreign, controlled by EPM. The Company shall have the power to engage in any legal activity in the framework of this corporate purpose, and to this end it may be shareholder, investor or minority partner in companies, trust funds or any other modality of contracting or partnership with third parties, by contributing its real estate properties. Another activity the Company may engage in is to provide the public service of property management for properties of EPM Group.

The main registered address is in Panama

- EPM Inversiones S.A

Invest in the equity of national or foreign companies organized as public utilities of electricity, water, sewage, combustible gas distribution, basic land line commuted telephone service, national and international long distance telephone service, local mobile telephone service in the rural sector, and other telecommunications services, as well as entities whose purpose includes supplementary activities to all the public utilities defined in Law 142/1994, or any provisions that supplement, derogate, regulate or amend it. Acts directly related to the corporate purpose and those whose purpose is to exercise the rights or fulfill the obligations legally or conventionally derived from the existence and activity of the Company shall also be understood to be included in the corporate purpose. It may also participate in activities to promote innovation, scientific research and technological development in fields related to public utilities and information technologies, including investing in private capital funds created for such purpose.

Its main registered address is at Carrera 58 No. 42 - 125 Edificio EPM, Colombia

- EPM Latam S.A.

The corporate purpose of the Company includes: to establish, process and carry out the businesses of a financial and investment company; buy, sell and trade all types of consumer goods, shares, bonds and securities of all types; buy, sell, lease or otherwise acquire or dispose of real estate properties; borrow or lend money with or without guarantees; enter into, extend, fulfill and perform contracts of all types; offer its own assets as collateral or guarantees for the performance and fulfillment of any contracts; engage in any legal business that is not prohibited for joint stock companies and execute any instruments acting as principal, agent or any other capacity of representation, of any nature.

Its main registered office is at 2do Piso, Humboldt Tower, Calle 53 Este, URB. Marbella, Panamá

- Panamá Distribution Group S.A. (PDG)

The corporate purpose of the Company includes: to establish, process and carry out the businesses of a financial and investment company; buy, sell and trade all types of consumer goods, shares, bonds and securities of all types; buy, sell, lease or otherwise acquire or dispose of real estate properties; borrow or lend money with or without guarantees; enter into, extend, fulfill and perform contracts of all types; offer its own assets as collateral or guarantees for the performance and fulfillment of any contracts; engage in any legal business that is not prohibited for joint stock companies and execute any instruments acting as principal, agent or any other capacity of representation, of any nature.

Its main registered office is at 2do Piso, Humboldt Tower, Calle 53 Este, URB. Marbella, Panamá

- EPM Capital México S.A. de C.V.

The corporate purpose of the Company shall include: A. Develop infrastructure projects of any type, including, without limitation, projects related to electricity, lighting, gas, telecommunications, sanitation, drinking water plants, sewage, wastewater treatment plants, wells, buildings, as well as the operation, studies and services in all fields and disciplines related to the above. B. Participate in all types of bidding processes, requests for offers, auctions and direct award processes when at least three parties are invited to bid, either public or private; buy all or part of the share capital of companies related to the infrastructure projects mentioned in the previous item, as well as process, industrialize and commercialize the various byproducts generated by projects of this type, that are not subject to the provisions of Articles 5 and 6 of the Foreign Investment Law. C. Sign and perform any type of contracts or agreements with public or private individuals and legal entities, as well as municipal, state or federal authorities, with the objective of obtaining concessions, authorizations or permits of any type, as well as obtaining and using concessions and authorizations in general, granted by any type of authority. D. Provision and/or direct or indirect contracting, on its own account or through third parties, of all types of advisory and services directly or indirectly related to the activities performed by or involving the Company and all other similar or associated activities. It may also perform any other activities that may be directly or indirectly necessary to perform such activities. E. Promote, incorporate, organize, exploit, acquire and take equity interests in all types of trade or civil companies, partnerships or companies, either industrial, commercial, of services or of any other nature, both national and foreign, as well as participate in their administration and liquidation. F. Buy, sell, dispose of, encumber and in general trade in any way in shares, parts of ownership, units, rights and stakes of interest in trade, civil or any other type of legal entity, national or foreign; as well as acquire its own shares in the terms of applicable legislation. G. Receive from other entities or individuals, as well as provide to other companies and individuals, any service that may be necessary to achieve its objectives or corporate purposes, such as, among others, administrative, financial, treasury and marketing services; preparation of financial statements and budgets; drafting of programs and manuals; analysis of operating results; assessment of information on productivity and possible financing; preparation of studies on capital availability; technical assistance, advisory or consulting. H. Obtain, acquire, develop, commercialize, improve, use, grant and receive licenses, or dispose of by any legal means all types of patents, brands, invention certificates, trade names, utility models, industrial designs, industrial secrets and any other industrial property rights, as well as copyrights, options and preferences on such rights, both in the United Mexican States and abroad. I) Obtain all types of loans or credits, issue obligations, bonds, commercial papers, securities certificates and any other debt security or equivalent instrument, with or without granting specific real guarantees by means of pledge, mortgage, trust fund or any other legal instrument; as well as grant any type of financing or loans to trade or civil companies, entities or institutions with which the Company does business or in which it holds equity interests, with or without granting specific real or personal guarantees. J. Grant or receive all types of personal or real guarantees and pledges for obligations or debt securities, up to the amount of its contribution to the Company, on the account of third parties or companies, partnerships or institutions in which the Company has interest or shareholdings, or with which the Company has business relationships, acting as guarantor, co-signer and/or surety provider for such individuals or any third party. K. Sign, issue, draft and endorse all types of loan securities, as well as accept and transfer them. L. Perform, supervise or contract, on its own account or through third parties, all types of constructions, buildings or facilities for offices or establishments. M. Carry out, on its own account or through third parties, training and development programs, as well as research work. N. Act as broker, agent or representative of any individual or company involved in industrial, administrative or commercial activities allowed by the laws of the United Mexican States. O. Give or take in lease or under lend-to-use arrangements; acquire, hold, exchange, sell, transfer, dispose of or encumber the ownership or possession of all types of chattel or fixed assets, as well as other real or personal rights thereof, that may be necessary or convenient for its corporate purpose or for the operations or corporate purposes of the trade or civil companies, partnerships and institutions in which the Company has any interest or shares of any type. P. In general, enter into and perform any related, associated or incidental acts, contracts and operations that may be necessary or convenient to achieve the above corporate purposes.

Its main registered address is at Calle Felix Cuevas No. 6 Piso 4 Col. Tlacoquemecatl del Valle, México

- EPM Chile S.A.

a. Develop infrastructure projects, on its own account or for third parties, of any type, including, without limitation, projects related to energy, including energy from renewable sources, lighting, gas, telecommunications, sanitation, drinking water plants, sewage, wastewater treatment plants, wells, buildings; as well as studies and services in all fields and disciplines. b. Provide electricity, water, sewage and waste collection services, manage and recycle waste and commercialize its byproducts, and telecommunications services. c. Provide energy efficiency and environmental services; commercialization and financing of efficiency projects, as well as the presentation of energy and technological solutions; production, transformation, purchase, sale and supplies. d. Develop all types of projects for the generation of wind, solar, geothermal, photovoltaic and any other type of energy. e. Participate in all types of bidding processes and auctions, both public and/or private; purchase shares in national or foreign companies, incorporate or fully acquire companies whose activities are related to those listed above in the preceding subsections; as well as process, industrialize and commercialize, on its own account or for third parties, the different products generated by projects of this type. f. Enter into business collaboration agreements with the purpose of obtaining concessions and/or authorizations. g. Participate in activities to promote innovation, scientific research, technological development and entrepreneurship. h. Provide all types of advisory and related services that are directly or indirectly related to the activities required to perform such activities. i. Provide any service that may be necessary to achieve its objectives or corporate purposes, such as administrative, financial consulting, auditing and marketing services, preparation of financial statements and budgets, drafting of programs and manuals, analysis of operating results, assessment of information on productivity and possible financing, preparation of studies on capital availability, technical assistance, advisory or consulting. j. Develop, commercialize and export all types of patents on innovations, brands, trade names, utility models, industrial designs, industrial secrets and any other industrial and intellectual property rights, as well as copyrights, options and preferences on such rights, both in Chile and abroad. k. Perform, supervise or contract, on its own account or through third parties, all types of constructions, buildings or facilities for offices or establishments. l. Offer training and development programs, as well as engage in research programs.

The main registered address is at Avenida Manquehue Norte 160, Of.41-B, Comuna de las Condes, Ciudad Santiago, Chile

- Maxseguros EPM Ltd.

Even though the "Memorandum of Association" by which this company was incorporated indicates that its corporate purpose has no restrictions, below we indicate the specific activities it performs: Negotiate, contract and handle the reinsurance required by the policies that cover the properties of Empresas Públicas de Medellín E.S.P., its affiliates and subsidiaries.

The main registered address is at Bermuda.

- WE ARE SERVICIOS INTEGRADOS S.A.

The main purposes of the Company are: (i) to integrate retail establishments to facilitate agile, secure, and reliable digital commerce for the customers/users of the Colombian company Empresas Públicas de Medellín E.S.P., its affiliates, and subsidiaries; (ii) to provide financing options to the customers/users of Empresas Públicas de Medellín E.S.P., its affiliates, and subsidiaries for purchasing goods and services, offer loyalty programs, and pioneer new business models that create significant value and enhance the daily lives of individuals, businesses, and cities; (iii) in general, to engage in all types of activities directly, indirectly, supplementary, or auxiliary to the foregoing.

Address: Calle 53 este, Urb. Marbella, Humbolt Tower, 2do Piso Panamá, República de Panamá.

- EPM RENOVABLES S.A:

The main purposes of the Company are: (i) to conduct management, strategic planning, engage in investments, and businesses in renewable electric generation and in producing new sources of green fuels; (ii) to undertake research and development related to renewable electric generation and new green fuel sources; (iii) to invest in financial businesses and holding companies involved in financial businesses, executing the operations and acts pertinent to the management and control of such investments in financial businesses.

Address: Calle 53 este, Urb. Marbella, Humbolt Tower, 2do Piso Panamá, República de Panamá

1.1.1 Evolution of the business plan over the short, medium and long term.

During 2023, economic activities in most countries where the EPM Group operates decelerated relative to 2022. This trend was particularly pronounced in Chile, Colombia, and Panama. Key factors contributing to this slowdown include a decrease in domestic demand in response to tight monetary policy, predominantly affecting consumer spending and investments in machinery and equipment, real estate, and civil construction. This situation occurred amidst international financial constraints, geopolitical tensions, sluggish global trade growth, structural issues in the Chinese economy, and adverse climatic events. Regarding inflation, significant reductions were observed across all countries, aligning closer to the target ranges of the Central Banks, though in Colombia, this convergence has been slower, hampered by upward pressures on service prices. In the foreign exchange markets, currency movements against the dollar were primarily influenced by shifts in the Fed's rate cut expectations, idiosyncratic factors, and specific events that led to decreased demand for risk assets at times and increased remittance flows.

Business Highlights for the Business Group

- The EPM Group allocated COP 5.2 billion in infrastructure projects that ensure the provision of public services with quality, continuity, coverage, and availability.

- The EPM Group secured credit disbursements totaling COP 6.5 billion , of which COP 3 billion were allocated to EPM and the remainder to its subsidiaries, aimed at funding investment plans, working capital, and management operations.
- Debt payments within the Group totaled COP 4.4 billion , with EPM contributing COP 981 thousand million and subsidiaries COP 3.4 billion.
- The financial leverage for both the EPM Group and EPM stood at 39%, decreasing by 3% and 1% respectively, due to significant capital amortizations conducted throughout the year.
- The Debt/Ebitda ratio for the Group as of December 2023 was 2.62, staying below the set limit of 3.5, an improvement from the 2.95 figure in 2022, driven by an increase in EBITDA following enhanced long-term energy sales and on the stock market, coupled with the reduction in long-term debt due to the revaluation of the Colombian peso against the dollar.
- EPM received dividends from its subsidies for COP 630,702 million, of which 72% were paid by EPM Group subsidiaries, and the rest by non-controlled companies.
- In the Del Sur subsidiary in El Salvador, a new tariff agreement was implemented, leading to improved company performance.

Challenges

EPM management will realign with its core mission focused on the future: delivering residential public services of water, energy, and gas that are both by and for the people. This includes introducing innovative solutions to connect disconnected users and diversifying the company's service portfolio. Looking forward, the horizon sets forth the following challenges for the coming years:

Quality of Service

To establish itself as the premier provider of residential public utilities and earn a place in the hearts of its customers and users, it is critical to acknowledge the significant impact of water, energy, and gas on people's lives. Each service fulfills a basic, often urgent, need. To meet these expectations, the company will concentrate on investing in infrastructure, monitoring and meeting performance indicators, and creating and implementing innovative solutions.

Streamline Procedures for Customers and Users

As a customer-centric organization, EPM must persist in its digitalization, automation, and simplification efforts concerning procedures and documents to diminish wait times and lessen requirements. Additionally, it should consolidate and, if necessary, expand customer service channels to more personally address customer inquiries. It is crucial to consistently embrace the core principle of service—serve, serve, and serve again. At EPM, this commitment to service must be palpable, internalized, and reflected in every action, enabling the simplification and acceleration of solutions for all customers. The ethos of service is embedded in the DNA of EPM People: as public servants, fulfilling this duty is a profound source of pride.

Hydrogen Pathway

Committing to diversifying EPM's and its business group's energy mix, as well as Colombia's, it is vital to further non-conventional renewable energies (NCRE) like hydrogen. To advance this agenda, the hydrogen implementation route must be solidified by establishing a business model focused on exports, industrial market offerings within the nation, and sustainable mobility. Such strategic management will position EPM as a national leader, crucially advancing the energy transition.

Connecting Disconnected Communities with Public Services

Providing access to water, gas, and energy significantly enhances the quality of life and promotes sustainable human development within communities. EPM's role is crucial in this regard: to grant access to nearby communities that currently lack services. To transform this situation and broaden their coverage, EPM must adopt diverse strategies, from investing in infrastructure and forming public-private partnerships to devising innovative methods that reach these areas in unconventional ways.

Development Promoter in the Territories

EPM significantly influences the lives of all residents in its operational areas through its business activities. As such, it must engage actively within and across these regions as a promoter of development, aiming to enhance quality of life beyond just delivering public services. This includes generating employment, strengthening local businesses, advocating for environmental preservation, and forging partnerships that drive initiatives for the sustainability of the Aburrá Valley and the regions of Antioquia. EPM, as a public enterprise providing essential services, is dedicated to protecting public assets and enhancing the common good.

Proximity as a Core Element of Community Relations

By maintaining a presence in these territories as a cohesive entity with unified messaging, through creating opportunities for listening and dialogue, EPM gains insight into community needs. This approach enables EPM to explore service alternatives that reinforce its public mandate, positioning the organization once more at the heart of its customers and users as a cherished institution that promotes regional development and societal advancement.

1.1.2 Income-producing activities, products or services.

OPERATING SEGMENTS OF THE ISSUER

EPM Group has defined its operating segments based on the following premises:

- It carries out business activities from which it obtains revenues from ordinary activities and incurs in expenses, including revenues and expenses in transactions with other segments of the Company;

- Its operating results are regularly reviewed by the highest operating decision-making authority of the Company (key executive), to decide on the resources that must be assigned to the segment and assess its performance; and

- Differentiated financial information is available on the segment.

Reportable Segment: This encompasses either a single operating segment or a group of two or more operating segments that may be aggregated in accordance with aggregation criteria, which exceeds the quantitative thresholds, or which Management has decided to report separately in the information by segments because it considers that providing separate information for the segment may be useful for the users of the consolidated financial statements to understand the Company's businesses.

For management purposes, the Group is organized into segments based on its products and services, detailing the following eight operating segments:

- **Electric Power Generation and Commercialization Segment**: Focuses on generating energy and commercializing large blocks of electricity, derived from either acquiring or developing a portfolio of energy solutions for the market.
- **Electric Power Distribution and Commercialization Segment**: Involves transporting electricity through a set of lines and substations, and their associated equipment, operating at voltage levels of less than 220 KV, the commercialization of electricity to end users through the regulated market, and the performance of associated and supplementary activities. It includes the Regional Transmission System (RTS), the Local Distribution System (LDS), the public lighting system and the provision of associated services.
- **Electric Power Transmission Segment**: Responsible for the transportation of energy within the National Transmission System (STN), utilizing a network of lines and associated connection equipment operating at or

above 220 KV. A National Transmitter (NT) is a legal entity that operates and transports electricity through the NTS or has incorporated a company whose purpose is to perform such activity.

- Gas Distribution and Commercialization Segment: This segment is responsible for the delivery of gas from city gateways to end-users through medium and low-pressure pipelines. It encompasses various gas distribution systems including networked distribution, vehicular natural gas, compressed natural gas, and service stations.
- **Water Provision and Commercialization Segment:** Focuses on the conceptualization, structuring, development, and operation of systems to provide water. It includes performance of the sales activities related to the portfolio of water supply services for different uses, as well as make use of its chain of production, specifically for the production of energy and the supply of untreated water.
- **Wastewater Management and Commercialization Segment:** It includes the design, structuring, development and operation of wastewater treatment and handling of solid waste, as well as make use of the chain of production, specifically for the production of electricity and gas.
- **Solid Waste Management and Commercialization Segment:** It includes the commercial management of these services and the recycling of bio-solids and other byproducts of the wastewater treatment, and handling of solid wastes.
- **Other Businesses Segment**: Encompasses activities not included in the above segments. It includes: Adapted Health-care Company (AHC) and the Medical and Dental Services Unit; invoicing and collection services for third parties, income received from investment properties (rental income); social financing; EATIC laboratory tests; provision of special transportation services, and services related to information technology and supplementary related or associated activities.

The Group has not combined operating segments to form these eight reportable segments; however, it engages in the commercialization of energy. This involves purchasing electric energy in the wholesale market and selling it to other market participants or to both regulated and unregulated end-users. Consequently, financial information for this activity is included in the respective segments that encompass this activity.

1.1.3 Competitive market conditions.

Electric Power Generation and Commercialization: With the commissioning of the initial phase of the Ituango project, EPM has emerged as the foremost entity in the Wholesale Energy Market, leading in installed generation capacity, electricity generation, and firm energy commitments. In 2023, EPM generated 18,573 GWh of electricity, accounting for 22.9% of the system's total output. Its installed capacity reached 4,476 MW by year-end, representing 21.4% of the system's total capacity. Additionally, EPM's firm energy commitments for 2023 totaled 17,342 GWh, constituting 21.1% of the system's overall commitments.

Electric Power Transmission, Distribution, and Commercialization: EPM, along with its national and international subsidiaries, is dedicated to providing electric power services, engaging in the Energy Transmission sector through EPM and its subsidiaries CENS, ESSA, CHEC, and TRELEC. In the Energy Distribution and Commercialization sectors, it operates through EPM and its subsidiaries AFINIA, CENS, ESSA, CHEC, EDEQ, EEGSA, COMEGSA, DELSUR, and ENSA. Furthermore, subsidiaries ESSA and CHEC also partake in the Energy Generation segment.

Involvement of EPM and its subsidiaries in the Transmission, Distribution, and Commercialization of Electric Power:x

Position and Engagement in Electric Power Transmission			
Company	Country	Share (%)	Role
EPM	Colombia	6.94%	3

CENS		0.13%	
ESSA		0.99%	
CHEC		0.03%	
TRELEC	Guatemala	26.79%	2

Source: Vice President of Electric Power T&D.

Position and Engagement in Electric Power Distribution			
Company	**Country**	**Share (%)**	**Role**
EPM	Colombia	14.8%	1
AFINIA		13.9%	
CENS		3.0%	
ESSA		4.2%	
CHEC		2.4%	
EDEQ		0.8%	
EEGSA	Guatemala	43.7%	1
DELSUR	El Salvador	27.8%	2
ENSA	Panama	41.1%	2

Source: Vice President of Electric Power T&D.

Position and Engagement in Electric Power Commercialization			
Company	**Country**	**Share (%)**	**Role**
EPM	Colombia	15.2%	1
AFINIA		11.1%	
CENS		2.2%	
ESSA		3.0%	
CHEC		1.3%	
EDEQ		0.6%	
EEGSA + COMEGSA	Guatemala	37.7%	1
DELSUR	El Salvador	26.0%	2
ENSA	Panama	29.6%	2

Source: Vice President of Electric Power T&D.

Municipalities served, customers, and physical units sold:

Municipalities served, customers, and physical units sold			
Company	**Municipalities Served**	**Customers**	**Units Sold (GWh)**
EPM	124	2,835,290	6,505

AFINIA	134	1,758,496	5,994
CENS	47	612,329	1,447
ESSA	92	921,080	1,977
CHEC	40	552,347	911
EDEQ	12	218,366	420
EEGSA + COMEGSA	47	1488333	4,836
DELSUR	79	443,557	1,682
ENSA	15	519,972	4,122

Source: Vice President of Electric Power T&D.

Natural Gas Distribution and Commercialization: EPM participates in the natural gas distribution and commercialization business in almost every population center in Antioquia, and is the only natural gas distributor in the Valle de Aburrá area and most of the Department of Antioquia, providing natural gas services to 121 populations in 92 municipalities. EPM oversees three business lines within the natural gas distribution sector, organized by customer base: (i) Regulated Market, (ii) Non-regulated Market, and (iii) Natural Gas for Vehicles. As of December 2023, EPM serves 1,472,475 clients, comprising 1,443,349 households, 26,033 commercial establishments, and 2,583 industrial plants. Regulated Market customers include residential and commercial customers, whereas the customers of the Non-regulated Market include small and medium-sized industrial customers. EPM's natural gas distribution infrastructure in Valle de Aburrá includes 88 km of steel pipelines and 8,758 km of polyethylene pipelines.

In 2001, EPM ventured into vehicular natural gas with 12 EPM-branded fuel stations and 19,056 gas-powered vehicles circulating in the city.

We are the second-largest distributor in the country in terms of number of customers, with a 13% share of the national market.

Provision and Commercialization of Water and Wastewater: The main business activity of the national and international water companies, including EPM, Aguas Regionales, Aguas de Malambo, Aguas del Oriente and ADASA, is to provide water and sewage services in the territories where they are present. Aguas Nacionales operates the Aguas Claras wastewater treatment plant; TICSA is dedicated to the design, construction, start-up, operation and maintenance of water treatment plants and all the processes of the water cycle.

Below, we present the market share in the national and international markets and the ranking of each company in each country, as well as water and sewage demand conditions, number of users and units sold.

Share of national and international markets and ranking in country			
National Companies	Market share (1)	Ranking in country	Municipalities served
EPM	12.8%	2	Medellín, Envigado, La Estrella, Sabaneta, Itagüí, Copacabana, Girardota, Bello, Caldas, Barbosa, Rionegro, El Retiro (rural area).
Aguas Nacionales	8.6% (2)	3	Medellin, Bello
Aguas Regionales	1.01%	16	Cities such as Apartadó, Carepa, Chigorodó, Mutatá, Turbo, Santa Fe de Antioquia, San Jerónimo, Olaya, and Sopetrán.
Aguas de Malambo	0.26%	44	Malambo

Aguas del Oriente	0.06%	121	El Retiro

Notes: 1. For the national companies, market share is calculated based on the number of water service users reported by large and small service providers in the Unified Information System (SUI, for the Spanish original).

2. Market share calculated based on the number of sewage users served by the Aguas Claras WWTP.

Source: Vice President of Water and Sanitation

Share of national and international markets and ranking in country			
International Companies	Market share	Ranking in country	Municipalities served
TICSA	10.6% (1)	4	Cities including Morelia, Celaya, Lerdo, Colima, Tuxtla, Tampico, Playa del Carmen.
ADASA	3.18% (2)	9	Antofagasta, Calama, Sierra Gorda, Baquedano, Tocopilla, Taltal, and Mejillones.

Notes: 1. Calculation made based on the amount of water treated by the WWTPs. Operates eleven wastewater treatment plants in Mexico.

2. Provides water and sewage services in Chile.

Source: Vice President of Water and Sanitation

Water and sewage users and physical units				
National and International Companies	Water service users 2023 (1)	Sewerage Users 2023 (1)	Volume of Water Sold through Aqueducts (m^3)	Volume of Sewerage Sold 2023 (m^3)
EPM	1,409,058	1,392,153	212,039,320	209,304,600
Aguas Regionales	104,757	86,658	15,136,540	11,469,820
Aguas de Malambo	24,098	21,911	4,798,500	2,700,750
Aguas del Oriente	6,564	6,581	799,580	782,250
Aguas Nacionales	(2)	992,821 (3)	(2)	120,584,894 (3)
ADASA	188,754	187,697	68,013,254	37,473,415
TICSA	Not applicable	3,260,160 (4)	Not applicable	142,000,000 (4)

Notes:
1. Business Clients
2. Aguas Nacionales operates the Aguas del Atrato service, catering to 21,299 aqueduct users who consumed 2,086,199 cubic meters and 6,489 sewerage users, with discharges totaling 722,923 cubic meters.
3. Beneficiaries of the treatment at the Aguas Claras Wastewater Treatment Plant (WWTP), with the volume treated at the facility detailed.

4. Population benefited by wastewater treatment and cubic meters treated at the wastewater plants.

Source: Vice President of Water and Sanitation

Solid Waste: Empresas Varias de Medellín (EMVARIAS), an EPM subsidiary, has managed the residential public sanitation service and related activities in Medellín for 59 years, established on September 11, 1964. Its current focus primarily involves solid waste management.

The corporate purpose of Emvarias includes the following activities:

- Provide waste collection public utilities and the associated and supplementary activities defined in Law 142/1994.
- Collection, treatment, transportation, final disposal and recycling of special, industrial and hazardous waste.
- Commercialization of all types of products, goods or services to the benefit or in the interest of the residential public utilities users or any supplementary activities to its corporate purpose.

The following is an overview of the company's share in the national market and its positioning within the country as of the end of 2023. Presently, Emvarias has no international operations.

Company	Market share	Ranking in country	Users	Municipalities served
Empresas Varias de Medellín	8.7%	2	965,257	Medellín and its five districts.

Source: Medellín and its five districts.

Note 1: The market share is calculated basically on the information on users reported by service providers to the SUI, and which in turn the Superintendence of Public Utilities compiles and consolidates. In this case, the waste collection public utilities include both small and large service providers.

Note 2: The national ranking of the company was determined using this compiled data from Superservicios, emphasizing the percentage share and positioning relative to all companies overseen and aggregated by the Superintendence of Public Utilities.

1.1.4 Development of new products or services, improvements made, demand conditions and competitive conditions.

In 2023, EPM Group affiliates launched new products or services:

Aguas de Antofagasta (Chile):

a) Established the capacity to supply raw water to Lomas Bayas mining operations.
Scope: Enhanced the throughput of the NACA pipeline (which transports water from the mountains to Antofagasta, the capital of the Second Region), at the Lomas Bayas site near Sierra Gorda, by increasing the diameter of the pipeline connecting NACA to the Lomas Bayas booster.
Potential Flow: 230 liters per second.
Commissioning: December 2023
Future Revenue: 200 liters per second monthly at a rate of 0.1 UF.
End Date: 2029.
Sector: Unregulated Market.


Tratacal Pylon

Objective: Generate additional revenue for the company.
Scope: Includes electrical and control works, installation of three 30 kW pumps, three pylons, perimeter fencing, and associated civil and paving works.
Potential Flow: 20 to 50 liters per second (maximum).
Operational Start: November 2023
Future Revenue: potential for acquiring new customers.
End Date: Six-month contract in 2024 with Minera Codelco, with potential to pursue new customers upon contract completion.
Sector: Unregulated Market.


Increase in Capacity of Tronco - Puente Negro System

Objective: Boost the pumping impulsion capacity to 30 liters per second.
Scope: Installation of 1,800 meters of impulsion piping from Puente Negro to Cerro Topater Filter Plant.
Potential Flow: 30 liters per second.
Operational Start: August 2023
Increase: An average of 10 liters per second monthly.
Offer: Increased water availability in the system.
End Date: 2024, with the possibility of seeking new customers after the contract ends.
Sector: Both Regulated and Unregulated Markets.


ENSA (Panama)

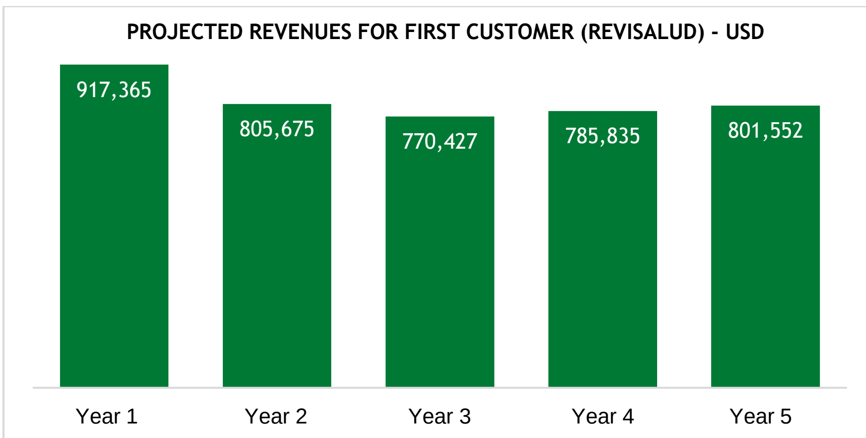
a) Billing to Third Parties:

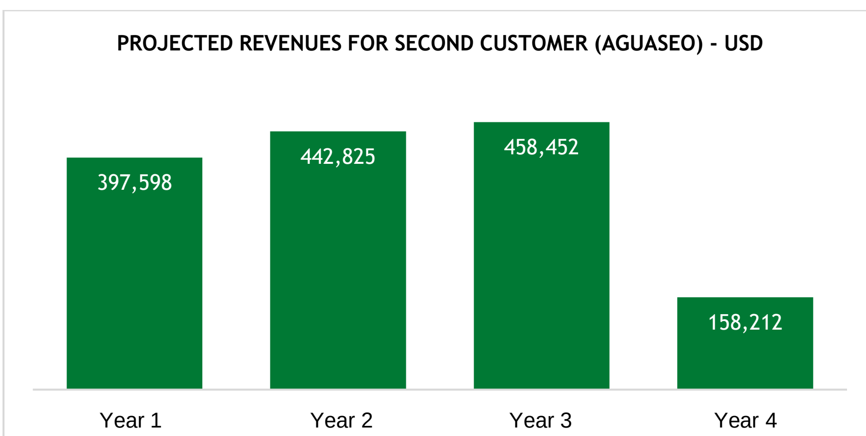
Incorporate into the electric service invoice, distribute within this bill, and handle the collection and management of both current and overdue receivables for the rates or fees linked to the waste collection service (sanitation).

Invoices may be delivered either physically or electronically through the digital channels that ENSA employs to distribute them to its customers.

The management of the overdue receivables is focused on recovering amounts that are past due, with the stipulation that only those balances that accrue after the implementation of the sanitation rate by ENSA in its invoices are addressed.

ENSA also provides a physical space within one of its customer service offices, which is fully equipped, conditioned, maintained, and managed by the sanitation company to facilitate the resolution of inquiries, complaints, and issues related to billing, distribution, collections, and the management of overdue receivables, as well as the actual delivery of waste collection services.





TICSA (Mexico)

a) <u>TICSA CONSULTING</u>

TICSA CONSULTING delivers comprehensive, dependable, and viable engineering, consulting, and management services for water treatment and management, supporting our customers throughout all stages of their water-related and associated projects with a commitment to sustainability and a deep understanding of their needs.

Targeted Customer Segments:

- Public Sector: Operational bodies, multilateral organizations, state-owned enterprises, NGOs, investment banks, spanning Mexico, Colombia (including EPM and other ESPs), and Central America.
- Private Sector: In Mexico, sectors outlined in the strategic plan plus the pharmaceutical, oil & gas, mining, cosmetics, and power generation industries; in Colombia, the food & beverage sector along with construction firms and real estate developers; in Central America, identifying leading sectors in each country over the medium term.

TICSA Consulting (estimated)			
Indicator	1	2	Total
Revenues (USD)	9,264,654	12,841,693	22,106,347

1.1.5 List of patents, trademarks, licenses, franchises and any other copyrights held by the Entity.

The patents, trademarks, and brand licenses currently owned by the Entity have no relationship with or effects on the operation of the Entity's businesses, and consequently are not material for its economic activity.

1.1.6 The revenues from the activities are seasonal, cyclical or occasional.

The operations of EPM Group are not subject to significant seasonal variation, given that most of its services are provided in regulated markets.

1.1.7 Territorial and national public entities, foreign public entities and foreign governments.

- **Nature, administrative structure and control mechanisms.**

"*Article 1. Legal registration. The industrial and commercial government company EMPRESAS PUBLICAS DE MEDELLIN E.S.P. is a municipal-order legal entity, endowed with administrative and financial autonomy and its own equity. Its activities are subject to the regulations established by law and its bylaws. It is therefore subject to the rights and obligations inherent to a legal entity, pursuant to the general regulations that apply to this type of activities*. "Source: Council of Medellín. Municipal Resolution No.12/1998.

- **Public investment policies.**

Given the legal status of EPM, considerations on public investment do not apply to the Company's context. The following descriptions related to revenues, expenses and budget are made based on applicable regulations.

1.1.8 The evolution of public finances.

a) Revenue and Expense Sources

For presentation effects, the Company provides a breakdown of its revenues for the services it provides, based on the business lines in which it participates and the manner in which management analyzes them. The chart below provides a simple summary of the sources of revenues from ordinary activities and their evolution in the 2020-2023 period:

<u>EPM Revenues from ordinary activities</u>

The revenues from ordinary activities are basically derived from the Company's main activity, which is the provision of water, sewage, electricity and combustible gas distribution residential public utilities, and they are recognized when the service has been provided or when the product has been delivered, to the extent that the Company has satisfied its performance obligations. The revenues are measured at the amount of the consideration received or receivable, excluding taxes or other obligations. Any discounts, customer refunds for service quality and financial components granted are recognized as adjustments to revenues. Financing components are only recognized if the duration of the contract with the customer is for more than one year.

Ordinary activities revenue	2023	2022
Rendering of services		
Energy distribution service [1]	24,622,746	22,153,223
Energy generation service [2]	7,692,013	6,368,408
Energy transmission service	508,934	469,994
Energy intersegment eliminations	(1,901,776)	(2,007,900)
Gas fuel service [3]	1,505,667	1,219,000
Sanitation service	1,047,564	923,597
Aqueduct service [4]	1,952,762	1,709,254
Cleaning service	319,086	279,605
Insurance and reinsurance services	58,466	51,274
Financing services	79,732	73,821
Computer services	315	1,204
Contracts with customers for the construction of assets [5]	402,209	199,132
Fees	19,582	10,653
Commissions	24,450	22,735
Billing and collection services	48,880	41,600
Financing component [6]	669,799	395,055
Other service [7]	500,704	378,808
Returns	(653,380)	(764,909)
Total rendering of service	**36,897,753**	**31,524,554**
Sale of goods	**83,399**	**55,457**
Leases	157,935	148,397
Total	**37,139,087**	**31,728,408**

Amounts stated in millions of Colombian pesos

Costs for services rendered	2023	2022
Bulk purchases [1]	7,071,262	5,645,044
Stock exchange purchases [2]	6,702,473	5,333,171
Use of lines, networks, and duct	2,609,284	2,433,359
Personal services [3]	1,466,868	1,197,373
Orders and contracts for other services [4]	1,414,118	1,127,718
Depreciation [11]	1,331,544	1,057,828
Maintenance and repair orders and contracts [5]	811,241	649,746
Cost of distribution and/or commercialization of natural gas	682,195	767,620
Consumption of direct inputs [6]	500,841	190,490
Licenses, contributions, and royalties [7]	324,513	270,915
Materials and other operating costs	288,848	258,038
Insurance [8]	256,958	159,408
Amortization [11]	236,388	220,854
Commercial and financial management of the service [9]	212,226	321,373
Generals	210,537	218,110
Fees	171,035	174,734
Taxes and fees	136,798	115,515
Other [10]	119,070	138,361
Impairment of Property, Plant and Equipment [11] [12]	115,995	41,349
Connection cost	99,037	93,357
Amortization of rights-of-use [11]	82,362	62,979
Public services	55,722	40,703
Commercialized goods	37,642	31,101
Leases	34,827	35,274
Impairment of intangible assets [11] [12]	28,495	47,298
Costs associated with transactions in the wholesale market	19,858	18,085
Depletion [11]	17,713	16,679
Liquefied natural gas	15,785	15,506
Impairment of rights-of-use [11] [12]	4,755	-
cost of losses in the provision of the aqueduct service	4,628	3,929
Write-down of inventory [11] [13]	2,762	895
Gas compression	682	649
Total cost for services rendered	**25,066,462**	**20,687,461**

Amounts stated in millions of Colombian pesos

Administration costs	2023	2022
Staff costs		
Wages and salaries [1]	760,998	646,486
Social security expenditure [2]	180,942	156,061
Pension expenses [9 10]	63,423	54,395
Other long-term benefits	19,472	7,516
Employee interest rate benefits	13,776	11,625
Other post-employment benefit plans other than pensions [9]	7,657	5,811
Termination benefits [8]	4,092	3,429
Total personnel costs	**1,050,360**	**885,323**
General Expenses		
Provision for contingencies [3 9 10]	873,906	115,934
Taxes, contributions and fees [4]	406,202	327,243
Commissions, fees and services [5]	226,136	164,427
Intangible [6]	110,884	88,260
Maintenance	103,572	93,890
Intangibles Amortization [9]	97,165	64,069
Depreciation of property, plant and equipment [9]	78,809	72,831
General insurance	63,390	51,235
Administration costs	**2023**	**2022**
Other general expenses	54,931	54,206
Surveillance and security	43,921	35,556
Other Miscellaneous Provisions [7 9 10]	33,022	44,642
Advertising and propaganda	32,110	23,549
Christmas lighting	31,227	27,980
Using rights Amortization [9]	30,196	29,643
Provision insurance and reinsurance [9]	23,126	511
Promotion and dissemination	22,431	18,414
Licenses and voiseways	19,988	13,889
Fuels and lubricants	17,473	8,369
Guest toilet, coffee shop, restaurant and laundry	16,631	14,163
Public services	17,291	17,077
Communication and transport	11,101	10,530
Leases	9,832	7,355
Procedural costs	9,710	4,555
Materials and supplies	8,249	6,071
Print, publications, subscriptions and affiliations	8,238	6,963
Learning contracts	7,959	6,501
Legal expenses	7,731	7,857
Studies and projects	7,724	13,338
Repairs	6,807	1,994
Provision Dismantling, withdrawal and rehabilitation [8 9 1]	6,329	750
Travel expenses and viatics	5,333	4,049
Information processing	5,081	4,822
Cultural events	3,917	2,424
Organization of events	3,019	3,149
Management contracts	2,450	2,488
Photocopies	2,357	2,271
Industrial safety	1,870	1,134
EAS technical reserve [9 10]	1,510	752
Provision of guarantees [9 10]	-	91,859
Total Overhead	2,411,628	1,444,750
Total	3,461,988	2,330,073

- Amounts stated in millions of Colombian pesos -

b) Management and financial performance of the entity

EPM has consistently focused on maintaining indicators that ensure its financial stability. This core priority is

	2023		2022		Change %		Change $	
	Group	EPM	Group	EPM	Group	EPM	Group	EPM
Revenues	37.5	16.2	32.2	13.5	16%	21%	5.3	2.7
EBITDA	10.6	6.8	9.8	5.7	9%	20%	0.8	1.1
Comprehensive income	3.6	3.8	4.1	3.0	-14%	24%	(0.5)	0.8

	2021		2020		Change %		Change $	
	Group	EPM	Group	EPM	Group	EPM	Group	EPM
Revenues	25.3	11.3	19.8	9.9	28%	14%	5.5	1.4
EBITDA	7.4	4.6	5.8	3.6	29%	27%	1.7	1.0
Comprehensive income	3.3	3.4	3.7	2.5	-12%	32%	(0.5)	0.8

reflected in the financial results, which have shown positive trends despite high uncertainty and volatility, as well as internal challenges stemming from the Ituango Hydroelectric contingency and with portfolio companies such as Afinia and Tigo - UNE.

Source: Executive Vice President of Finance and Investments

The evolution of EPM's results is based on principles

- Sustainability of the core businesses, ensuring adequate coverage and quality in the provision of public utilities.
- Portfolio diversification: Geographic markets, business lines, energy transition.
- Environmental Protection.

c) Budget considerations.

Empresas Públicas de Medellín E.S.P. is a municipal-order decentralized entity, incorporated as a municipal-order industrial and commercial government company 100% owned by the government. It is governed by Municipal Resolution 109/2019, which establishes regulations on budget preparation, components and execution. Consequently, it must prepare a financial plan that includes all its revenues, costs, expenses, investments and associated financing.

By means of Resolution 202250036763 – COMFIS 031 of May 11, 2022, COMFIS delegated to the Board of Directors of EPM the approval of the Entity's budget for the 2023 fiscal year and any amendments thereof. A 10-year Medium-term Fiscal Framework must also be submitted to the Board of Directors, which includes a financial plan and long-term planning. The above is pursuant to the provisions of Article 02 of Municipal Resolution 109/2019

The following elements are taken into consideration for preparing the EPM annual budget:

- Sustainability Management

The Sustainability Model is the support for the Strategic Planning of EPM Group, and strengthens the vision that corporate management understands that economic growth must respect social and environmental limits.
The sustainability vision of EPM Group conceives the protection and creation of value for companies and society through its core business activities, without taking a philanthropic or welfare approach, and connects the activities of EPM Group with the global development agenda and with the "Architecture for a better world," which is a convergence that is necessary for companies to achieve their objectives and for their economic results to derive in contributions for a better society, amidst increasingly complex and interdependent contexts in this newly emerging era.

The 17 Sustainable Development Goals (SDGs) summarize the world's development agenda with a horizon to 2030 and enable EPM Group to connect its local actions with this world vision. They are explicitly stated in the Strategic Planning, and will continue to be deployed in 2023 through actions associated with the material topics or top priority aspects related to sustainability: Access and affordability, Water and biodiversity, Quality and safety of products and services, Workforce well-being and adaptability, Technology and innovation, Human Rights, Renewable energy, Climate change, Sound finances, Corporate Governance and Transparency.

- Legal and Regulatory Framework

<table>
<tr><td rowspan="6">Legal and Regulatory Framework</td><td colspan="2">The budget incorporates the regulations issued by the Energy and Gas Regulatory Commission (CREG) and the Drinking Water and Basic Sanitation Regulatory Commission (CRA), which regulate the monopolies that provide public utilities when competition is not possible.</td></tr>
<tr><td>Water and Sewage Services</td><td>CRA Resolution 688/2014, amended, supplemented and clarified by CRA Resolution 735/2015, and compiled in CRA Resolution 943/2021, establishes the manner for calculating rates for providers of water and sewage services with more than 5,000 users/customers.

In the designated regional markets, which refer to tariff integration where the benchmark costs of services in the areas served (municipalities) are unified by the company, regardless of physical interconnections, the tariff methodology is outlined in CRA Resolutions 821 of 2017, 908 of 2019, and 963 of 2022.</td></tr>
<tr><td>Waste Collection Service</td><td>The tariff framework for sanitation services is detailed in CRA Resolution 720 of 2015, effective from April 2016. This tariff framework introduces concepts of utilization, urban cleaning, and a quality discount regime. In markets with fewer than five thousand subscribers, CRA Resolution 853 of 2018 applies.</td></tr>
<tr><td>Transmission Services</td><td>Compensation for Transmission is governed by Resolution 011 of 2009. The regulatory agenda for 2023 includes the approval of a new tariff methodology, which has not yet been published.</td></tr>
<tr><td>Distribution Services</td><td>Revenues from Electric Power Distribution are calculated using the methodology established in Resolution 015 of 2018, which remains effective. For Electric Power Commercialization, approved charges were determined by Resolution 180 of 2014.

The rates for natural gas distribution through pipelines were approved by Resolutions 502-015 and 502-016/2022. A motion for reconsideration was filed for the full recognition of the costs, expenses and asset accounts, and to amend the amounts of the Commission's supply subsidy fund. It is estimated that the new rates will begin to apply in 2023.</td></tr>
<tr><td></td><td></td></tr>
</table>

	Gas Service	Charges for natural gas distribution via networks were sanctioned in Resolutions 502-015 and 502-016 of 2022. An appeal was filed for the recognition of cost accounts, expenses, assets, and adjustments to the amounts of subsidy funds utilized by the Commission; Responses to this appeal through Resolutions 502-008 and 502-009 of 2023 began impacting distribution charges starting with the July billing, but the city gate station charge is yet to be applied. Resolution 102-003 of 2022 sets general criteria for compensating the retail commercialization of fuel gas to regulated users; a circular detailing the information submission process and its subsequent approval is pending. Regarding the compensation for gas transportation, CREG Resolution 175 of 2021 introduced a methodology allowing the collection of fees in Colombian Pesos and updating the WACC (Phase 1), implemented by Promigas and Transmetano starting in the fourth quarter of 2022. The approval by CREG of the demand projection and AOM expenses for the country's transporters, necessary for establishing final approved charges (Phase 2), remains outstanding.

- Strategic Framework

The EPM budget has been prepared based on the Strategy of EPM Group approved by the Board of Directors. It incorporates components that develop the strategy maintaining the balance defined by management between initiatives aimed at the optimization of the current businesses, and those that promote the transformation and creation of new businesses and solutions.

- 2024 Revenue and Expenses Budget Statement

Figures in COP Millions

Revenues	Budget	% of total	Definition
Initial availability	1,261,491	4%	They are the funds held by the Company at the start of the budget period to carry out its activities.
Current revenues	18,245,513	63%	They are the funds periodically obtained by the Company in performing its corporate purpose.
Capital funds	9,297,140	32%	They are revenues derived from various sources such as dividends, divestments, internal and external loans with terms of more than one year, and balance sheet resources.
Total Revenues	28,804,144	100%	
Expenses			
Operating expenses	7,395,206	26%	Outlays to cover the Company's needs to fully achieve its corporate purpose and fulfill the obligations on its account. They are subdivided into the items of the new catalog for budget classification for territorial entities (CCPET, for the Spanish original).
Debt servicing	4,513,108	16%	This item sets aside the funds allocated to fulfill the contractual obligations of payments on principal, interest, fees and unforeseen expenses arising from public credit transactions.
Investment expenditures	11,685,666	41%	Economically productive outlays reflected in assets to be used over long periods and which produce returns in terms of future benefits, either economic or social.

Commercial operating expenses	4,578,136	16%	Outlays made to acquire goods, services and supplies directly involved in the commercialization and production process.
Total expenses	**28,172,116**	**97%**	
Final availability	632,028	3%	
Expenses plus final availability	**28,804,144**	**100%**	

1.1.9 Summary of recent economic performance.

2023 economic variables performance

Countries with presence of the EPM Group

Variable	Colombia	México	Panamá	Chile	El Salvador	Guatemala
CPI (Annual Variation)	9.28%	4.66%	1.92%	3.94%	1.23%	4.18%
PPI/WPI (Annual Variation)	-0.79%	1.38%	N/A	-0.69%	1.83%	N/A
Exchange rate (year-end)	3.822	16.92	N/A	884.59	N/A	7.83
Devaluation/Revaluation (annual)	-20.54%	-13.11%	N/A	2.92%	N/A	-0.32%

CPI: Consumer Price Index

IPP/WPI: Producer Price Index. In Colombia corresponds to the internal supply index.

Note: N/A Not applicable

COLOMBIA

- Gross Domestic Product - GDP

In 2023, the Colombian economy's growth decelerated to 0.6%, down from 7.3% in 2022. This slowdown was primarily due to moderated consumption and a significant decline in investment. The reduced GDP growth occurred in a context of economic activity adjusting to levels more aligned with the economy's productive capacity, persistent inflation above target, low consumer and business confidence, subdued credit dynamics, and a contractionary monetary policy stance. The unemployment rate in 2023 was 10%, closely mirroring the previous year's 10.3%.

Source: DANE

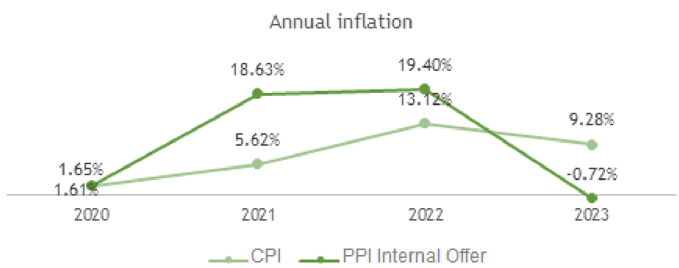
From a supply-side perspective, the sectors contributing most to the annual growth dynamics in 2023 were public administration and defense; compulsory social security plans; education; healthcare and social services activities;

financial and insurance activities; and arts, entertainment, recreation, and other services. Conversely, the construction, manufacturing, and trade sectors experienced contractions.

GDP from the expenditure side showed a notable retreat in domestic demand, imports, and investment, with the latter most significantly affected. Exports and final consumption expenditure grew, yet fell short of the levels seen in 2022.

- Inflation

Producer inflation in 2023 sharply decelerated, moving into negative territory after remaining near 20% for two consecutive years. This outcome was influenced by slower economic activity, moderated imports, reduced international price and cost pressures, normalized global supply chains, and an appreciating exchange rate. Consumer inflation continued to decrease, albeit at a slower rate, remaining high and well above the Banco de la República's target of 3%, as illustrated in the following figure:

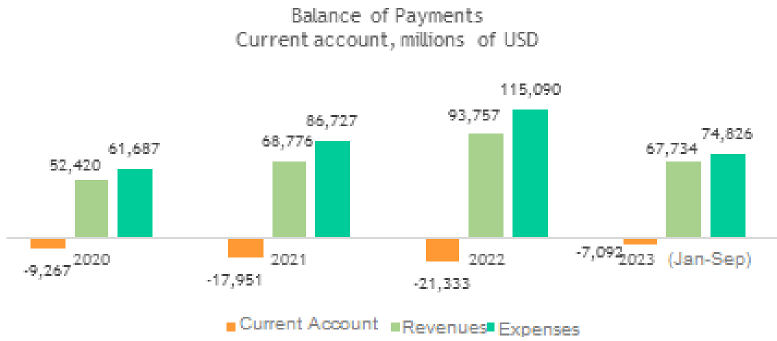


Source: DANE

Monetary policy measures and the resolution of some supply shocks have somewhat eased the upward pressure on prices, especially in the food and goods component. However, service and regulated baskets continued to experience sustained price increases.

- Balance of Payments

According to the Banco de la República, from January to September 2023, the total balance of payments recorded a current account deficit of USD7,092 million, equivalent to 2.7% of GDP, a reduction of USD9,521 million and 3.6% of GDP compared to the same period in 2022. This decrease stemmed from moderated domestic demand, lower profits repatriated by companies with foreign direct investment (FDI), increased remittance inflows, and a surge in service exports linked to tourism. The financial account, including an increase in international reserves by USD1,222 million, saw capital inflows totaling USD 6,800 million, representing 2.6% of GDP as of September, a decrease from 7.2% the previous year.



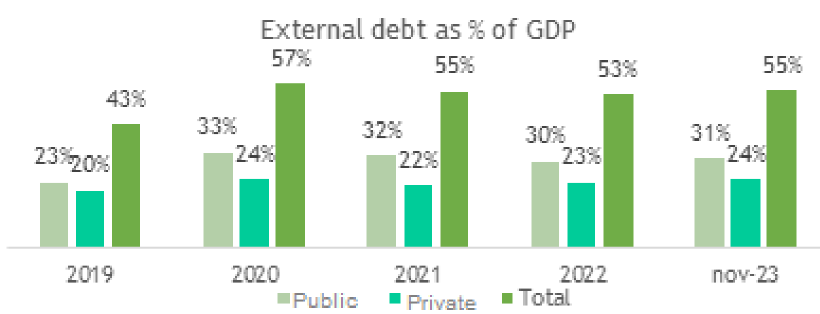
Source: Central Bank of Colombia

In terms of the components of the balance of payments, according to the Central Bank of Colombia, the current account deficit between January and September 2023 (USD 7,092 million) was driven from the deficit in the items of factor income (USD 10,565 million), international trade of goods (USD 4,928 million) and international trade of services (USD 1,087 million). These results were partially offset by the net inflows of current transfers (USD 9,488 million).

According to figures published by DANE, in 2023, the deficit in the Colombian trade balance totaled USD 9,356 million, smaller that the deficit reported in 2021 of USD 14,331 million, arising from exports of USD 45,097 million and imports of USD 54,454 million, which declined compared to the previous year by 21% and 24%, respectively. The narrowing of the trade deficit was primarily due to a more pronounced decrease in imports than exports amid an economic slowdown. Additionally, this adjustment was influenced by the normalization of international commodity prices. Exports were principally reduced due to lower international prices for major traditional export commodities.

- External Debt

According to the Colombian External Debt report of the Central Bank of Colombia, at the end of the third quarter of 2023, the Colombian external debt balance totaled USD 190,537 million (55% of GDP), an increase of USD 6,719 million (3.7%) compared to December 2022, mainly arising from loans and bonds. By sector, 57% of total foreign debt is of the public sector, and 43% of the private sector.



Source: Central Bank of Colombia

At September 2023, the public sector's external debt balance is estimated at USD 108,168 million (31% of GDP), higher by USD 3,525 million (3.4%) compared to December 2022. This increase is primarily attributed to the growth in long-term obligations amounting to USD 3,913 million and a reduction in short-term obligations by USD 388 million.

Impacts of the macroeconomic variables on the businesses on EPM and the Colombian Group subsidiaries.

Variable	Generation	T&D	Water	Gas
GDP	Revenues and Commercial Operation	Revenues and Commercial Operation	Not relevant	Not relevant
PPI	Revenues and Commercial Operation	Revenues and Commercial Operation	Not relevant	Revenues and Commercial Operation
CPI	Investments	Investments	Revenues, investments and commercial operation	Investments
TRM	Revenues, investments and commercial operation	Revenues, investments and commercial operation	Investments	Revenues, investments and commercial operation

	GDP	Inflation	Balance of Payments
Mexico	In 2023, Mexico's economic activity expanded annually by 3.1%, consistent with the growth achieved in 2022. The expansion was propelled by the industrial sector, particularly construction, while manufacturing showed continued weakness, in sync with reduced activity in this sector within the United States. The robust GDP growth was further supported by strong demand, notably due to significant investments and solid private consumption bolstered by a vigorous recovery in the labor market. Additionally, external demand was favorably impacted by a surge in automotive exports.	Following two consecutive years of near 8% price increases, inflation pressures in Mexico began to subside in 2023, reducing to 4.6%, yet still above the central bank's (Banxico) target of 3%. The decline in overall inflation was largely driven by a reduction in the goods component, currency appreciation easing imported goods prices, moderation in international input costs, and diminished pressures from agricultural and energy products.	According to Banxico, the current account accumulated a deficit of USD 13,862 million up to September 2023, but recorded a surplus of USD 2,628 million in the third quarter, equivalent to 0.6% of GDP. This year-on-year widening of the dollar current account balance primarily reflected a substantial reduction in the oil products trade deficit and, to a lesser extent, increased remittance inflows and a marginal rise in the non-oil trade balance.
Chile	According to the World Bank, it is projected that the Chilean economy will end 2023 with a contraction of approximately 0.4%. This outcome aligns with the adjustment phase the economy has been undergoing, following macroeconomic imbalances and excessive expenditure levels post-pandemic. From the demand perspective, private consumption faced significant setbacks, with investment remaining weak particularly in machinery, equipment, and construction sectors due to the downturn in the housing and real estate segments, influenced by rising interest rates. However, government consumption positively impacted GDP growth due to increased spending on goods and services.	Inflation in Chile saw a substantial drop from 13% in 2022 to 4% in 2023, still one percentage point above the Central Bank's target of 3%. The smallest upward pressures were observed in the core inflation, particularly within the goods component. The slowdown in price increases occurred within a context of resolving macroeconomic imbalances, including closing the activity gap, adjusting aggregate demand, and dissipating previous years' cost shocks. These were associated with the normalization of global supply chains, a reversal of the rise in prices for raw materials and food due to the Ukraine conflict, and a reduced impact on the prices of imported goods due to the appreciation of the exchange rate.	According to the Central Bank of Chile, the current account deficit decreased significantly in the period from January to September 2023, totaling USD 6,099 million, down from USD 27,102 million in the entire year of 2022. In the third quarter of 2023, the current account saw a deficit of USD 4,495 million, equating to 3.5% of GDP for the year to date. This reduction was partly offset by a surplus in the goods trade balance, despite deficits in the income and services trade balances. The financial account showed net capital inflows of USD 6,433 million, reflecting government and corporate bond issuances, along with capital contributions and profit reinvestment in direct investment enterprises.
	GDP	Inflation	Balance of Payments

Guatemala	The World Bank estimates that the country's GDP grew by 3.4% annually in 2023, slightly below the (4.1%) observed in 2022. This indicates that the economy has maintained solid foundations amidst both external and internal shocks. GDP, driven by the expenditure approach, was bolstered by domestic demand, spurred by an increase in private consumption expenditure linked to rising household incomes and remittances, alongside favorable credit conditions and subdued inflation levels. Investment also showed positive trends, particularly in the construction of buildings.	Guatemala's inflation closed the year 2023 within the Central Bank's target range (4.0% +/- 1%) after a significant increase to (9.24%) in 2022. The slowdown in inflation growth was primarily due to moderated international prices of raw materials, notably energy and food, normalization of global supply chains, and the dissipation of temporary factors impacting mobility on major national roadways.	The balance of payments components were influenced by international events that led to sustained interest rate increases, which in turn triggered capital flow movements. Additionally, geopolitical tensions spurred rises in international raw material prices, affecting both the value and volume of foreign trade in goods and services. In 2023, the current account concluded with a surplus of USD 339 million, largely driven by a (9.8%(increase in family remittances. However, this was partially offset by deficit balances of USD 16,124 million in the trade balance, primary income, and services. Foreign exchange earnings from family remittances totaled USD 19,804 million at the end of December 2023, marking a 9.8% increase from 2022. Although family remittance flows exhibited positive growth, their rate of increase was less than in previous years.
El Salvador	According to World Bank forecasts from January 2024, Guatemala's GDP in 2023 is projected to have grown by 2.8% compared to the previous year. Key growth drivers included a surge in construction activities, associated productive chains in the manufacturing of building materials, and increases in direct and indirect employment. Additionally, diversification of the energy matrix and continuous service sector growth contributed to economic expansion. Government services in safety and health also provided significant contributions. From an expenditure perspective, substantial dynamism in investment and consumption was spurred by increased household income from family remittances.	El Salvador's inflation notably decreased from nearly 7% in 2022 to 1.2% in 2023. This reduction was largely due to adjustments in supply shocks related to rises in commodity prices, such as oil and its derivatives, and some staple foods. Throughout the year, price pressures were exacerbated by increased costs of some food production inputs due to the El Niño phenomenon.	As of the third quarter of 2023, the current account of the balance of payments recorded a deficit of USD 550.9 million. This imbalance in foreign exchange, which deepened from 2022, reflects higher goods imports amid high international inflation. This was partly mitigated by increased earnings from tourism services and a rise in family remittances, which continue to show an upward trend, reaching USD 8,182 million in December 2023, a 5% increase from 2022.
	GDP	Inflation	Balance of Payments

Panama	According to the World Bank, Panama's economy is projected to expand by 4.9% in 2023, marking one of the highest growth rates in the region, albeit lower than the 2022 figure. The growth is primarily supported by sectors including commerce, construction, tourism, finance, industrial manufacturing, and agriculture. Container traffic through the Panama Canal decreased by 2.8% in 2022, affected by drought-related shipping restrictions. On the demand side, consumption led the growth. In October 2023, Moody's downgraded Panama's credit rating from Baa2 to Baa3 due to excessive public spending and an inadequate tax revenue base. Similarly, in September 2023, Fitch revised Panama's outlook to negative while affirming its 'BBB-' investment grade.	Panama's inflation slightly decreased to 1.92% in 2023, down by 0.18 percentage points from 2022. Significant inflationary pressures were noted in housing, utilities, transportation, and food. Moderation in oil prices and the normalization of global supply chains were key factors in curbing inflation.	

1.1.10 Total number of employees, changes in the number and percentage compared to the previous year.

Company	Payroll of the previous year	Current year payroll	Change
EPM Group	16,789	17,297	1.03%

1.2. Litigation, judicial and administrative proceedings in which the issuer is a party and that could materially affect its operation, financial position and/or change its financial position.

According to Decree 151 of 2021, Article 5.2.4.2.2 the Legal Support Processes and Claims Department of EPM has issued a year-end report for 2023.

The report discusses litigation, judicial, and administrative processes involving EPM and its subsidiaries, potentially impacting their operational and financial status. Information from subsidiaries was reported and consolidated by EPM for this report.

It should be noted that the information on the affiliates was reported by said affiliates and consolidated by EPM for the effects of this report.

The following is the list of litigation, judicial and administrative proceedings:

EPM -HOLDING COMPANY-

No.	Identification of the judicial proceeding	
1	**File**	2020 A – 0035.
	Venue	Conciliation, Arbitration and Amicable Composition Center of the Medellín Chamber of Commerce for Antioquia.
	Proceeding	Arbitration Tribunal.
	Plaintiff	Sociedad Hidroeléctrica Ituango S.A E.S.P. (defendant in countersuit.)
	Defendant	EPM (plaintiff in countersuit.)
	Claims	Arbitration tribunal due to contractual non-fulfillment of milestones 7, 8 and 9 of the BOOMT.
	Objections raised	**i)** exception due to non-existence of culpable non-fulfillment by EPM; **ii)** exception of impossibility to fulfill the obligations on the account of EPM in the manner that was initially agreed; **iii)** exceptions of responsibility of Hidroituango due to the realization of assumed risks, according to the Risk Matrix of the BOOMT Contract; **iv)** exception of abusive use of the performance penalty clause of the BOOMT Contract and ignoring its purpose; **v)** exception of fulfillment of the procedure agreed in Clause 9.02 of the BOOMT Contract; **vi)** exception of violation of the good faith principle by Hidroituango; **vii)** failure to perform the appropriate acts and duties of collaboration in performance of the BOOMT Contract.
	Amount	**Combined amount of the lawsuits based on the reform:** COP 1,123,476,754,237. **Amount of EPM's countersuit:** COP 5,509,700,871

<table>
<tr><td></td><td>Status</td><td>
December 7, 2023: Arbitration award issued, resolving:

To cover all costs, including higher expenses and financial costs arising from the collapse of the detour works named Auxiliary Diversion System - SAD and its Auxiliary Diversion Gallery - GAD, until their complete resolution and restoration.
To pay Hidroituango the sum of COP 781,828,888,350 as "Penalty Clauses for Non-Compliance with Milestones".
To pay Hidroituango COP 2,547,521,599 for the legal costs of the process.

December 15, 2023: EPM submitted a request for clarification and addition.
December 18, 2023: The Tribunal denied all requests.
December 22, 2023: EPM notified Hidroeléctrica Ituango that the penalty clause would be treated as a reduction in the project value for the purpose of calculating compensation.
</td></tr>
<tr><td></td><td>IFRS Rating</td><td>Possible.</td></tr>
<tr><td></td><td>Provision</td><td>0.</td></tr>
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<tr><th>No.</th><th colspan="2">Identification of the judicial proceeding</th></tr>
<tr><td>2</td><td>File</td><td>05001233300020210006000.</td></tr>
<tr><td></td><td>Venue</td><td>Administrative Tribunal of Antioquia.</td></tr>
<tr><td></td><td>Proceeding</td><td>Contractual disputes.</td></tr>
<tr><td></td><td>Plaintiff</td><td>EPM.</td></tr>
<tr><td></td><td>Defendant</td><td>Consortia CCCI, INGETEC – SEDIC, Generación Ituango, SURA and CHUB.</td></tr>
<tr><td></td><td>Claims</td><td>To declare breach of contract by the defendants and consequently the payment of damages caused to EPM due to the contingency that occurred at the Ituango Hydroelectric Project.</td></tr>
<tr><td></td><td>Defense arguments:</td><td>The proceedings are not yet in the procedural phase.</td></tr>
<tr><td></td><td>Amount</td><td>COP 9.9 billion.</td></tr>
<tr><td></td><td>Status</td><td>
March 11, 2021: Writ of non-admittance of the lawsuit was issued.
March 16, 2021: A motion for reconsideration was submitted against the writ of non-admittance of the lawsuit.
Decision pending on the motion for reconsideration submitted by EPM against the writ of non-admittance of the lawsuit.
</td></tr>
<tr><td></td><td>IFRS Rating</td><td>Possible.</td></tr>
<tr><td></td><td>Provision</td><td>0.</td></tr>
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<tr><th>No.</th><th colspan="2">Identification of the judicial proceeding</th></tr>
<tr><td>3</td><td>File</td><td>2021 A 0002.</td></tr>
<tr><td></td><td>Venue</td><td>Conciliation, Arbitration and Amicable Composition Center of the Medellín Chamber of Commerce for Antioquia.</td></tr>
<tr><td></td><td>Proceeding</td><td>Arbitration Tribunal.</td></tr>
</table>

	Plaintiff	CCC Ituango.
	Defendant	EPM.
	Claims	Establish that the contingency of the Ituango Hydroelectric Project in 2018 is not attributable to Consorcio CCC and that it has the right to recognition of the financial incentive agreed in the contract.
	Objections raised	**i)** lack of jurisdiction, **ii)** lack of active standing for Construcoes e Comercio Camargo Correa S.A. and Consorcio CCC Ituango, **iii)** non-fulfillment of contract, and iv) realization of risks assigned to CCCI.
	Amount	COP 70,000,000,000, which is the amount quantified in the request.
	Status	➢ **May 30, 2023**: The Tribunal made a decision on the request for document exhibition. ➢ **August 22, 2023**: CCC Ituango submitted a response brief. October 25, 2023: Deadline for counter-responses. ➢ **October 25, 2023**: Counter-response submitted. ➢ **November 23, 2023**: A hearing was scheduled to review the request for precautionary measures by the plaintiff. During this session, a new date of December 15, 2023, was set for further deliberations. ➢ **December 15, 2023**: An arbitration meeting was held to present the positions regarding the precautionary measure request, with proceedings suspended until February 15, 2024.
	IFRS Rating	Possible.
	Provision	0

No.	Identification of the judicial proceeding	
4	**File**	11001032400020170013000**.**
	Venue	Council of State - First Section.
	Proceeding	Invalidity.
	Plaintiff	Carlos de Jesús Baena Eusse, Flor Maria Quintero Chica, Milena Maria Flórez Gutiérrez, Rito Mena Bermúdez, Isabel Cristina Zuleta López, among others.
	Defendant	EPM, National Environmental Licensing Authority, Corantioquia, Corpouraba, Ministry of the Environment and Sustainable Development.
	Claims	It seeks the simple invalidity of Resolution No. 155 of January 30, 2009, “whereby an environmental license is granted for the “Pescadero Ituango” hydroelectric power plant and other decisions are made” and the provisions that amend it.
	Objections raised	**i)** Non-existence of irregularities in the issuance of Resolution 0155 of January 2009; **ii)** non-existence of defects in the issuance of Resolution 0155 of January 2009; **iii)** the lawsuit does not seek a ruling on the validity of the sued administrative acts, but the satisfaction of legal claims that could have been sought through a motion for invalidity and reestablishment of rights; **iv)** lack of grounds for a protective measure of the provisional suspension of the legal effects of the environmental license; **v)** the purpose and grounds for Resolution 0155 of January 2009 are based on regulations in the general interest for the fulfillment of government objectives; **vi)** the need to maintain the license due to firm energy obligations; **vii)** non-existence of the violation

		of fundamental rights due to the issuance of the environmental license; **viii)** compliance with all the obligations imposed by the environmental license.
	Amount	No amount.
	Status	➢ July 6, 2023: Concluding arguments were presented.
	IFRS Rating	Possible.
	Provision	0.

No.	**Identification of the judicial proceeding**	
5	**File**	25000234100020190017200.
	Venue	First Section - Administrative Tribunal of Cundinamarca.
	Proceeding	Popular legal action.
	Plaintiff	Attorney General's Office for Environmental Affairs.
	Defendant	EPM, Hidroituango S.A., National Environmental Licensing Authority, Ministry of Environment and Sustainable Development.
	Claims	Ensure care for downstream communities; enforce compliance with the environmental license; assess the project's viability through an expert panel, and if the assessment is negative, revoke the license.
	Objections raised	**i)** Res judicata exists; **ii)** Event rendered moot or lack of standing – no rights infringed; **iii)** Compensation claims are inappropriate; **iv)** Popular action is not valid for revoking administrative acts – Violates due process rights of the license holder.
	Amount	Undetermined
	Status	✓ **July 28, 2022**: The Attorney General's Office requested the National Environmental Licensing Authority (ANLA) to consider amending the environmental license to expand the area of influence to include the municipalities of Tarazá, Cáceres, Caucasia, and Nechí. ✓ **September 8, 2022**: In response to the Attorney General's request, ANLA clarified that the areas affected by the contingency: *"...should not be confused with the area of influence, which is defined as the area experiencing environmental impacts under normal project conditions."* ✓ **November 8, 2023:** Auto decree of evidence. ✓ **November 15, 2023:** EPM submitted a request for clarification and addition to the auto decree, noting that some evidence requested by EPM in the response to the popular action had not been addressed.
	IFRS Rating	Possible.
	Provision	0.
No.	**Identification of the judicial proceeding**	
6	**File**	05001233300020220063000.
	Venue	Administrative Tribunal of Antioquia. Magistrate: Susana Nelly Acosta Prada.
	Proceeding	Invalidity and reestablishment of rights.
	Plaintiff	EPM.
	Defendant	Superintendency of Residential Public Utilities.
	Claims	Seeking the annulment of the resolutions issued by the Deputy Superintendent for Energy and Combustible Gas, which imposed a fine as a penalty for the non-commercial operation of the Ituango Hydroelectric

		Project (loss of Expected Operating Flow for the period 2018-2038). Consequently, it is requested that the fine paid to EPM be refunded as part of the rights reinstatement.
	Legal Arguments:	**i)** The challenged administrative acts were issued by the SSPD without jurisdiction, **ii)** The administrative acts were issued in violation of the norms they should adhere to, **iii)** The acts were falsely motivated, **iv)** The administrative acts were issued without respecting the right to a hearing and defense.
	Amount	COP 1,817,052,000
	Status	➢ On August 25, 2023, a procedural order to present final arguments was issued, which EPM appealed seeking additional considerations.
	IFRS Rating	Possible.
	Provision	0.

No.	Identification of the judicial proceeding	
7	**File**	13001233300020190035200.
	Venue	Administrative Tribunal of Bolívar.
	Proceeding	Group lawsuit**.**
	Plaintiff	Maikol Arenales and others.
	Defendant	EPM, Hidroituango, ANLA, Corantioquia, Department of Antioquia.
	Claims	Recognition of material and immaterial damages as a result of the Project's contingency and the effects it had on fishermen, particularly at Ciénaga de Montecristo, Bolívar.
	Objections raised	**i)** lack of justification of the applicability of a group lawsuit; **ii)** inept lawsuit due to improper selection of the means of control and failure to fulfill the requirement of admissibility; **iii)** lack or absence of evidence of the alleged damages; **iv)** the claimed or alleged damages are not true in nature. They are eventual or hypothetical; **v)** absence of causal link or factual allocation; **vi)** ignores the victim's duty to mitigate the damages suffered; **vii)** non-existent or disproportionate lost profits; **viii)** non-existence of immaterial damages due to lack of evidence. No moral damages can be assumed; **ix)** objection to the estimated amount of the proceedings.
	Amount	COP 258,866,129,384.
	Status	➢ **March 21, 2023:** Order issued by the Administrative Tribunal of Bolívar to revoke the precautionary measure previously granted. ➢ **March 24, 2023:** Conciliation hearing held by the 130th Judicial II Office for Administrative Matters of Cartagena declared unsuccessful. ➢ **March 27, 2023:** Plaintiffs' attorney submitted a request for clarification regarding the order that revoked the precautionary measure. ➢ **April 12, 2023:** Judicial Branch webpage update noted that the case was forwarded to the Office to address the "clarification request." ➢ **August 22, 2023:** Request for clarification was denied.
	IFRS Rating	Probable.

	Provision	COP 283,647,045,784 (larger amount due to the assessment made using the litigation and lawsuits application, which includes interest and inflation rates, and the expected end date of the proceedings).

No.	Identification of the judicial proceeding	
8	File	11001609903420170001600.
	Venue	Municipal Criminal Court 75 with Control Guarantee Functions.
	Proceeding and/or Procedure	Declare protective measures.
	Requesting party:	Second Deputy Attorney General before the Supreme Court of Justice.
	Recipient	Undetermined.
	Claims	Declare protective measures for the construction of the Ituango Hydroelectric Project.
	Defense arguments:	Regarding the requests made, EPM argued that the event had been overcome, given that the Entity was performing through its contractors all the activities required to address the requests made by the alleged victims (collecting pelicans, stabilizing of slopes, among others.) On the stability of the massif, EPM argued that the request to issue an opinion in this regard had already been requested by the National Environmental Licensing Authority (ANLA, for the Spanish original), which is the competent authority for these effects.
	Amount	No amount.
	Status	➢ June 12, 2019: A decision was issued ordering the protection of the fundamental rights to life and a decent life and environment of the population affected by the contingency at the Ituango Hydroelectric Project in 2018. To continue the plans to address the contingency and establish a technical task group to determine the stability of the rock massif. ➢ October 18, 2019: The protective measures declared by the lower court were confirmed. ➢ December 2020: A hearing of verification of compliance with the orders was held, and the court found that the measures remained in place. ➢ May 31, 2021: The decision was partially overturned, excluding the Prosecutor's Office (Fiscalía) and Administrative Attorney General (Procuraduría) from compliance with the orders. ➢ February 1, 2022: EPM filed before Municipal Criminal Judge 75 of Control of Guarantees of Bogotá the Pöyry report, which describes the stability status of the rock massif. ➢ December 21, 2023: A compliance verification hearing for the precautionary measures was conducted at the request of the Ministry of the Environment. The hearing was adjourned and rescheduled for February 21, 2024.
	IFRS Rating	Possible.
	Provision	0

No.	Identification of the judicial proceeding	
9	**File**	2018340900100003E.
	Venue	Failure to Recognize Truth and Responsibility Section. Special Jurisdiction for Peace (JEP, for the Spanish original).
	Proceeding	Request for protective measures.
	Plaintiff	National Movement of Victims of Crimes of State (MOVICE, for the Spanish original) and Movimiento Ríos Vivos.
	Defendant	EPM and Others.
	Claims	Request by the National Movement of Victims of Crimes of State and Movimiento Ríos Vivos to JEP in order to empty out the reservoir of the Ituango Project to search for disappeared persons.
	Objections raised	Lack of grounds for protective measures for nameless parties and lack of jurisdiction of the JEP.
	Amount	No amount.
	Status	➢ In the evidence gathering stage. ➢ December 15, 2022: A hearing was held for objections to the expert opinion submitted by ÉQUITAS, at which EPM submitted a request to disallow due to its lack of impartiality. ➢ Pending setting of date of hearing to continue the proceedings. ➢ September 14, 2023: Équitas, the expert appointed in the case, contested the disqualification motion filed by EPM against its appointment.
	IFRS Rating	Possible.
	Provision	0.

No.	Identification of the judicial proceeding	
10	**File**	05001233300020180072 8.
	Venue	Administrative Tribunal of Antioquia.
	Proceeding	Direct reparations.
	Plaintiff	ISAGEN S.A E.S.P.
	Defendant	EPM.
	Claims	Declare that EPM is responsible for damages suffered by ISAGEN as a result of the fire that took place on February 15, 2016, which subsequently rendered the Guatapé plant unavailable, due to the failure of service incurred by EPM in the maintenance procedure of the plant's high voltage power lines.
	Objections raised	**i)** Non-existence of the obligation; **ii)** unfounded grounds for suing by the plaintiff and unfounded grounds for the request; **iii)** EPM's compliance with the law and applicable regulations on electric power generation; **iv)** non-existence of grounds for establishing responsibility, including causal link, and **v)** request to declare all exceptions that are proven during the proceedings, even if they have not been directly stated or presented.
	Amount	COP 386,894,931,510.
	Status	➢ The process is nearing the completion of evidence gathering.
	IFRS Rating	Possible.

	Provision	COP 386,894,931,510.

No.	Identification of the judicial proceeding	
11	File	Arbitration 136976.
	Venue	Arbitration Tribunal.
	Proceeding	Arbitration and Conciliation Center of the Chamber of Commerce of Bogotá.
	Plaintiff	Electrificadora del Caribe S.A. E.S.P.
	Defendant	EPM.
	Claims	Declare breach of the contract to acquire shares by EPM in connection with the adjustment to the compensation payment for collections.
	Objections raised	The proceedings are not yet in the procedural phase.
	Amount	COP 138,505,322,051
	Status	This suspension agreement was again extended by mutual consent until February 15, 2024.
	IFRS Rating	Possible.
	Provision	0.

No.	Identification of the judicial proceeding	
12	File	Arbitration 144210.
	Venue	Arbitration Tribunal.
	Proceeding	Arbitration and Conciliation Center of the Chamber of Commerce of Bogotá.
	Plaintiff	Electrificadora del Caribe S.A. E.S.P.
	Defendant	EPM.
	Claims	To declare that during the indemnity period of the Share Acquisition Contract, no loss was incurred by EPM or its indemnifiable parties due to claims made by Mola Lawyers, Elkin Pineda, and others. Consequently, it was ordered that the withheld resources be released.
	Objections raised	The proceedings are not yet in the procedural phase.
	Amount	COP 26,488,143,954
	Status	This suspension agreement was again extended by mutual consent until February 15, 2024.
	IFRS Rating	Possible.
	Provision	0.

No.	Identification of the judicial proceeding	
13	File	Arbitration 144912.
	Venue	Arbitration Tribunal.
	Proceeding	Arbitration and Conciliation Center of the Chamber of Commerce of Bogotá.
	Plaintiff	Electrificadora del Caribe S.A. E.S.P.
	Defendant	EPM.
	Claims	To declare that within the validity period of the Indemnity Clause of the Stock Acquisition Contract, no losses were realized for EPM or its indemnifiable parties as a result of the Interaseo Claim, leading to the release of the withheld resources.
	Objections raised	The proceedings are not yet in the procedural phase.

	Amount	COP 5,387,143,954
	Status	This suspension agreement was again extended by mutual consent until February 15, 2024.
	IFRS Rating	Possible.
	Provision	0.

No.	Identification of the judicial proceeding	
14	**File**	147510.
	Venue	Arbitration and Conciliation Center of the Chamber of Commerce of Bogotá.
	Proceeding	International Commercial Arbitration.
	Plaintiff	EOLOS ENERGÍA S.A.S. E.S.P.
	Defendant	EPM.
	Claims	Declare the absolute nullity of the long-term energy supply contract due to unlawful purpose or, alternatively, (i) suspend the execution of the contract until the Beta Project becomes operational; (ii) order the revision of energy prices and the restoration of economic equilibrium; or (iii) declare the termination of the contract and EPM's liability, ordering the entity to compensate for the damages incurred by the claimant.
	Objections raised	The proceedings are not yet in the procedural phase.
	Amount	Undetermined.
	Status	➢ Registration of the arbitration initiation request. The proceedings are suspended until January 5, 2024, to allow time for the parties to negotiate a contract amendment.
	IFRS Rating	Possible.
	Provision	0.

No.	Identification of the judicial proceeding	
15	**File**	147522.
	Venue	Arbitration and Conciliation Center of the Chamber of Commerce of Bogotá.
	Proceeding	International Commercial Arbitration.
	Plaintiff	VIENTOS DEL NORTE S.A.S. E.S.P.
	Defendant	EPM
	Claims	Declare the absolute nullity of the long-term energy supply contract due to an illicit objective or, in the alternative, (i) suspend the execution of the contract until the Alpha Project becomes operational; (ii) order the revision of energy prices and the restoration of economic equilibrium; or (iii) declare the termination of the contract and EPM's liability, ordering the entity to compensate for the damages incurred by the claimant.
	Objections raised	The proceedings are not yet in the procedural phase.
	Amount	Undetermined.
	Status	➢ Registration of the arbitration initiation request. The proceedings are suspended until January 5, 2024, to allow time for the parties to negotiate a contract amendment.
	IFRS Rating	Possible.
	Provision	0.

No.	Identification of the judicial proceeding	
16	**File**	05001333303520210012400.
	Venue	Administrative Court 35 of the Circuit of Medellín.
	Proceeding	Class action lawsuit.
	Plaintiff	Industrial Union of Professional Workers of EPM and UNE (SINPRO) and others.
	Defendant	Municipality of Medellín **Interested third party:** EPM.
	Claims	Pursuant to the provisions of Article 119 of Law 1474/2011, to sentence the Mayor of Medellín, Daniel Quintero Calle, to restore the additional financial costs paid and recognized by EPM on its financial obligations due to non-abidance by the Corporate Governance provisions of EPM.
	Objections raised	**i)** Unfounded grounds for a class action lawsuit; **ii)** non-existence of violation of the collective rights listed in the lawsuit; **iii)** unfounded grounds for suing the defendant; **iv)** inept lawsuit; **v)** request to declare all exceptions that are proven during the proceedings, even if they have not been directly stated or presented.
	Amount	No amount.
	Status	➢ On November 9, 2023, the Administrative Tribunal of Antioquia ordered a second-instance ex officio expert financial opinion from an investment banking expert to determine if the facts presented in the lawsuit caused economic damages to EPM, the expense of which is to be borne by the plaintiff.
	IFRS Rating	Possible.
	Provision	0

No.	Identification of the judicial proceeding	
17	**File**	05001233300020180093500.
	Venue	Oral Administrative Tribunal of Antioquia.
	Proceeding	Invalidity and reestablishment.
	Plaintiff	EPM.
	Defendant	Directorate of National Taxes and Customs (DIAN)
	Claims	To declare the partial invalidity of the administrative acts of DIAN, in which it partially accepted to refund the amount of the tax on equity paid by EPM, because it did not recognize the full refund of the tax paid and did not recognize and pay the legal, current and late payment interest charges.
	Defense arguments:	**i)** in this case, the positive administrative silence applied, because DIAN failed to address in a timely manner the motions for reconsideration filed against the Inhibitory Resolutions; **ii)** DIAN failed to recognize the right to due process during the entire administrative act, and for this reason the sued acts have the defect of invalidity; **iii)** DIAN must refund COP 73,668,922.00, because this amount arises from the tax on equity paid by EPM in connection with its electric power generation activity; **iv)** the methodology adopted by DIAN to establish the amount that was refunded fails to take into consideration the law, as well as the economic and tax reality of EPM; **v)** the

		methodology adopted by EPM to determine the amount paid for the tax on equity and the surcharge associated to its generation business is accurate, truthful and reasonable, and is consistent with its economic and tax reality. Consequently, DIAN must refund the COP 73,668,922.00 that were not recognized; **vi)** the administrative file, and the lawsuit, provide sufficient proof that EPM paid COP 200,873,708,000 for the tax on equity in connection with its generation activity; **vii)** the assertions made in the Resolutions of the Motions are not relevant for the discussion and are not consistent with the law and the economic, tax and financial reality of EPM; **viii)** the sued acts have the defect of invalidity due to false motivation; **ix)** DIAN violated Articles 83 and 95, Section 9 of the Constitution, and consequently Articles 6, 121 and 123 of the Constitution.
	Amount	COP 258,894,485,943.
	Status	➢ Case referred to the judge for decision.
	IFRS Rating	Possible.
	Provision	0.

No.	Identification of the judicial proceeding	
18	**File**	25000233600020180090100.
	Venue	Oral Administrative Tribunal of Cundinamarca.
	Proceeding	Direct reparations.
	Plaintiff	EPM.
	Defendant	DIAN and the Congress of the Republic.
	Claims	To declare the administrative extra-contractual responsibility of DIAN and/or of the Nation for the damages suffered consisting in depriving it of the capital it had to allocate to pay the tax on equity of tax year 2011.
	Defense arguments:	**i)** responsibility of the State for the wrongful damages produced by the issuance of laws and the illegality of administrative acts; **ii)** reparations for the wrongful damages attributable to the Congress of the Republic in exercising its legislative functions; **iii)** reparations for the wrongful damages attributable to the administration by declaring the invalidity of administrative acts of a general nature; **iv)** DIAN compromises the State's responsibility by declaring the invalidity of the opinions issued, because they are administrative acts of a general and regulatory nature; **v)** in this specific case, the Nation-Congress of the Republic and DIAN are responsible for the wrongful damages suffered by EPM as a result of having paid the tax on equity, after having been required to do so by Law 1370 and the opinion of DIAN No. 98797 of December 28, 2010.
	Amount	COP 258,017,437,000.
	Status	➢ On May 9, 2023, the court waived the initial hearing, decreed evidence, adjusted the procedure to an anticipated judgment, and commenced pleadings.
	IFRS Rating	Possible.
	Provision	0.

No.	Identification of the judicial proceeding

19	File	05001233300020220108400.
	Venue	Administrative Tribunal of Antioquia.
	Proceeding	Invalidity and reestablishment.
	Plaintiff	EPM, National Planning Department, National Roads Institute (INVIAS, for the Spanish original).
	Defendant	Territory Renewal Agency, Ministry of Transportation and DIAN.
	Claims	To declare the invalidity of a document dated May 13, 2022, in which the Land Restitution Agency replied to EPM's request to declare the loss of enforceability of Resolution 175/2018.
	Defense arguments:	**i)** the sued administrative acts were issued in violation of the regulations on which they should have been grounded; **ii)** the loss of enforceability and consequent invalidity of document under file number 20223300051921 dated May 13, 2022, which denied the invalidity of the administrative act of Resolution 175/2018.
	Amount	COP 33,700,782,353.
	Status	✓ **May 1, 2023:** Appeals for reconsideration and, subsidiarily, for appeal were lodged against the order that dismissed the demand. ✓ **June 16, 2023:** The appeal was granted. ✓ **June 26, 2023:** The case file was forwarded to the Council of State.
	IFRS Rating	Possible.
	Provision	0.

No.	Identification of the judicial proceeding	
20	File	05001233300020160189800.
	Venue	Administrative Tribunal of Antioquia.
	Proceeding	Invalidity and reestablishment of rights.
	Plaintiff	EPM.
	Defendant	Department of Antioquia.
	Claims	To declare the invalidity due to illegality of Article 30 of Ordinance 04 of March 14, 2007, which issued the Statute of Contributions for Valuation of the Department of Antioquia, and to declare the partial invalidity of Resolution 201500305531 of November 20, 2015, which distributes and assigns the valuation contribution due to the refurbishing and paving of the road to El Limón, and Resolution 2016060006142 of April 7, 2016, which decided on a motion for reconsideration that was filed, confirming the valuation contribution.
	Defense arguments:	**i)** violation of the law due to failure to apply regulations that should have been followed by the Department to distribute the valuation contribution; **ii)** false motivation; **iii)** violation of the law by undue application; **iv)** violation of the Constitution – breach of regulations on which it should have been grounded.
	Amount	COP 78,695,631,200.
	Status	January 20, 2020: The file was sent to chambers to issue the ruling.
	IFRS Rating	Possible.
	Provision	0.

No.	Identification of the judicial proceeding	
21	**File**	11001031500020220244800.
	Venue	Council of State, Magistrate Oswaldo Giraldo López.
	Proceeding	Extraordinary review petition.
	Plaintiff	Municipality of Bello.
	Defendant	Fourth Section of the Council of State.
	Claims	The Municipality of Bello filed an extraordinary review petition against the second-instance judgment issued by the Fourth Section of the Council of State in case file 05001233100020110134301, where the annulment of the contested acts was declared, and it was ordered to reimburse EPM the amount of COP 89,527,412,785.49. The claims of this demand include: (i) To declare the nullity of the aforementioned judgment; (ii) To decide the case on the merits, issuing a new judgment; (iii) To adopt any other protective measures deemed appropriate to ensure the fundamental rights of the Municipality of Bello are not infringed; and (iv) To order EPM to pay the legal costs.
	Objections raised	Not applicable.
	Amount	0
	Status	➢ **October 2, 2023:** Writ of admittance of the lawsuit. Magistrate Oswaldo Giraldo López. ➢ **October 11, 2023**: Filing of a plea of supplication by the Municipality of Bello. ➢ **+**: Forwarded to the office for resolution of the plea of supplication. Reporting Judge Alberto Montaña Plata, Section 3, Subsection B.
	IFRS Rating	Probable.
	Provision	0

No.	Identification of the judicial proceeding	
22	**File**	05001233300020240009300.
	Venue	Administrative Tribunal of Antioquia.
	Proceeding	Invalidity and reestablishment of rights.
	Plaintiff	EPM
	Defendant	Municipality of Bello.
	Claims	To declare the annulment and reestablishment of rights against the act of reassessment of the surplus value for the construction of the AGUAS CLARAS WWTP in a property located in the jurisdiction of the Municipality of Bello.
	Legal Arguments:	➢ Violation of the principle of res judicata as EPM obtained a judicial ruling, now final, that declared it was not obligated to pay any amount for surplus value to the Municipality of Bello, ordering the reimbursement of the paid amount of COP 89,527,412,785.49. ➢ Violation of the principle of non bis in idem due to the reassessment of the surplus value, affecting legal security and legitimate expectation. ➢ Repetition of administrative acts annulled by the jurisdiction, following the occurrence of the SAP.

		➢ Violation of the rights to contradiction and defense by citing Law 1437 of 2011 and the Tax Statute to carry out the notification procedure of the administrative act of reassessment. ➢ Decay of Resolution 2717 of 2009 and expiration of the authority to assess the tax. ➢ Uncertainty regarding the liable taxpayers for the tax, including Aguas Nacionales EPM, which did not own the properties at the time the surplus value was determined. ➢ Legal impossibility to consider the estimate due to the expiration of the valuation made by the Universidad del Atlántico in 2009. ➢ Potential criminal and disciplinary implications for the officials of the Municipality of Bello, in issuing the contested acts. ➢ Lack of authority to issue the challenged acts. ➢ Non-existence of an administrative file. ➢ Inconsistency between the Resolution recalculating the tax, directed at EPM, and the resolutions resolving the reconsideration requests submitted by EPM and ANEPM (in the operative parts of both, payment is mandated from both companies, implying double charging or taxation).
	Amount	COP 166,800,070,267.75.
	Status	➢ The lawsuit was filed on December 15, 2023.
	IFRS Rating	Probable.
	Provision	0

No.	Identification of the judicial proceeding	
23	**File**	05001233300020230045600.
	Venue	Administrative Tribunal of Antioquia. Magistrate: Susana Nelly Acosta Prada.
	Proceeding	Invalidity and reestablishment of rights.
	Plaintiff	Municipality of Bello.
	Defendant	EPM.
	Claims	Declare the nullity of the resolutions issued by EPM in the coercive collection proceedings of the second-instance judgment issued by the Council of State, in the case with file number 05001233100020110134301. These resolutions address the exceptions proposed by the Municipality of Bello against the payment command in the coercive collection process and the order to proceed with the execution.
	Objections raised	Not applicable.
	Amount	COP 131,733,297,162.51.
	Status	The Municipality of Bello requested clarification of the order under which the office refrained from processing the reconsideration appeal against the order dismissing the lawsuit. On October 11, 2023, the office denied the requested clarification and stated that, once the decision is final, it will decide on compliance with the

		requirements set forth in the order of July 18, 2023 (order that dismissed the lawsuit).
	IFRS Rating	Possible.
	Provision	0

AGUAS NACIONALES E.S.P. -ANEPM National Affiliate-

No.	Identification of the judicial proceeding	
1	**File**	CCI 26081/JPA.
	Venue	International Arbitration Tribunal managed by the Chamber of Commerce of Medellín
	Proceeding	International arbitration of contractual disputes.
	Plaintiff	Consorcio Aguas de Aburrá HHA, Hyundai Engineering Co. Ltd, Hyundai Engineering and Construction Co. Ltd, Hyundai Engineering Co. Ltd, Acciona Agua S. A. U. (defendant in countersuit.)
	Defendant	ANEPM (plaintiff in countersuit.)
	Claims	**Principal lawsuit claims:** To declare breach of contract and consequently to order the defendants to pay ANEPM for all the damages caused by such breach, assessed at the following amounts: **a.** USD 30,959,709 **b.** EUR 1,207,304 **c.** COP 79,989,252,150 **Filing of countersuit by Consorcio HHA:** It holds that Consorcio HHA has the right to recognition of the amounts and items described during the dispute filed before the Commission for Dispute Resolution, in the following amounts: **a.** **Dispute of Term:** USD 57,022,498. **b.** **Dispute of Design:** USD 6,538,117.27. **c.** **Dispute called financial:** USD 9,314,728.92. **d.** **Dispute on Changes and Adjustments:** USD 13,641,461.8. **e.** **Other Disputes:** USD 14,023,102.6. The financial dispute is related to the lesser amount paid in the delivery advance payments in Colombian pesos and their amortization in foreign currency: COP 20,138,623,305.
	Legal arguments and objections raised	ANEPM argued that: **i)** Consorcio HHA failed to meet the deadline for completing the performance stage; **ii)** Consorcio HHA must pay indemnity to ANEPM for the damages caused to ANEPM due to the delays in the performance stage; **iii)** ANEPM has the right to collect the additional penalty clause of AMB No. 43 because Consorcio HHA did not fulfill the substantial obligation of the performance stage; **iv)** the contractor was in breach of contract for failing to address the pending items and defects it was responsible for; **v)** Consorcio HHA failed to fulfill its contractual obligations

		related to the Operation and Maintenance Stage; **vi)** Consorcio HHA failed to fulfill other contractual obligations; **vii)** ANEPM has the right to the recognition of damages and reimbursements due to breach by Consorcio HHA in connection with the Dispute Resolution Commission; **viii)** Consorcio HHA must pay indemnity to ANEPM for the damages caused, including interest up to the date of the arbitration award. HHA mainly argued that: **i)** ANEPM failed to fulfill design obligations that were on its account; **ii)** the delays during the performance stage and the stage of addressing pending items and defects allegedly occurred due to breach of contract by ANEPM and other circumstances not attributable to Consorcio HHA, such as the occurrence of allegedly unforeseeable physical conditions and COVID-19; **iii)** that ANEPM did not implement adequate management of changes to the Contract; **iv)** that the contract specified that the advance payments for components in foreign currencies were to be paid in those currencies, and ANEPM decided not to deliver them in the required currencies; **v)** that ANEPM opposed the delivery of advance payments on non-compensated works, and, consequently it had to take on the cost of their performance, which had a direct impact on its cash flow; **vi)** additionally, the damages caused by the partial and delayed delivery of the second advance payment for the supply of equipment and spare parts; **vii)** claims of improper withholdings, adjustments and deductions made by ANEPM during Contract performance; **viii)** undue application of withholdings on payments as security deposits; **iv)** ANEPM must recognize and pay to Consorcio HHA the amounts it deducted by improperly applying the 0.65% discount offered by Consorcio HHA in its offer; **x)** undue freezing of adjustments plus its associated financial impact; **xi)** ANEPM must recognize and pay to Consorcio HHA for the additional costs arising from changes in legislation increasing the VAT rate; **xii)** impact of ANEPM's decision related the nature of the agreement did not enable invoicing of the Value Added Tax (VAT); **xiii)** claims payment of 50% of the professional fees paid by Consorcio HHA for operating costs ex CRC after July 2019, **xiv)** final recognitions/deductions in the contract finalization certificate; **xv)** that ANEPM did not make full payment for training, in breach of the contractual provisions.
	Amount	COP 475,168,271,268
	Status	On June 19, 2023, Procedural Order No. 5 was adopted, which modified the procedural calendar. The reply initially scheduled for September was postponed to November, and the rejoinder originally scheduled for December 2023 was moved to March 2024. From this point, all dates have been adjusted, with an arbitration award projected for the end of 2025.
	IFRS Rating	Possible.
	Provision	COP 475,168,271,268

No.	Identification of the judicial proceeding	
2	File	25000232600020130085600.
	Venue	Administrative Tribunal of Cundinamarca.

	Proceeding	Invalidity and reestablishment of rights.
	Plaintiff	ANEPM.
	Defendant	Ministry of Public Finance and Credit.
	Claims	To declare the invalidity of the decision of the Legal Stability Committee adopted in Minutes No. 8 of August 29, 2011, which denied the request to sign a legal stability contract submitted by ANEPM and of Resolution 008 of May 4, 2012.
	Legal Arguments	**i)** Breach of the principle of equality, **ii)** Breach of the regime for legal stability contracts, **iii)** Breach of the prohibition of demanding requirements that are not established or authorized by law, **iv)** Breach of the principles of good faith and legitimate trust, **v)** False motivation, **vi)** Violation of the rights to a hearing and defense.
	Amount	COP 114,164,000,000.
	Status	➢ May 7, 2015: Ruling denies the claims of the lawsuit. ➢ Pending decision on appeal to the ruling (Council of State, Section Three, Councilor writing for the Council, Nicolas Yepes Corrales.)
	IFRS Rating	Possible.
	Provision	0.

No.	Identification of the judicial proceeding	
3	**File**	05001333026202100196.
	Venue	Oral Administrative Court 26 of the Circuit of Medellín.
	Proceeding	Class action lawsuit.
	Plaintiff	Dayron Alberto Mejía Zapata and Others Vs. EPM and others.
	Defendant	ANEPM.
	Claims	Compensation for material and immaterial damages due to the startup of the Aguas Claras WWTP and the offensive odors allegedly emanating from it.
	Preliminary Exceptions:	i) Fault of the plaintiffs (victim's fault). ii) Class action statute of limitations. iii) Non-existence of damage. iv) Non-existence of obligation.
	Amount	COP 12,834,101,923.00
	Status	✓ **February 21, 2022**: The Unitary Civil Decision Chamber of the Medellín Superior Court directed the Administrative Court 26 of the Circuit of Medellín to assume jurisdiction over the class action originally pending in the First Civil Circuit Court of Bello under case number 05088310300120210018200, filed by Diego Beltrán Muñoz and others against HMV Ingenieros LTDA, NIPPON KOEI LAC, INC., Colombia Branch, SEDIC S.A., Hyundai Engineering Co. Ltd Colombia Branch, and Poyry Environment. ✓ **May 31, 2022**: The Administrative Court 26 of the Circuit of Medellín denied the consolidation of case 05088310300120210018200 with case 0500133330262021-0019600 and declared lack of jurisdiction. ✓ **August 4, 2022**: The Administrative Court 26 of the Circuit of Medellín did not revise the May 31, 2022 order, which denied the request for consolidation.

		✓ **July 27, 2023**: Following the Constitutional Court's June 22, 2023 decision resolving a negative competency dispute, the Administrative Court 26 of the Circuit of Medellín was ordered to oversee the action transferred from Civil Court One of the Circuit of Bello.
	IFRS Rating	Possible.
	Provision	0.

EMPRESAS VARIAS DE MEDELLÍN -EMVARIAS-

No.	Identification of the judicial proceeding	
1	File	05001333302720230046300.
	Venue	Oral Administrative Court 27 of the Circuit of Medellín.
	Proceeding	Class action lawsuit.
	Plaintiff	EMVARIAS Workers' Union - SINTRAEMVARIAS -
	Defendant	EMVARIAS.
	Claims	Direct EMVARIAS to halt the execution of contract CW 270559 for the "side loading" pilot project with Themac S.A., and to terminate it early.
	Preliminary Exceptions:	i) Lack of prior exhaustion of procedural prerequisites, ii) Absence of infringement of collective rights to administrative integrity and public assets defense, iii) Recklessness of the plaintiff, as the plaintiff is aware of a validly concluded contract between EMVARIAS S.A. E.S.P and THEMAC COLOMBIA S.A.S, yet seeks a judicial suspension or early termination.
	Amount	0
	Status	➢ On December 12, 2023, EMVARIAS responded to the lawsuit.
	IFRS Rating	Possible.
	Provision	0.

ELECTRIFICADORA DE SANTANDER E.S.P. -NATIONAL ESSA AFFILIATE-.

No.	Identification of the judicial proceeding	
1	File	68001333300220190012900.
	Venue	Oral Administrative Court 2 of the Circuit of Bucaramanga.
	Proceeding	Direct reparations.
	Plaintiff	Adalberto Martínez and others.
	Defendant	ESSA, Regional Environmental Authority of Cesar (CORPOCESAR), the Nation - Ministry of the Environment, Regional Environmental Authority of Santander, Empresa Pública de Alcantarillado de Santander, Municipality of Lebrija, Municipality of California, Municipality of Vetas, Municipality of El Playón, Municipality of Charta, Municipality of Matanza, Municipality of Floridablanca, Municipality of Suratá Santander, Municipality of Rionegro, Municipality of Bucaramanga, Municipality of Piedecuesta and Others.
	Claims	Indemnity for fishermen due to pollution of the Lebrija River downstream from the Bocas Reservoir owned by ESSA.

	Objections raised	**i)** lack of legitimacy of the cause; **ii)** expiration of the statute of limitations; **iii)** non-existence of any causal link; **iv)** non-existence of the damages; **v)** acts of third parties; **vi)** irrational assessment of damages.
	Amount	COP 54,859,176,288
	Status	➢ December 4, 2020: A reply to the lawsuit was filed. ➢ Currently in the evidence gathering stage.
	IFRS Rating	Possible.
	Provision	0.

No.	Identification of the judicial proceeding	
2	**File**	68001333300220190006100.
	Venue	Administrative Court 2 of the Circuit of Bucaramanga.
	Proceeding	Direct reparations.
	Plaintiff	Abiud Lizarazo and others.
	Defendant	ESSA, Ministry of the Environment, Housing and Territorial Development, and others.
	Claims	Indemnity for fishermen due to pollution of the Lebrija River downstream from the Bocas Reservoir owned by ESSA.
	Objections raised	**i)** lack of legitimacy of the cause; **ii)** expiration of the statute of limitations; **iii)** non-existence of any causal link; **iv)** non-existence of the damages; **v)** acts of third parties; **vi)** irrational assessment of damages.
	Amount	COP 69,956,502,000.
	Status	➢ April 6, 2021: A reply to the lawsuit was filed. ➢ Currently in the evidence gathering stage.
	IFRS Rating	Possible.
	Provision	0.

No.	Identification of the judicial proceeding	
3	**File**	68001333301220230004900.
	Venue	Administrative Court 12 of Bucaramanga.
	Proceeding	Popular legal action.
	Plaintiff	Deiby Medina González and others.
	Defendant	ESSA, Constructora Satis S.A.S, Municipality of Girón, Urban Curatorship 1 of Girón Municipality.
	Claims	Installation of electrical service to potential users non-compliant with RETIE in the locality of Villa Sofía, Municipality of Girón.
	Objections raised	**i)** Absence of a causal connection, **ii)** Lack of passive legitimation, **iii)** Act of a third party.
	Amount	0
	Status	✓ **October 11, 2023**: The compliance agreement hearing was declared unsuccessful. ✓ **October 19, 2023**: Order issued for evidence collection. ✓ **October 25, 2023**: The plaintiff requested amendments to the order that mandated evidence collection.
	IFRS Rating	Possible.
	Provision	0

No.	Identification of the judicial proceeding	
4	**File**	68001233300020180081500.
	Venue	Administrative Tribunal of Bucaramanga.
	Proceeding	Direct reparations
	Plaintiff	Luis Aurelio Mutis and others.
	Defendant	ESSA, Municipality of Piedecuesta, Government of Santander, METROGAS SA ESP.
	Claims	Claims for economic damages and removal of electrical infrastructure installed on a lot in Piedecuesta.
	Objections raised	**i)** Absence of a causal connection**, ii)** Lack of passive legitimation, **iii)** Act of a third party, **iv)** Sole fault of the victim, **v)** Expiry of the control mechanism.
	Amount	COP 139,265,437,416.00
	Status	✓ **September 2018:** Lawsuit filed. ✓ **February 2019:** Lawsuit admission order issued. ✓ **March 31, 2023:** ESSA implicated by court order. ✓ **April 18, 2023:** Lawsuit notification. ✓ **June 6, 2023:** Response to the lawsuit. ✓ **September 5, 2023:** Court to rule on defenses.
	IFRS Rating	Possible.
	Provision	0

AGUAS REGIONALES - NATIONAL AFFILIATE-

No.	Identification of the judicial proceeding	
1	**File**	05001233300020200380200.
	Venue	Administrative Tribunal of Antioquia.
	Proceeding	Action for annulment and reinstatement.
	Plaintiff	Aguas Regionales.
	Defendant	Municipality of Chigorodó.
	Claims	Annulment of decisions regarding unpaid subsidy claims from 2011 to the present.
	Legal Arguments:	i) Lack of act motivation, ii) Violation of legality principle, iii) Violation of financial sufficiency and economic efficacy principles.
	Amount	COP 7,342,886,343.00.
	Status	✓ Awaiting judicial decision.
	IFRS Rating	Possible.
	Provision	0

No.	Identification of the judicial proceeding	
2	**File**	Direct reparations.
	Venue	05837333300220180035000
	Proceeding	Administrative Court 2 of Turbo (Antioquia).
	Plaintiff	María Inés Osorio Montoya and others.
	Defendant	Aguas Regionales.

	Claims	The Municipality of Apartadó and Regional Waters to be held accountable for the death of Mr. Cesar Jiménez, who collided with a protruding sewage manhole on a road.
	Objections raised	i) Non-existence of liability prerequisites, ii) Non-fulfillment of the objective duty of care, iii) Fault or exclusive action of the victim, vi) Fault of a third party, v) Lack of evidence for non-material damages, vi) Lack of active standing.
	Amount	COP 4,185,947,900.00.
	Status	✓ November 29, 2022: Judgement issued denying the lawsuit's claims. ✓ Currently undergoing an appeal at the Administrative Tribunal of Antioquia, and on July 27, 2023, it moved to the Office for judgement.
	IFRS Rating	Possible.
	Provision	0

AGUAS DE MALAMBO - NATIONAL AFFILIATE -

No.	Identification of the judicial proceeding	
1	**File**	08758311200120150017400.
	Venue	Civil Court 01 of the Circuit of Soledad.
	Proceeding	Executive Case.
	Plaintiff	Aguas de Malambo S.A. E.S.P.
	Defendant	Municipality of Malambo.
	Claims	Issue a payment order against the Municipality of Malambo - Atlántico in favor of Aguas de Malambo S.A., regarding the principal amount represented by promissory note No. 01 of 2011, executed with Minute No. 1 of the Account Statement among the Shareholders of AGUAS DE MALAMBO and the Municipality of Malambo.
	Legal Arguments:	i) Promissory Note No. 01 of 2011, executed as a guarantee for the payment of obligations outlined in Minute No. 1 of the Account Statement between the Municipality of Malambo and the shareholders of AGUAS DE MALAMBO S.A. E.S.P. in December 2011, fulfills the criteria and conditions mandated by Articles 621 and 709 of the Commercial Code, creating a clear, express, and enforceable obligation on the part of the defendant, as per Article 422 of the General Code of Procedure. ii) The promissory note became enforceable on December 31, 2012, the date by which the sum of COP 1,446,217,806.90 was due. iii) AGUAS DE MALAMBO S.A. E.S.P. is the legitimate holder of Promissory Note No. 01 of 2011, thereby legally empowered to initiate the exchange action stipulated in Article 780 of the Commercial Code due to the debtor's failure to pay.
	Amount	COP 4,053,480,954.
	Status	➢ On September 14, 2023, an inquiry was made to the office regarding the existence of judicial titles favoring the plaintiff.
	IFRS Rating	Probable.
	Provision	0

No.	Identification of the judicial proceeding

2	**File**	08758311200220220006600.
	Venue	Civil Court 002 of the Circuit of Soledad.
	Proceeding	Executive Case.
	Plaintiff	Aguas de Malambo S.A. E.S.P.
	Defendant	Municipality of Malambo.
	Claims	Issue a Payment Command against the Municipality of Malambo, regarding capital and interest as per the payment agreement dated February 15, 2021, due to non-compliance with the payment of subsidy bills from the General System of Participations (SGP) for the years 2016, 2017, and 2018.
	Legal Arguments:	i) The payment agreement dated February 15, 2021, executed between the defendant and Aguas de Malambo S.A. E.S.P. to settle the obligation resulting from the non-transfer of SGP subsidies for the years 2016, 2017, and 2018, constitutes a clear, express, and enforceable obligation on the part of the defendant, according to Article 422 of the General Code of Procedure. ii) The payment agreement dated February 15, 2021, became enforceable starting March 1, 2021, the date the first monthly installment specified in the annexed payment plan was due.
	Amount	COP 1,108,184,042.
	Status	➢ On September 14, 2023, an inquiry was made to the office regarding the existence of judicial titles favoring the plaintiff.
	IFRS Rating	Probable.
	Provision	0

Distribuidora de Electricidad DELSUR - INTERNATIONAL AFFILIATE -

No.	Identification of the judicial proceeding	
1	**File**	99-2016.
	Venue	Contentious Administrative Chamber of the Supreme Court of Justice.
	Proceeding	Declaration of illegality.
	Plaintiff	DELSUR.
	Defendant	Ministry of Finance.
	Claims	Resolutions related to determining payments of supplementary taxes and the associated fines for unintentional evasion in the 2010 tax year.
	Defense arguments:	The electricity losses item is a “business or enterprise risk” that must be taken on by the Company.
	Amount	USD 7,831,953.
	Status	By a resolution dated August 8, 2023, issued by the General Treasury Department, notifications of administrative collection requirements and summonses were annulled.
	IFRS Rating	Possible.
	Provision	0

EEGSA - INTERNATIONAL AFFILIATE -

No.	Identification of the judicial proceeding	
1	**File**	2046-2018-40.

	Venue	Lower Criminal Court on Tax and Customs Matters of Guatemala.
	Proceeding	Report.
	Reporting party	Superintendence of Tax Administration (SAT, for the Spanish original).
	Reported party	EGGSA.
	Claims	The SAT claims that the crime committed took place through the reverse merger and the use of a bridge loan to take advantage of tax credits from 1999 to 2015.
	Defense arguments:	Considering that the SAT argues failure to pay income taxes from 1999 to 2015, the defense argues that no omission was committed, because what was done was to make use of a tax benefit, on goodwill, which has been in effect under Guatemalan tax laws since 1999.
	Amount	USD 461,670,811.51.
	Status	Request to rule expiration by statute of limitations. Filed a motion to extinguish criminal liability and prosecution due to expiration of the term by the statute of limitations, generic appeal against the Resolution and declare with no grounds for exception that any criminal liability and prosecution has been extinguished due to expiration by the statute of limitations.
	IFRS Rating	Probable.
	Provision	0

No.	Identification of the judicial proceeding	
2	**File**	01045-2018-177.
	Venue	Civil Court One of First Instance.
	Proceeding	Ordinary damage lawsuit.
	Plaintiff	DEORSA.
	Defendant	EEGSA.
	Claims	Ordinary damage lawsuit filed by Eastern Electric Distributor, S.A. - DEORSA - against EEGSA for distributing electricity in Santa Rosa.
	Defense arguments:	Eastern Electric Distributor, S.A. - DEORSA - sued EEGSA for unfair competition for distributing electricity in the departments of Guatemala, Sacatepéquez, despite EEGSA having authorization from the Ministry of Mines and Energy on behalf of the state of Guatemala, Sacatepéquez, Escuintla, Santa Rosa, Chimaltenango, and Jalapa.
	Amount	USD Amount Undetermined
	Status	Currently in the evidence stage.
	IFRS Rating	Possible.
	Provision	0

COMEGSA - INTERNATIONAL AFFILIATE -

No.	Identification of the judicial proceeding	
3	**File**	2011-61.
	Venue	Third Chamber of the Contentious Tribunal.
	Proceeding	Contentious-administrative process.
	Plaintiff	COMEGSA.
	Defendant	Superintendence of Tax Administration (SAT, for the Spanish original)

	Claims	Contentious administrative process against SAT for Income Tax Adjustments.
	Defense arguments:	a) Adjustment for supporting legal documentation from another period amounting to COP 32,469.79 and b) Exchange rate differential adjustment due to the Restatement of balances recorded as simple accounting entries totaling COP 473,379.69. Fiscal Year 2007. Legal basis: Articles 39 subsections b) and Z) of the Income Tax Law.
	Amount	USD 156,813.00.
	Status	Partially favorable Contentious Court ruling. Pending procedure for filing a cassation appeal.
	IFRS Rating	Probable.
	Provision	0

No.	Identification of the judicial proceeding	
4	**File**	2009-206.
	Venue	Second Chamber of the Contentious-Administrative Tribunal.
	Proceeding	Contentious-administrative process.
	Plaintiff	COMEGSA
	Defendant	Tax Administration Superintendence (SAT).
	Claims	Contentious administrative process against SAT for Income Tax Adjustments.
	Defense arguments:	Adjustment for exchange rate differential due to the restatement of balances recorded by simple accounting entries amounting to USD 494,767.67. Fiscal Year 2005 Legal basis: Article 39 subsection Z) of the Income Tax Law.
	Amount	USD 153,378.00.
	Status	Awaiting the Contentious-Administrative Tribunal's decision.
	IFRS Rating	Probable.
	Provision	0

TICSA -INTERNATIONAL AFFILIATE-

No.	Identification of the judicial proceeding	
1	**File**	767/2023-A.
	Venue	Malpica, Iturbe, Buj & Paredes, S.C.
	Proceeding	Annulment of a service contract.
	Plaintiff	CIAPACOV and the Government of Colima.
	Defendant	Ecosistema de Colima S.A. de C.V.
	Claims	A lawsuit has been filed seeking the annulment of the service contract and its related accessories, alleging they were issued in violation of applicable laws.
	Defense arguments:	It was fundamentally argued that the lawsuit against Ecosistema de Colima, S.A. de C.V. is inappropriate, and furthermore, that the arguments presented by CIAPACOV and the Government of Colima are baseless.

	Amount	USD 27,265,352.14
	Status	The response to the lawsuit has been filed.
	IFRS Rating	Probable.
	Provision	0

No.	Identification of the judicial proceeding	
2	**File**	423/2022.
	Venue	González de Castilla & Ávila Abogados
	Proceeding	Breach of agreement.
	Plaintiff	EcoAgua de Torreón S.A. de C.V.
	Defendant	Banco Nacional de Obras y Servicios Públicos S.N.C.
	Claims	Breach of a credit agreement with Banobras for failing to fulfill the alternate payment source before the end of its term.
	Defense arguments:	An injunction should be granted to Ecoagua de Torreón, S.A. de C.V., due to the breach of the credit agreement with Banobras for failing to execute the alternate payment source before the termination of its term.
	Amount	USD Amount Undetermined.
	Status	Direct amparo lawsuit against the judgment that acquitted Banobras.
	IFRS Rating	Probable.
	Provision	0

No.	Identification of the judicial proceeding	
3	**File**	538/2019.
	Venue	Ríos-Ferrer, Guillén-Llarena, Treviño y Rivera, S.C.
	Proceeding	Annulment of a service contract.
	Plaintiff	Ecosistema de Ciudad de Lerdo SA de CV.
	Defendant	Potable Water and Sewer System of Ciudad Lerdo.
	Claims	The lawsuit demands the enforced fulfillment of the service contract and the payment of COP 353 million, plus any additional amounts accrued up to the date the judgment is issued.
	Defense arguments:	• Enforced fulfillment of the contract. • Payment of the owed remuneration as of the date the judgment is executed. • Damages and losses.
	Amount	USD 17,000,000.000
	Status	Expert evidence presentation.
	IFRS Rating	Possible.
	Provision	0

No.	Identification of the judicial proceeding	
4	**File**	111/22-ERF-01-6.
	Venue	Ortiz, Rodríguez y Asociados, S.C.
	Proceeding	Annulment of a service contract.
	Plaintiff	DESARROLLOS HIDRÁULICOS DE TAM S.A. DE C.V.
	Defendant	Tax Administration Service.

	Claims	Specialized Chamber on Exclusive Resolution of Substance Trial, Metropolitan Auxiliary, and Civil Pensions Auxiliary in the Federal Administrative Tribunal of Justice.
	Defense arguments:	An annulment lawsuit has been initiated before the Federal Administrative Tribunal of Justice under the specialized procedure known as the Exclusive Resolution of Substance Trial, and the dispute has been formally delineated.
	Amount	USD 15,600,000.00.
	Status	A hearing to define the litis is pending.
	IFRS Rating	Probable.
	Provision	0

1.3. Significant risks facing the issuer and the implemented mitigation mechanisms are discussed.

At EPM Group, Comprehensive Risk Management (CRM) is conceived to facilitate the achievement of the Strategic Planning and decision-making, taking into account the interaction that exists between the different management levels, and of these, in turn, with their surroundings.

In order to effectively manage its risks, EPM Group identifies, assesses, manages and mitigates the various risks that could affect fulfillment of the strategic objectives, corporate sustainability and the continuity of service provision.

In order to unify the comprehensive risk management methodologies used by the EPM Group companies at the different management levels, a methodological guide was established based on the particularities and needs of EPM Group, using as reference the best national and international risk management practices and standards.

The methodological guide contains the following stages applied to Comprehensive Risk Management:

- **Establish the scope, context and criteria**: The aim of this first stage is to establish the scope of risk analysis, the internal and external context of the level of management on which the assessment is to be performed, and define the assessment criteria to be used to assess the impacts of the various risks.

- **Identify risks and controls:** Based on the inputs from the previous stage, the risks to be characterized are identified, including the elements and details that describe them (risk classification, risk scenario, origin, causes and effects.)

- **Assessment of controls impacted objects and risk level**: Once the risks have been identified, the existing preventive and corrective controls that contribute to mitigating the probability and/or consequences of the risks are identified. Once they have been identified, the existing controls are assessed. This assessment uses as reference the criteria set out in the control assessment table described in the guide.

    - The first step in assessing each risk scenario is to select the impacted objects that would be affected by the materialization of the risk. The impacted objects may be Costs/Financial Resources, Time, People's Health, Quality, Information, Image/Reputation, Social and the Environment.
    - Probability of occurrence of the risk: Based on the historical information on the assessed risk, or based on the knowledge and experience of the assessment team (expert judgment), the probability of occurrence of each risk scenario is rated, based on criteria established in the probability assessment table.
    - Consequences: Based on the historical information available on the assessed risk, or based on the knowledge and experience of the assessment team (expert judgment), the consequences are rated considering the relevant impacted objects.

- Calculation of the risk level: Once the probability and consequences of a risk scenario have been established, the next step is to calculate the risk level, which is obtained by multiplying the two variables.
- Risk Matrix: The matrix is a graphic representation of the identified risks.

- Risk treatment The risk treatment involves the identification of potential actions to be implemented to mitigate the risks. The starting point are the existing controls that were reviewed during the risk assessment, based on which any additional required actions that are important for the prevention or mitigation of risks are identified. These may include: Improving existing controls and/or design and implement new actions.

- Monitoring and review: Comprehensive Risk Management is supported by periodic reviews as a mechanism to monitor and review the risks.

- Communication and recording of the risks: Those responsible for the levels of management communicate the risks and treatment actions to all those involved.

(Quantitative estimates of their probable impact to enable investors to assess the magnitude and effects they may have on the Entity)

Regarding information on the relevant risks of the operating companies of the EPM Group and the defined treatment plans for each, Article 5.2.4.3.5 of Decree 151 establishes the form and timing for the disclosure of relevant information through the website of the Financial Superintendence of Colombia. It is important to mention that the required information is confidential because it is strategic for the Organization, and its publication on the website could generate risks for EPM and its subsidiaries. Consequently, such information is not included in the report's disclosures, for the reasons indicated below:

Public confidential information is defined as information that is in the power or custody of an obligated party, acting in such capacity, and that belongs to an individual's or legal entity's own, particular, private or semi-private domain. Consequently, access to such information may be denied, and exceptions may be made in the event of legitimate and necessary circumstances and the particular or private rights defined in Article 18 of Law 1712/2014.

Such information was included in the "index of Classified and Reserved Information" prepared and published by EPM and its subsidiaries as classified, as follows: "Risk Assessment and Risk Matrix of EPM Group, EPM and its businesses. Detailed information on the possible adverse events to which EPM Group, EPM and its businesses are exposed, including their characterization (causes, effects, controls), considerations for their assessment, and final ratings. As well as the risk matrix and index."

The confidentiality of the above information is based on Article 18, subsection c) of Law 1712/2014, which is aligned with Article 260 of Decision 486 of the Andean Community of Nations. Additionally, pursuant to Article 24, section 6 of Law 1755/2015, such classified information shall remain confidential for an indefinite term.

In view of the above, the disclosure of the information contained in the risks assessments outside the business management environment would put the Company and its businesses in a vulnerable position, to the extent that it is information that the Company prepares and requires for the adequate performance of the functions and services it provides in the same conditions as private parties involved in the residential public utilities market, i.e., it is information that is necessary for its performance in conditions that are comparable to those performed by private parties in the market in which they compete in equal conditions.

The risk assessments and matrices reflect the vulnerabilities of the Group, EPM or its businesses, given that they identify the adverse events that put at risk the objectives and sustainability of the Group, EPM or its businesses and the manner in which they are mitigated, which implies that their disclosure affects EPM's right to free economic competition.

1.3.1 Explanation of risk materialization events during the reporting period and the measures adopted

(i) Interruption of the issuer's activities caused by factors other than labor relations.

- **Electric Power Transmission, Distribution, and Commercialization:**

In 2023, there were no incidents that caused a permanent disruption in service delivery. However, listed below are the main operational events of the infrastructure and its exposure to external factors that temporarily affected specific user groups, triggering appropriate remedial actions.

EEGSA - Guatemala: In June 2023, service disruptions occurred in Milpas Altas, Sacatepéquez, affecting approximately 11,000 users for about 26 hours. This incident was due to adverse weather conditions, leading to infrastructure damage across several network points, particularly from fallen trees on primary distribution network lines. In response, necessary resources were mobilized for rectification. Nonetheless, the weather conditions prolonged the network intervention, extending the restoration period as repairs were methodically executed pending safer conditions.

It is important to highlight that the distributor regularly implements inspection and maintenance schedules to assess the condition of facilities within key coverage areas and identify critical vulnerabilities, aiming to maintain the reliability and efficiency of the distribution system.

Additionally, feedback mechanisms with the Operation and Information Center (COI, for the Spanish original) are utilized to address issues related to service interruptions, alongside regular corporate integration and coordination meetings. These gatherings assess the impact on supply continuity indicators and devise emergency strategies to enhance the resilience and reliability of transmission and distribution systems, continuously seeking process improvements.

EPM Distribution: In June 2023, Transformer 2 at the Malena facility failed, affecting service in Puerto Berrio. Efforts were made to transfer over 2,000 customers to alternative circuits, with approximately 13,000 customers experiencing outages lasting over 11 hours. Service was restored following the completion of necessary operational maneuvers. Current initiatives are underway to enhance the reliability of this substation.

Additionally, a failure occurred in Autotransformer 1, phase S, at the Oriente Substation, triggered by recurrent issues in the 44 kV circuits of the area. A specialized maintenance plan for the 44 kV circuits in the Oriente region has been implemented.

Corporate insurance policies were activated to address these failures.

- **Provision and Commercialization of Water and Wastewater:**

EPM: In 2023, EPM and its national and international affiliates did not experience any significant risks that led to activity interruptions unrelated to labor issues.

ADASA (Chile): On December 3, a power outage impacted over 50% of Antofagasta (totaling 120,000 residents), caused by an inadvertent disruption of the 110 kilovolt line owned by the energy provider for the North Desalination Plant.

To address this event, the Company carried out the following activities:
1. The company's emergency response plan was activated.

2. Water was supplied throughout the city via tanker trucks for the duration of the emergency.
3. Communications plan: Both external and internal communications were employed to keep the community (authorities, customers, community leaders, and the public) informed.
4. A plan was coordinated with the electrical company to repair the damaged line and ensure redundancy in the transmission network.
5. Operations were reorganized to continue the supply and distribution of water.

(ii) Risks arising from benefits, pensions or union obligations

EPM			
Risk	**Description**	**Classification**	**Mitigation Measures Implemented**
Strike or Illegal Cessation of Activities	This risk scenario unfolded between March 2 and March 31, 2023, triggered by the company's implementation of a new compensation model termed 'salary bands.' Union leaders from the SINTRAEMSDES union, supported by community members (including pensioners and users), blocked vehicle access to and from the company's headquarters at Calle 30 and Carrera 65 in Medellín.	Union According to information provided on March 16, 2023, by EPM's Administrative Support Manager, it was estimated that more than 5,000 families (employees, beneficiaries, and retirees) were affected by the supply office closure. On March 23, 2023, the VP of Business Management reported the following impacts: The inability to charge the electric bus for EPM personnel services. In the Water and Sanitation sector, approximately 2,300 scheduled customer visits were not completed due to the unavailability of meters.	To resolve and terminate the stoppage, EPM undertook the following measures: 1. Ministry of Labor officials visited the blockaded site to verify the cessation. 2. An administrative complaint regarding the closure of the supply office was filed with the Ministry of Labor. 3. Formation of workgroups, involving visits from Medellín's Ombudsman, the Deputy Secretary of Human Rights, and the Secretary of Government. 4. Customer Education personnel were deployed to the site to engage with the community. 5. Establishment of a crisis response table at EPM. 6. Activation of discussions with the Provincial and Regional Attorney's Offices, the Comptroller's Office, and the Prosecutor's Office. 7. Filing of a police protective order. 8. Criminal complaints were lodged for the misuse of vehicles. 9. External communications to suppliers were issued by the metering laboratory. 10. Issuance of a non-compliance notice for the Concession Vias del NUS. 11. Setup of a collective bargaining table with SINTRAEMSDES. 12. Participation in the "resistance" tent. 13. Request for an estimation of emergent damage and lost profits was made to the VP of Business and Procurement. 14. Internal communications were activated to update staff on the blockade status. 15. Disciplinary procedures were initiated against certain unionized workers. 16. A workgroup on the adjustment of the salary band model was convened.
Incurring Unbudgeted Labor Costs	Collective Negotiation SINTRAEMSDES 2003-2024	Benefits/Union Context	As part of the collective bargaining process, on April 28, 2023, following the conclusion of the direct negotiation phase, a collective labor

	Arbitration Award (SINTRAELECOL): the Arbitration Award is not yet enforceable.		agreement valid for two years was signed between SINTRAEMSDES and EPM, without any associated risks materializing**
	Salary Increases		The salary increase for members affiliated with the Sinpro and Sintraemsdes unions was 12.069%. Salary increases for members covered by the Sintraelecol union's collective bargaining agreement will be implemented once the Supreme Court of Justice rules on the annulment appeal against the arbitration award. No unbudgeted labor costs were incurred**.
	Bonuses		In the context of the collective bargaining process with SINTRAEMSDES and the subsequent signing of a supplementary agreement with SINPRO in October 2023, a retirement bonus equivalent to three (3) basic monthly salaries of the employee's position was agreed upon, provided the resignation occurs within three months following the recognition of an old age or disability pension. This bonus does not apply to the executive level of the company. No unbudgeted labor costs were incurred**.
	Mass Layoffs		No mass layoffs occurred.
	** No labor costs exceeded the budgeted amounts for future periods, impacting strategic plans or surpassing the budgeted values for these expenses by more than 5%.		

ADASA			
Risk	**Description**	**Classification**	**Mitigation Measures Implemented**
Labor, pension, and tax reforms impacting labor costs (Compliance with Law)	Changes in labor, pension, or tax regulations that may increase the company's labor costs, affecting strategic plans and exceeding the budgeted amounts for these expenses by more than 5%.	Benefits Pension	In Chile, discussions have been ongoing since 2017 about a law reforming the pension system. Once enacted, the year following its publication, the employer's pension contribution rate would gradually increase by 6% of the worker's taxable income. If passed in 2024, the increment for 2025 would be 1%, and then it would gradually increase by 1% annually for six years until it reaches 6% by 2031, representing a cost that would not be material for ADASA.

ESSA			
Risk	**Description**	**Classification**	**Mitigation Measures Implemented**
Incurring Unbudgeted Labor Costs	Collective Bargaining or Arbitration Awards*: Salary Increases Bonuses Mass Layoffs Salary increases, bonuses, and mass layoffs did not surpass the labor costs budgeted for future periods, thus not impacting the strategic plans nor exceeding the budgeted amounts for these expenses in increments over 5%. *Union negotiations resolved by a third party.	Benefits Union	It is reported regarding the items associated with this risk: - Collective Bargaining or Arbitration Awards: A new Collective Bargaining Agreement was executed with Sintraelecol in 2023 during the direct negotiation phase; no risks were realized in this context. - Salary Increases: In 2023, labor costs and expenses saw a 5.3% increase over the budgeted figures, driven by rises in the financial component of post-employment benefits, including retirement pensions and energy subsidies, due to a higher discount rate. The 5.3% increase in personal services costs accounted for in 2023 corresponds to non-budgeted items from adjustments in the financial component of the actuarial calculations. Regarding the budgeted labor costs, they increased by 0.4%, amounting to COP 565 million. This increase was managed by optimizing other costs related to the procurement of goods and services. In the 2023 negotiations for a new collective bargaining agreement with Sintraelecol, the estimated non-budgeted costs did not exceed the projected amounts for future periods, even with increases exceeding 5%. - Bonuses: These were disbursed as stipulated in the CCTV. - Mass Layoffs: No mass layoffs occurred.

EMVARIAS			
Risk	**Description**	**Classification**	**Mitigation Measures Implemented**

<table>
<tr>
<td rowspan="4">Legal or regulatory fines or court convictions that impact labor costs or affect the Company's reputation.</td>
<td>Fines exceeding the reserves for ongoing lawsuits or labor-related proceedings by the company. (e.g., from 1 to 5000 SMLV as mandated by the Ministry of Labor).</td>
<td rowspan="4">Benefits
Pension</td>
<td rowspan="3">LABOR COURT THREE OF THE CIRCUIT OF MEDELLIN, enforcement of judgment and issuance of bill.
The court of first instance confirmed the existence of an actual contract between EMVARIAS and the plaintiffs, "DECLARE the existence of an actual contract between EMPRESAS VARIAS DE MEDELLÍN S.A. E.S.P and the plaintiffs, ERNEY ENOC BRAN GARCÍA, RAMIRO DE JESÚS GALEANO AGUIRRE, and REINEL DE JESÚS CASTRILLÓN SALAZAR, beginning June 1, 2010, May 1, 2012, and October 13, 2013, respectively; and consequently, ORDER that as of February 1, 2018, they are regarded as official workers linked to the entity." CONFIRM all other aspects of the judgment subject to appeal. COSTS: Charged against EMPRESAS VARIAS DE MEDELLÍN S.A. E.S.P. and in favor of RAMIRO DE JESÚS GALEANO AGUIRRE, REINEL DE JESÚS CASTRILLÓN SALAZAR, and ERNEY ENOC BRAN GARCÍA, setting legal fees at COP 877,803 for each.</td>
</tr>
<tr>
<td>Administrative or Judicial Decisions issued against the Company affecting its reputation with respect to respecting workers' labor rights. (e.g., EADE).</td>
</tr>
<tr>
<td>Impacts on the right to freedom or union association resulting in fines for the company or affecting its reputation.</td>
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<tr>
<td>When rulings necessitate actions that surpass the budgeted value for labor expenses by more than 5% (Labor Reimbursements).</td>
<td>From March 1, 2022, the date the aforementioned judgment was enforced, the volume of administrative claims seeking employment reinstatement and thereby salary adjustments and recognition of legal and conventional benefits has increased significantly. As of February 29, 2024, the company reports 114 active ordinary labor lawsuits, with 271 plaintiffs, seeking the recognition of an actual contract with EMVARIAS and the payment of corresponding salaries, legal, and conventional benefits, which have been estimated at COP 18,016,880,000 and classified as POSSIBLE.
In 2023, 7 "actual contract" cases were concluded, 5 of which were decided in FAVOR of the Entity. In the two cases concluded UNFAVORABLY, sentencing for the recognition and payment of salary adjustments was as follows:
2018-00255: EMVARIAS is ordered to pay the plaintiff the salary and both legal and extralegal benefits that directly employed workers engaged in solid waste collection in Medellín receive TOTAL TO BE PAID COP 39,532,669 (corresponding to 50% of the judgment).
2013-00934 (57 plaintiffs): Ordered to pay</td>
</tr>
</table>

			two of the plaintiffs as follows: Luis Hernando Gómez Restrepo COP 13,7521,194 and Ricardo Rodríguez Castaño COP 2,426,211, totaling COP 16,178,405 for salary adjustment and social benefits realignment.

AFINIA			
Risk	**Description**	**Classification**	**Mitigation Measures Implemented**
Incurring Unbudgeted Labor Costs	Collective Bargaining or Arbitration Awards*:	Benefits Union	During 2023, negotiations concluded for the collective bargaining agreement with Sitraelecol Subdirectiva Córdoba, resulting in a signing bonus for employees covered under the collective agreements, the same terms agreed in 2022 with the four sub-directives of Sintraelecol. Additionally, in December 2023, notification was received of the formation of the SintraE Arbitration Tribunal, however, no Arbitration Award was issued during this period following the Tribunal's formation with SINTRAE. In 2023, there were no mass layoffs, however, there were severances that resulted in the payment of compensations or bonuses, without exceeding the approved budget for labor costs for the year.
	Salary Increases		
	Bonuses		
	Mass Layoffs		
	Salary increases, bonuses, and mass layoffs did not surpass the labor costs budgeted for future periods, thus not impacting the strategic plans nor exceeding the budgeted amounts for these expenses in increments over 5%.		
	*Union negotiations resolved by a third party.		

AGUAS DE ORIENTE			
Risk	**Description**	**Classification**	**Mitigation Measures Implemented**
Incurring Unbudgeted Labor Costs	Collective Bargaining or Arbitration Awards*:	Benefits	In May 2023, the Board of Directors of Aguas del Oriente approved a salary increase, along with school aid benefits and extra-legal premiums, four new positions and two contracts changed from fixed to indefinite terms, not initially budgeted. Financial projections made for sizing did not affect the Company or EBITDA; only a budgetary transfer was required at the fiscal year-end to accommodate these payments.

(iii) Impact of changes in regulations that affect performance of the economic activity of the issuer and its subsidiaries, if applicable.

- Electricity Generation

Colombia:

Electricity generation in Colombia occurs within a regulated framework, making it crucial to monitor developments and consider future regulatory perspectives. The current national government has raised significant concerns about the evolution of pricing and the overall tariff structure. Consequently, the National Government has initiated measures aimed at reducing the current and anticipated tariff levels, including revising the indexers in long-term energy contracts and issuing guidelines to enhance the efficiency and competitiveness of the electric power service.

Additionally, in 2023, the regulatory body enacted regulations impacting the generation sector for 2024 – 2027, highlighting several key developments: a mechanism to monitor market power in generator bidding prices on the energy exchange was established; Resolution CREG 101 036 of 2024 was passed, allowing for non-firm contracts for surplus generation to be negotiated with marketers serving regulated demand, impacted by price volatility on the exchange; the methodology for calculating ENFICC for solar and wind resources was updated; managed allocations of Firm Energy Obligations (OEF) for the Reliability Charge periods 2025-2026 and 2026-2027 were executed; and finally, regulations for the OEF Auction for the 2027-2028 period were announced. Lastly, it is noteworthy that in 2023, the CREG initiated the Wholesale Energy Market Information System - SIMEM, already implemented by XM, designed to foster competition, transparency, efficiency, and unrestricted access to information.

Other pending items on the regulatory agenda include the modernization of the short-term market (intraday market and binding dispatch), adjustments to the compensation for Firm Energy Obligations for existing plants, revisions to the tariff formula, commercialization regulations, and the approval of tariff transfers for standardized contract mechanisms, among the most significant items, as well as expectations concerning amendments to the Residential Public Utilities Law that has regulated the market for nearly three decades.

It should be noted that the energy analyses conducted by the CREG in 2023 indicated an estimated deficit of firm energy sufficient to meet the demand of the National Interconnected System (SIN) starting December 2027, leading the CREG to conduct an auction for Firm Energy Obligations (OEF) for the 2027-2028 period in February 2024. In this auction, in addition to allocations to existing plants, obligations were also assigned to new projects as follows: 4441 MW for solar plants (providing 9.65 GWh/day of firm energy) and 48 MW for thermal plants (1.05 GWh/day of firm energy), totaling 10.70 GWh/day of new energy to the system.

Despite these developments, it is crucial that new and ongoing construction projects receive full support from the National Government to ensure timely operational commencement; otherwise, overcoming an El Niño event in the 2027-2028 period may prove challenging. Additionally, to maintain progress towards decarbonization, Colombia must continue expanding all renewable energy sources, including hydroelectricity, which complements wind and solar energy.

- Electric Power Transmission, Distribution, and Commercialization

Colombia:

Following the implementation of CREG Resolutions 012, 058, and 152 of 2020, which introduced the Tariff Option to mitigate the impacts of COVID-19, a reduced unit cost (CU) lower than that calculated with CREG Resolution 119 of 2007 was applied, resulting in an outstanding balance to be collected from users, which was intended to be gradually recovered through incremental increases in the CU. Subsequently, influenced primarily by macroeconomic factors, notably the IPP variable, during 2021 and 2022 and its impact on energy service rates, the CREG temporarily modified the maximum variation percentage (PV) of the tariff option CU for relevant marketers via Resolutions 101 027 and 101 031 of 2022, effective from October 2022 to September 2023, altering the initial terms set by CREG 012 of 2020. As of December 2023, the cumulative balance of the tariff option for EPM and its affiliates in Colombia totaled COP 2.9 billion, detailed as follows:

Tariff Option Balance Dec 2023	
Company	Value (Millions of Colombian Pesos)
EPM	COP 730,779
AFINIA	COP 1,666,830
CENS	COP 174,632
ESSA	COP 132,282
CHEC	COP 139,383
EDEQ	COP 69,355

With the release of CREG Resolution 101 028 of 2023, voluntarily adoptable by marketers, the application of the tariff option defined in CREG 012 of 2020 concluded, and a methodology was established for recovering accumulated balances over a period of up to 10 years, designed to prevent steep tariff increases and sudden rate spikes. EPM and its energy affiliates in Colombia announced their decision to adopt this resolution, initiating the recovery of outstanding balances in 2024 according to the specified methodology.

El Salvador:

In 2023, Executive Decree No. 30 from the President of the Republic of El Salvador and Legislative Decree No. 873 from the Legislative Assembly were issued. Executive Decree No. 30 postponed the tariff adjustment scheduled for July 15, 2023, maintaining the rates set in the preceding quarter (April 15 to July 14, 2023). Legislative Decree No. 873 subsequently adjusted the tariff schedule, preserving the immediately preceding rates and applying a 5% discount for six months on the rates effective until October 14, 2023. The recovery of the deferred amount is planned from the adjustment on April 15, 2024. Under the stipulations of the aforementioned decrees and the agreements for their implementation, the impact on cash flow necessitates financing for these deferrals, shared between energy sellers and buyers.

No regulatory changes occurred in 2023 affecting the Provision and Commercialization of Water, Management and Commercialization of Wastewater, Distribution and Commercialization of Natural Gas, or Management and Commercialization of Solid Waste by EPM or any of its national or international affiliates.

2. Part Two: Securities Market and Financial Performance

2.1. Behavior and performance of securities in the trading systems where they are listed.

EPM participates in the local and international capital markets through bond issuances.
In the local capital market, it participates through a local bond issuance and placement program duly approved by the Financial Superintendence. Below, we provide details of the most relevant information:

During 2023, EPM had bonds outstanding totaling COP 1,676,200 million, as outlined below:

General Data

Primary Nemo	Issuance date	Expiration date	Term	Title Type	Reference rate	Issuance rate	Currency	Issue amount Millions
BEPM99A15	21/4/2009	21/4/2024	15.04	INTERNAL PUBLIC DEBT BONDS	CPI	6.24	COP	198.400
BEPM110A20	14/12/2010	14/12/2030	20.00	INTERNAL PUBLIC DEBT BONDS	CPI	4.94	COP	267.400
BEPM513920	4/12/2013	4/12/2033	20.00	INTERNAL PUBLIC DEBT BONDS	CPI	5.03	COP	229.190
BEPM513910	4/12/2013	4/12/2023	10.00	INTERNAL PUBLIC DEBT BONDS	CPI	4.52	COP	226.210
BEPM649A12	29/7/2014	29/7/2026	12.00	INTERNAL PUBLIC DEBT BONDS	CPI	4.17	COP	125.000
BEPM649A20	29/7/2014	29/7/2034	20.00	INTERNAL PUBLIC DEBT BONDS	CPI	4.50	COP	250.000
BEPM759A12	19/3/2015	19/3/2027	12.00	INTERNAL PUBLIC DEBT BONDS	CPI	3.92	COP	120.000
BEPM759A20	19/3/2015	19/3/2035	20.00	INTERNAL PUBLIC DEBT BONDS	CPI	4.43	COP	260.000
							Total	1,676.200

Source: BVC. Email received from publicaciones@bvc.com.co with the attachment "RF Issuer Report."

In December 2023, the "BEPM513910" bonds matured, thus a principal amount of COP 226,210 million was paid to the holders.

As of December 31, 2023, the outstanding balance of EPM bonds was COP 1,449,990 million.

Nemo Secondary	Roundtable	Number of operations	Maximum rate	Minimum rate	Closing rate	Previous closing rate	Maximum price	Minimal price	Closing rate	Volume	Market Volume	Market volume excluding Treasury Bonds	% Participation
BEPM01109A20	TRD	2	22.33	22.28	22.28		90.35	90.22	90.35	11,737.25	486,706,746.94	193,504,923.78	0.006%
BEPM05139A10	CVDP	1	15.00	15.00	15.00		105.34	105.34	105.34	52.67	486,706,746.94	193,504,923.78	0.000%
BEPM05139A10	TRD	4	19.40	13.83	13.83	17.06	102.96	101.91	102.96	20,894.38	486,706,746.94	193,504,923.78	0.011%
BEPM05139A20	TRD	6	22.35	22.31	22.35		89.75	89.62	89.62	44,842.75	486,706,746.94	193,504,923.78	0.023%
BEPM06149A12	TRD	11	21.83	18.11	18.14		97.47	94.57	97.40	27,594.84	486,706,746.94	193,504,923.78	0.014%
BEPM06149A20	TRD	2	22.39	22.34	22.39		84.47	84.32	84.32	1,687.84	486,706,746.94	193,504,923.78	0.001%
BEPM07159A12	TRD	2	22.23	22.06	22.06		90.73	90.21	90.73	9,047.05	486,706,746.94	193,504,923.78	0.005%
BEPM07159A20	TRD	2	21.22	21.19	21.19	21.55	91.24	91.13	91.24	911.86	486,706,746.94	193,504,923.78	0.000%
BEPM1099A15	TRD	6	20.15	16.79	16.79	17.65	106.38	101.02	106.38	30,916.06	486,706,746.94	193,504,923.78	0.016%

The bond "BEPM06149A12" saw the most activity during the year, with a total of 11 transactions. This bond was issued on July 24, 2014, with a principal of COP 125,000 million, a nominal rate of IPC+4.17%, and a maturity date of July 24, 2026.

In the year, the highest price for this bond was 97.47, corresponding to a maximum yield of 21.83%, and the lowest price was 94.57, corresponding to a minimum yield of 18.11%. The closing price of the last spot transaction was 97.40, corresponding to a closing yield of 18.14%. The traded or awarded amount in millions of Colombian pesos was COP 27,594.84, representing 0.014% of the total market volume, excluding TES transactions.

2.1.1 Information on ownership of the issuer's capital and other material aspects of its ownership structure.

EMPRESAS PUBLICAS DE MEDELLIN E.S.P. is a municipal-order legal entity, endowed with administrative and financial autonomy and its own equity. It is a 100% public company owned by the Municipality of Medellín.

2.2. Financial information of the reporting period compared to the previous year

Separate and consolidated financial statements at year-end are attached, audited by an external auditor and certified by the legal representative in accordance with Article 37 of Law 222 of 1995 and Article 46 of Law 964 of 2005, adhering to the exceptions provided in Article 48 of the same law.

2.3. Comments and analysis by management on the operational results and financial situation of the issuer, related to the periods covered in the financial information, include key financial indicators and their analysis.

2.3.1 Material changes in operating results.

Financial Performance of EPM

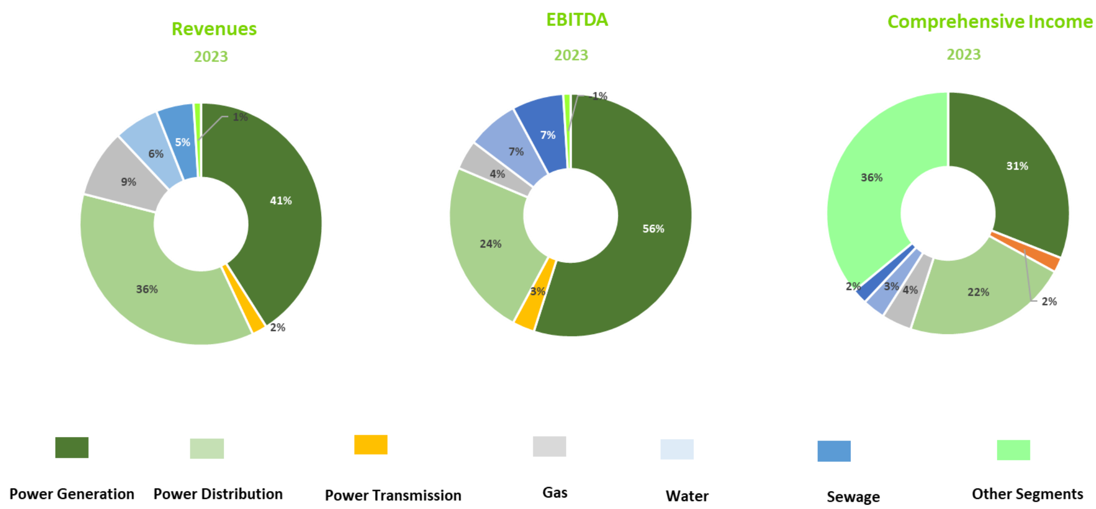
Notable results from EPM

- Commissioning of generating units 3 and 4 at the Ituango Hydroelectric Project.
- EPM capitalized subsidiaries Afinia and Aguas de Malambo with COP 600 thousand million and COP 2 thousand million, respectively.
- Afinia received an intercompany loan from EPM for COP 450 thousand million aimed at the investment plan, plus two capital injections of COP 600 thousand million for operations.
- EPM and Millicom jointly capitalized UNE EPM Telecomunicaciones with COP 600 thousand million, a move designed to enhance the company's financial strength and investment execution capabilities.
- EPM sold the Autonomous Social Financing Property to Somos Servicios Integrados S.A. for COP 281 thousand million.
- Dividends received by EPM totaled COP 630,702 million, with 72% from Group affiliates and the remainder from non-controlled companies.
- During 2023, EPM contributed to the country through taxes, duties and contributions a total of COP 1.7 billion.
- The carrying value of its investment portfolio in controlled and non-controlled companies totaled COP 15.2 billion at year-end 2023.
- In the context of the Arbitral Tribunal initiated by Hidroeléctrica Ituango S.A. E.S.P - Hidroituango against EPM, on December 7, 2023, a ruling was issued declaring that EPM had breached the BOOMT Contract (Build, Own, Operate, Maintain, and Transfer).

Financial Results

EPM's parent company reported a profit of COP 3.8 billion, marking a 24% increase from the same period last year, including results from subsidiaries via the equity method amounting to COP 1.6 billion, thus contributing 41% to EPM's overall profit.

Business Segment Participation



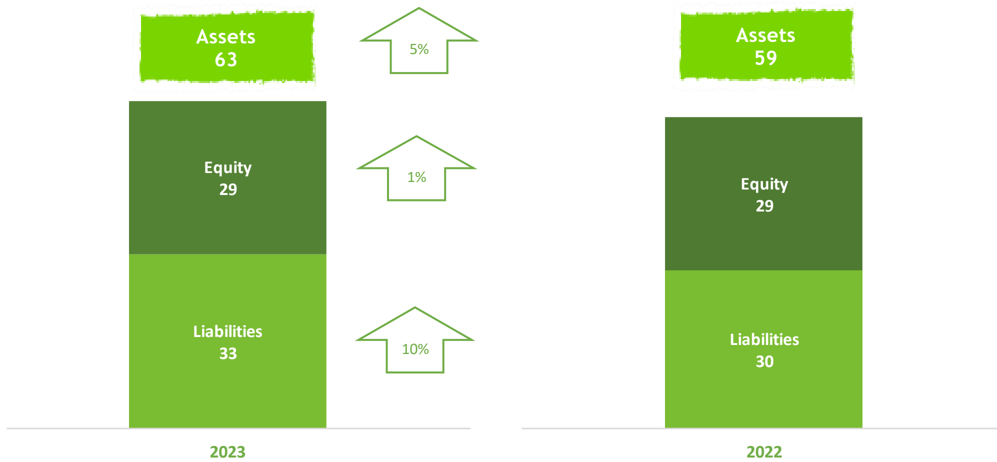
EBITDA in 2023 reached COP 6.8 billion, up by 20% or COP 1.1 billion compared to the previous year. With the EBITDA margin rising to 42%.

EBITDA by segment:

- The Generation segment saw a 39% increase over the previous year, generating COP 1 billion due to higher average market prices, necessitated by the use of thermal plants to manage reservoir levels due to reduced water availability from the effects of the El Niño phenomenon.

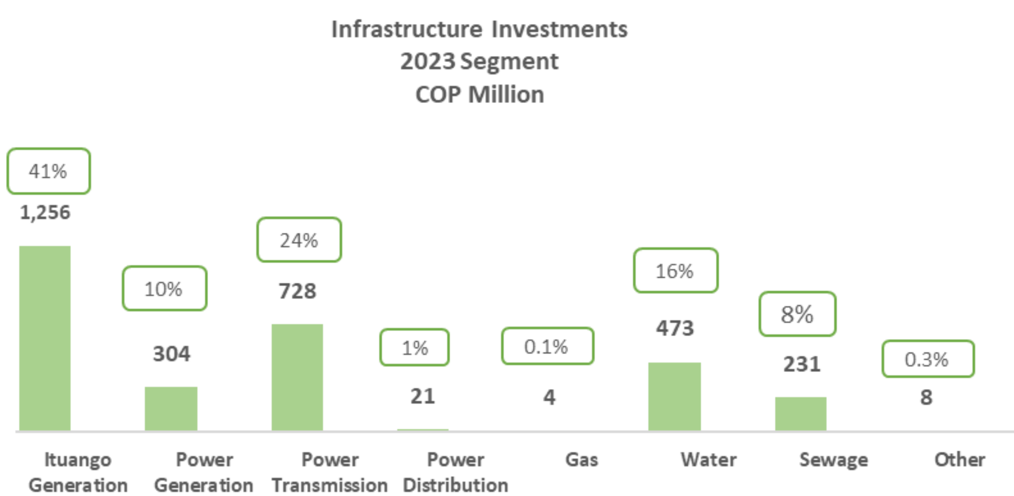
- The Distribution and Transmission segments experienced a 4% decline compared to 2022, a decrease of COP 77,270 million, attributed to a lesser proportionate increase in revenue relative to costs and expenses, driven by higher energy purchase costs influenced by market price fluctuations and the El Niño phenomenon, along with macroeconomic factors and increased portfolio degradation.
- The Gas segment saw a 26% increase over 2022, amounting to COP 53,703 million, primarily due to higher revenues in the wholesale market.
- The Water and Solid Waste Management segments improved their EBITDA by 6%, an increase of COP 57,430 million from the previous year, driven by higher revenues resulting from rate indexations under the regulatory framework and an increase in customer base.

Assets totaled COP 63 billion, equity COP 29 billion and liabilities COP 33 billion, which, compared to December of the previous year, reflect an increase of 5% in total assets and of 10% and 1% in liabilities and equity, respectively.



Asset growth was fueled by increases in property, plant, and equipment, notably from ongoing constructions like the Ituango Hydroelectric Plant, and from enhanced financing services.

EPM's infrastructure investments totaled COP 3.0 billion, accounting for 58% of the Group's total investments, with significant projects in the Generation sector including the Ituango Project, Tepuy Photovoltaic Solar Park, Stage III Guatapé Modernization, and Miraflores Dam. In Distribution and Transmission, projects focused on expansion, modernization, replacement, loss control, service quality improvements, public lighting, and updating of remote terminals at transmission substations; in the Gas sector, projects included biogas utilization at the San Fernando plant, expansion in the Valle de Aburrá, and construction of alternate routes for primary infrastructure in the Municipality of Copacabana; in Water and Sanitation, efforts were on replacing water and sewer networks, Caldas-La Estrella interconnection, Machado-Volador conduit, modernization of the Manantiales Plant, and expanding the capacity of primary distribution in Medellín's western sector.



Financial liabilities expressed in Colombian Pesos exhibited a slight decrease in 2023, primarily driven by a 20.5% revaluation of the USD/COP exchange rate.
Regarding the financing for the fiscal year 2023 and partial funding for 2024, two significant long-term contracts were

executed: one with the French Development Agency (AFD) for USD 189.8 million aimed at partially financing the investment plan, and another with Banco de Occidente for COP 200,000 million intended for general corporate purposes.
In November and December 2023, short-term credit agreements were signed with BNP Paribas for USD 200 million and Banco Santander for USD 100 million to finance the company's working capital.
Additionally, EPM managed the exchange rate risk of its financial liabilities by executing six financial derivative swaps (USD-COP) on an underlying value of USD 604 million, thereby minimizing the USD exchange rate and interest rate risks (Term SOFR) associated with the cash flows from the Club Deal loan contracted with international banks in 2022.

Credit Rating Agencies

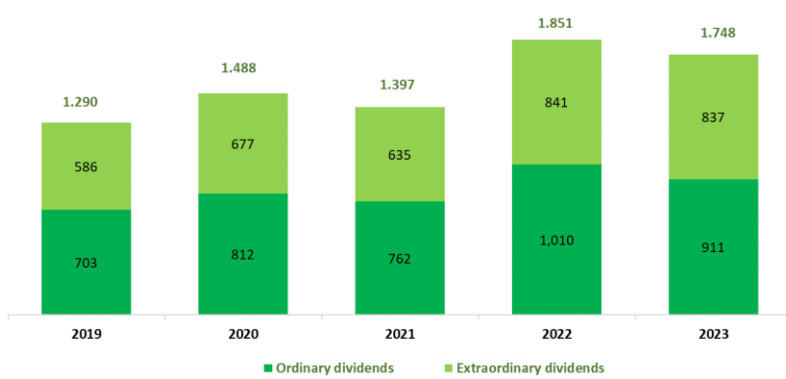
EPM consistently informs credit rating agencies about significant organizational events in a timely and transparent manner, providing necessary elements for their risk assessment decisions. Fitch Ratings maintained EPM's risk rating at "BB+" on the international scale, aligned with the ratings of the Republic of Colombia and the Municipality of Medellín, and reaffirmed its national scale rating at "AAA," both under negative observation. Moody's kept the international rating at "Baa3", within the international investment grade, and shifted the outlook from "negative" to "stable".

Investor Relations

EPM maintained its practice of transparency with the national and international markets, and provided updated information on the Company in a timely manner. Some of the most important practices in its relations with this stakeholder group include: quarterly results teleconferences (four times per year in both Spanish and English), the Annual Investor Meeting, the investor website (Spanish and English versions), and ongoing assistance for local and international investors through the different channels. Furthermore, EPM was once again recognized for Investor Relations (IR) by the Colombia Stock Exchange, due to its voluntary commitment to best practices in disclosure and investor relations.

Transfers to the District of Medellín

In 2023, EPM made transfers totaling COP 1.7 billion to the District of Medellín, of which COP 911 thousand million represented regular transfers, equivalent to 30% of the 2022 profits, and the remaining 25% comprised extraordinary transfers.



Figures in COP Millions

Financial Performance of EPM Group (Consolidated Financial Results)

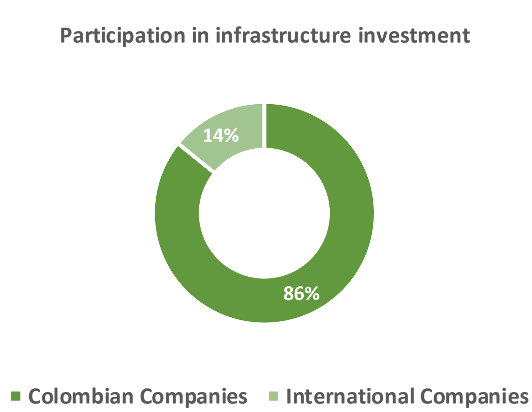
Business Highlights for the Business Group

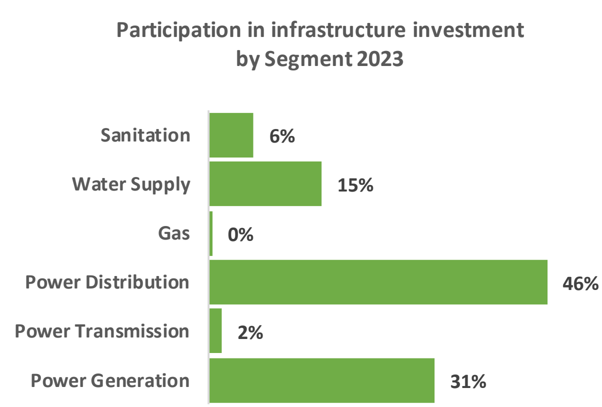
- The EPM Group allocated COP 5.2 billion in infrastructure projects that ensure the provision of public services with quality, continuity, coverage, and availability.
- The EPM Group secured credit disbursements totaling COP 6.5 billion , of which COP 3 billion were allocated to EPM and the remainder to its subsidiaries, aimed at funding investment plans, working capital, and management operations.
- Debt payments within the Group totaled COP 4.4 billion , with EPM contributing COP 981 thousand million and subsidiaries COP 3.4 billion.
- The financial leverage for both the EPM Group and EPM stood at 39%, decreasing by 3% and 1% respectively, due to significant capital amortizations conducted throughout the year.
- The Debt/Ebitda ratio for the Group as of December 2023 was 2.62, staying below the set limit of 3.5, an improvement from the 2.95 figure in 2022, driven by an increase in EBITDA following enhanced long-term energy sales and on the stock market, coupled with the reduction in long-term debt due to the revaluation of the Colombian peso against the dollar.
- EPM received dividends from its subsidies for COP 630,702 million, of which 72% were paid by EPM Group subsidiaries, and the rest by non-controlled companies.
- In the Del Sur subsidiary in El Salvador, a new tariff agreement was implemented, leading to improved company performance.

Financial Results

The EPM Group achieved consolidated assets totaling COP 77 billion, reflecting a 2% growth. Infrastructure investments totaled COP 5.2 billion, which are resources aimed at assuring the continuity of provision of public utilities in the geographies where it is present.

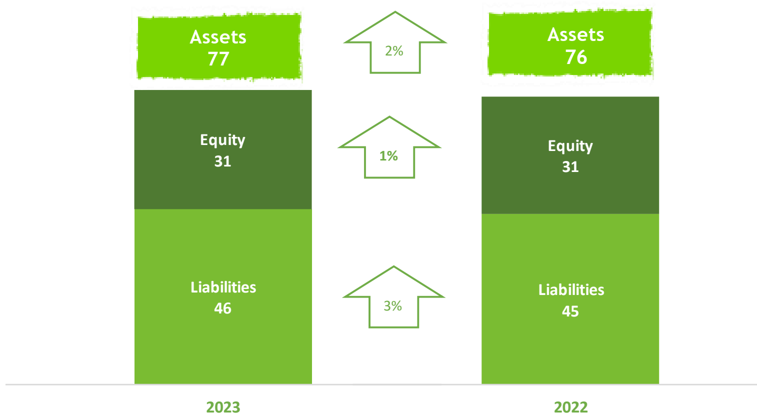
Investments in Infrastructure





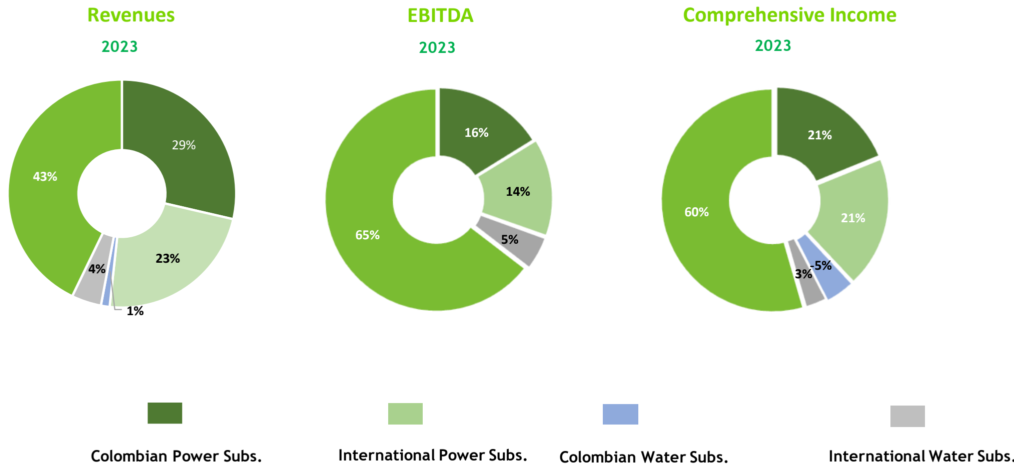
Of the Group's total investments, EPM accounts for 58% with COP 3.0 billion; national affiliates represent 27% with COP 1.4 billion, with Afinia being the most significant contributor through infrastructure and loss control projects. The international affiliates advanced investments accounting for 14%, totaling COP 735 thousand million, notably Aguas Antofagasta in Chile with drinking water projects, and ENSA in Panama with their loss reduction and asset replacement program.

The liabilities of EPM Group increased by 3% from COP 45 billion to COP 46 billion, due to disbursements to finance the investment projects, mainly at EPM. Equity saw a growth of 1%, maintaining a value of COP 31 billion.



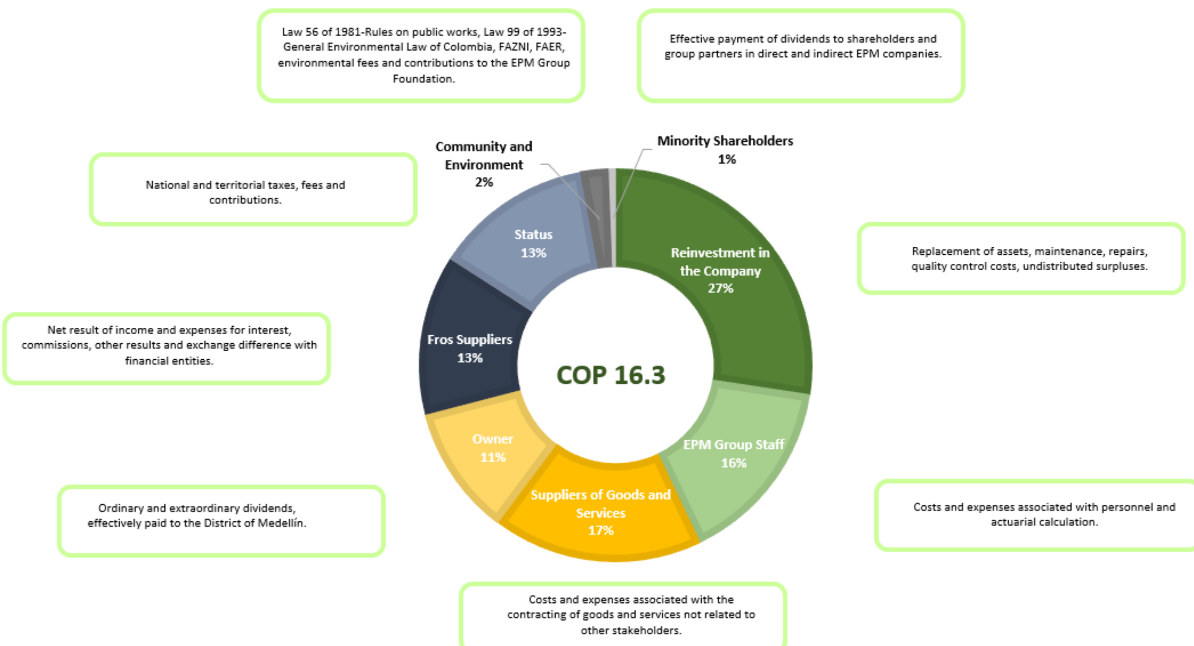
The EPM Group's net income totaled COP 3.6 billion, marking a 14% decrease compared to the same period last year, with a net margin of 9% compared to 13% in 2022. This decrease was somewhat offset by net foreign exchange gains of COP 171 thousand million, resulting from currency revaluations in Colombia, Mexico, and Guatemala of 20.54%, 12.62%, and 0.32%, respectively, as well as through hedging strategies implemented by the company to mitigate exchange rate fluctuations.

- The Energy Distribution segment contributed 41% to the Group's total EBITDA with COP 4.5 billion, experiencing a 10% decrease. This was due to revenue growth not keeping pace with the increase in costs and expenses, primarily due to higher energy purchase costs influenced by market price movements triggered by the El Niño phenomenon, macroeconomic variables, and increased portfolio deterioration.
- The Transmission segment recorded a 9% growth, equivalent to COP 34,605 million, driven by an increase in revenues outpacing costs and expenses, and the inclusion of new projects which enhanced the annual transmission quota for affiliate TRELEC.
- The Electricity Generation segment contributed 37% with COP 4.0 billion. Its growth of 38% was primarily due to the increase in the average market price of energy sales, despite reduced energy production.
- Water-related segments, including Water Supply, Wastewater Management, and Solid Waste Management, collectively contributed 16% with COP 1.6 billion, achieving an 8% growth mainly due to new customer acquisitions and tariff adjustments in line with the Colombian regulatory framework.
- The Gas Segment contributed 2%, or COP 263,830 million. The 26% growth originated from increased revenues, primarily in the wholesale market.



Value generation for stakeholders

During 2023, EPM Group generated added value of COP 16.3 billion, up 26% compared to the previous year, which translates into greater benefits for our stakeholders.



Financial Ratios of EPM and EPM Group

Ratios	EPM Group	Comp.	EPM	Comp.
Operational margin	20%	↓	31%	↓
EBITDA margin	28%	↓	42%	↓
Net margin	9%	↓	23%	=
Return on equity	11%	↓	13%	↑
Debt ratio	59%	=	53%	↑
Financial debt	39%	↓	39%	↓

Operational results, net margin, and equity profitability of the business group in 2023 declined compared to 2022; this drop in EBITDA, operational, and net margins resulted from cost and expense increases outstripping revenue growth. Higher costs were incurred in the Distribution segment from energy purchases, along with increases in general expenses such as insurance and fees. In the Energy Generation segment, although the EBITDA margin improved, a provision was recorded for administrative lawsuits relating to a fine associated with the penalty clause due to non-compliance with milestone 7 of the Ituango BOOMT contract, which impacted the operational and net margins.

Equity profitability at EPM improved due to increased dividends and earnings through the equity method from subsidiaries and non-controlled entities. In 2022, EPM's net margin and equity profitability were impacted by the revaluation of the telecommunications investment.

Financial indebtedness decreased primarily due to a 20.5% revaluation of the Colombian peso against the US dollar, which led to a reduction in the peso-denominated expression of foreign currency debt. Total indebtedness at the parent company level increased due to rises in liabilities associated with deferred tax, provisions, and employee benefits.

2.4. Material changes in the liquidity and solvency of the issuer.

In 2023, the company experienced no events that impacted its solvency or its ability to provide adequate public services, execute the planned investment strategy, or meet its obligations to creditors and other stakeholders in a timely and solvent manner. On December 28, 2023, the company issued a public statement highlighting its financial stability, with excerpts stating:

1. *"To date, EPM has no cash deficit.*
2. *The 2024 budget approved by the Board of Directors in its November 1, 2023 session considers some Uses according to the different lines of business that present an investment plan in infrastructure for an amount of COP 4.2 billion, in addition to uses related to operations and functioning of COP 12 billion, debt services of COP 4.6 billion, tax payments of COP 1.4 billion, surplus payments to the District of Medellin of COP 1.8 billion and other uses of COP 4.2 billion, for a total of COP 28.2 billion for uses. The resources necessary to meet the operation, investment plan, debt service and, in general, the financial commitments foreseen for 2024 are duly supported by the sources identified in the corporate budget approved by the Board of Directors.*
3. *EPM maintains a diversified commercial relationship with different local and international financial entities that have allowed it to leverage its investment plans. Among the most recent operations, it is worth mentioning that EPM signed a credit agreement amounting to USD 700 million with international commercial banks in December 2022, which has been partially disbursed to date. In addition, in 2023, it signed for credit operations amounting to USD 489.8 million with international development banks and international commercial banks, as well as a recent operation of COP 200 thousand million with local commercial banks.*

Information published as Relevant Information on December 28, 2023. Financial Superintendence Website
SIMEV (superfinanciera.gov.co)

As of the end of 2023, EPM's cash and cash equivalents totaled COP 1.5 billion. (Refer to Note 18: Cash and Cash Equivalents. Annual Separate Financial Statements under Accounting and Financial Reporting Standards accepted in Colombia (NCIF) for December 31, 2023, and 2022).

At the group level, EPM closed 2023 with cash and cash equivalents valued at COP 3.3 billion. Of these funds, COP 448 billion are earmarked for restricted use and COP 639 billion are classified as cash equivalents.

2.5. Trends, events or uncertainty that could materially affect the operations or financial position of the issuer, or change its financial position.

EPM and the Group companies continuously monitor the variables that could affect the financial results, which are grouped into the following aspects:

- Market volatility: Slowdown of the economies where EPM Group is present, increases in inflation and interest rates, increases in risk premiums, unfavorable movements in exchange rates in foreign currency transactions.
- Changes in government policies: Regulatory changes in the public utilities sector, potential impacts of structural reforms (health, mining-energy, education and pensions).
- Access to capital markets: Restrictions on accessing financial resources.
- Effects on business confidence: Credit ratings of EPM and its subsidiaries.
- Ongoing monitoring of developments in the Ituango project and associated legal actions that may impact financial statements.
- Performance evaluation of the affiliates Afinia, Emvarias, and the investment in UNE.

2.6. Off-balance sheet transactions that could materially affect the operations or financial position of the issuer, or change its financial position.

(i) A brief description of each off-balance sheet transaction.
(ii) Name or company name of the counterparty in the transaction.
(iii) Potential impacts of such transactions on the issuer's financial position and results.

Off-balance sheet transactions are defined as any material transaction that is not disclosed in the issuer's financial statements

Annual Separate Financial Statements under Accounting and Financial Reporting Standards accepted in Colombia (NCIF) for December 31, 2023, and 2022. **Note 45.Subsequent events from the reporting period.**	• On January 31, 2024, EPM filed an extraordinary annulment appeal before the Council of State against the arbitration award issued by the tribunal established by Hidroeléctrica Ituango against EPM. The appeal is grounded on two reasons stipulated in Law 1523 of 2012: having ruled based on conscience or equity, and the presence of contradictory elements in the award. Furthermore, a jurisprudential basis was cited, noting the absence of a preliminary interpretation of the regulations enacted by the Andean Community of Nations, which are applicable to the case. • On February 8, 2024, XM disbursed COP 648,856 corresponding to the Reliability Charge (including interest) for Ituango, as mandated by Resolution CREG 194 of 2020, to be held in trust until the plant achieved the effective net capacity of its first stage—a milestone reached in October 2023 with the commencement of operations of units 3 and 4.

	• On February 27, 2024, the Board of Directors of EPM approved a capitalization, a capitalizable loan, or a combination of both for Empresas Varias de Medellín S.A. E.S.P., up to COP 337,000, with staggered disbursements scheduled for 2024 and 2025. It is estimated that COP 228,000 will be disbursed in 2024. • Additionally, on February 27, 2024, the EPM Board granted a loan to Caribemar de la Costa S.A.S. E.S.P. (AFINIA) for COP 755,000, with a five-year term and an interest rate consistent with market conditions at the time of finalization; this loan was included in the 2024 budget and ongoing business plan of EPM. • On March 13, a petition was submitted to the Superintendence of Health requesting a 120-day suspension of the voluntary withdrawal application filed on August 1, 2023, to evaluate various options and decide on the future of the Adapted Health Entity.
Annual Consolidated Financial Statements under the Accounting and Financial Reporting Standards Accepted in Colombia (NCIF) for December 31, 2023, and 2022. **Note 47.Subsequent events from the reporting period.**	The Consolidated Financial Statements, include the events described in Note 45 "Annual Separate Financial Statements under Accounting and Financial Reporting Standards Accepted in Colombia (NCIF) for December 31, 2023, and 2022."

2.7. Quantitative and qualitative analysis of the market risk to which the issuer is exposed as a result of its investments and activities that are sensitive to market fluctuations.

2.7.1 Quantitative Market Risk Analysis

EPM manages financial risks related to market conditions, liquidity, and credit, quantifying their impact and implementing strategies for mitigation. The table below outlines the market risks identified and the financial instruments most exposed to these uncertainties:

2.7.2 Qualitative Market Risk Analysis

As detailed in Note 42: Information on Objectives and policies for financial risk management. See Page 141 of the Annual Separate Financial Statements under Accounting and Financial Information Standards Accepted in Colombia (NCIF) for December 31, 2023, and 2022. At Empresas Públicas de Medellín E.S.P., the document presents detailed analyses of each identified risk, including exposure and sensitivity assessments of the financial instruments.

2.8 Material transactions with related parties of the issuer.

Refer to Note 40: Information to be disclosed on related parties. Page 138. Separate Financial Statements under the Accounting and Financial Reporting Standards Accepted in Colombia (NCIF). December 31, 2023 and 2022. Empresas Públicas de Medellín E.S.P.

2.9 Description and evaluation of the controls and procedures used by the issuer to record, process and assess the information.

2.9.1 Certification issued by the legal representative of the issuer certifying that the information covers all material aspects of the business.

Attached is a document issued by the legal representative, certifying that the communicated information encompasses all material aspects of the business.

2.9.2 A report signed by the legal representative of the issuer on the financial reporting control and disclosure procedures.

Taking into consideration that Decree 1499/2017, "Whereby Decree 1083/2015, the Single Regulatory Decree of the Public Function Sector, is amended in connection with the Management System defined in Article 133 of Law 1753/2015," establishes a single Management System that is aligned with the Internal Control System. Currently, all public entities must update and/or implement the Integrated Planning and Management Model (MIPG, for the Spanish original), which incorporates the Internal Control Standard Model (MECI) through its 7th dimension.

This structure requires an articulated analysis for the development of the management and performance policies contained in the model, and its effectiveness in connection with the control structure. The latter aspect is essential to assure the adequate management of the resources, the achievement of the goals and objectives, and the improvement of the service provided to users, which are the key focus areas for the creation of public value.

In view of the above, and the need to comply with the provisions of Article 156 of Decree 2106/2019, the Administrative Department of the Public Function has designed a tool that enables entities to assess their Internal Control Systems in a comprehensive manner, and enables the head of Internal Control or its equivalent to issue an independent assessment report on internal control, which must be published every six (6) months on the entity's website.

The assessment made enables determining whether the Internal Control System is in Place and in Operation, to then perform a coordinated analysis of each of its components: i) Control Environment ii) Risk Assessment iii) Control Activities iv) Information and Communication and v) Monitoring Activities.

Internal Control System Results: 2*nd* Half 2023

Assessed period: July 1 to December 31, 2023
Status of the Internal Control System: 63%

Overall conclusion of the Internal Control System assessment, based on the tool's 3 questions:

1. Are all the components operating together in an integrated manner? (Yes / In progress / No) (Explain the answer): In progress

    The Senior Management approved adjustments to the configuration of the second Line of Defense. A review of this line's structure and its key success factors, crucial for achieving EPM's objectives, was conducted. The Second Line of Defense was established with 20 executives and 5 management committees serving in an advisory capacity.

    Mechanisms were also defined for fulfilling the role of coordinator of Dimension 7, through the Integration and Coordination Meeting – RIC, aimed at developing and coordinating actions of the VPs responsible for the five components of the Standard Model of Internal Control - MECI.

    The establishment of the second line of defense and the reporting lines represent a significant milestone in advancing, improving, and bridging gaps in the Internal Control System, thereby adding value to the Organization.

However, continued efforts are essential in areas primarily involving:

- Strengthening of Ethical Management, based on the findings from the 2023 Ethical Climate Survey.
- Mechanisms for managing Conflict of Interest.
- Opportunities for improvement related to the "Human Talent Entry" process.
- Management of information within the Organization, covering responsibilities, guidelines, governance, and more.
- Ongoing development of the IGIP Project - Public Information Management Instruments.
- Execution of improvement plans in the Digital Security and Continuity of technology services process.
- Development of a stakeholder engagement plan.
- Enhancement of organizational culture, particularly in managing improvement plans.
- Monitoring of corruption risks by the Senior Management.

2. Is the internal control system effective for the assessed objectives? (Yes/No) (Explain the answer): Yes

    In accordance with the assessment results. Moreover, it is crucial to further strengthen the established lines of defense and to close gaps within the Internal Control System.

3. The Entity's Internal Control System has defined institutions (lines of defense) that enable decision-making regarding control (Yes/No) (Explain the answer): Yes

    The framework for the Lines of Defense and the mechanisms for fulfilling the role of coordinator of Dimension 7 have been defined. Continued monitoring of established mechanisms for oversight, tracking, and reporting is necessary, including their frequency and timely intervention by the second line of defense when deviations occur.

RESULTS BY COMPONENT

- Control Environment

    The component is in Place and in Operation, with a compliance level of 63%. This component experienced a 3% increase.

    Strengths:

    - The Senior Management approved the adjustment to the Second Line of Defense, now comprised of 20 executives and 5 management committees serving in an advisory capacity.

- Mechanisms were established for the role of coordinator of Dimension 7 through the Integration and Coordination Meeting (RIC), aimed at developing and coordinating the efforts of the VPs responsible for the five components of the Internal Control Standard Model (MECI).
- The third line of defense evaluates the control structure to ensure its proper formulation and effectiveness in risk management.
- The Entity has implemented a Methodological Guide for Performance Evaluation of Contractors and Suppliers.

Weaknesses:

- The ethical climate assessment for 2023 showed a decline in 10 out of 11 categories evaluated, including Leadership in Ethical Management by Executives, Ethical Principles and Values at EPM, and external relationships (Contractors, Community, Colleagues).
- Mechanisms for managing conflicts of interest were inadequately reported and addressed in a timely manner.
- The outsourcing of the Transparent Contact Line has not been evidenced yet.
- Weaknesses in defining roles and responsibilities within processes.
- Control deficiencies in the Human Talent Entry process, associated with compliance with requirements, application of internal regulations, and failure to perform necessary verifications.

- Risk Assessment

The component is in Place and in Operation, with a compliance level of 59%. This component's rating improved by 3%.

Strengths:

- The Entity has defined mechanisms to align the strategic plan with strategic objectives, which in turn connect to operational goals.
- Regular monitoring of strategic objectives is conducted by Senior Management.
- Reporting lines for the second line of defense have been clearly defined, based on key success factors.

Weaknesses:

- There is inconsistent monitoring of corruption risks by Senior Management.
- Risk maps at various management levels (group, company, business, and process) do not align with business plans.
- There is a lack of defined strategies for combating corruption and analyzing received complaints to determine intervention areas and establish preventive measures.

- Control Activities

The component is in Place and in Operation, maintaining a compliance level of 58% with the same rating as before.

Strengths:

- Compliance with the Cross-Sectoral Agreement of the Internal Normative Model has refined the regulations across 80 processes.
- The third line of defense has evaluated IT services that have driven continuous improvement in processes.
- A framework and mechanisms are in place for the division and segregation of functions, leveraging technology.
- Processes are certified and integrated into the control structure.

Weaknesses:

- There is a lack of definition and implementation of guidelines for control design.
- Management of improvement plans and enhancement of organizational culture related to this area need attention.
- Follow-up on improvement plans based on the process maturity level assessment results is lacking.
- Weaknesses in digital security and continuity of technology services persist.

- Information and Communications

The component is in Place and in Operation, maintaining a compliance level of 68% with the same rating as before.

Strengths:

- Annually, the organization conducts an analysis of the environment and organizational performance, facilitating decision-making and serving as the foundation for the development of SWOT analyses.
- The Entity has mechanisms in place to communicate strategic objectives and goals effectively.
- A policy and established channels serve as a reference framework for managing internal and external communications.
- The effectiveness of communication channels with external parties is periodically evaluated by the process.

Weaknesses:

- Information management within the Organization is problematic, including issues with responsibilities, guidelines, and governance.
- There is a noted decline in the communicative system as per the latest communicational capital measurement results.
- The Primary Groups mechanism is not being implemented as defined.
- Delays are occurring in the development of the IGIP Project - Public Information Management Instruments.
- There is a lack of analysis and definition of action plans using data generated by applications to create value and ensure quality.
- No plan for engagement with stakeholders was defined for the year 2023.
- Information related to strategic issues within the company is not being disseminated in a timely manner.

- Monitoring

The component is in Place and in Operation, achieving a compliance level of 68%, marking a 4% increase from the previous semester.

Strengths:

- There is an independent evaluation of the Internal Control System aimed at its continuous improvement.
- Independent evaluations identify areas for improvement concerning risk, control, and governance.
- Indicators have been defined to measure the impact of audit activities.
- There is regular monitoring of the effectiveness of improvement plans by the third line of defense.

Weaknesses:

- There is no consolidated report from external bodies to conclude the impact on the Internal Control System.

- The implementation of the improvement plan related to the functioning of the Institutional Committee for Internal Control Coordination (CICCI) is lagging.
- The procedure for concluding the internal control system (ICS) needs to be documented.
- Results from external evaluations by regulatory and oversight bodies, which could provide an independent perspective on operations, are not being considered.
- There is a lack of methodology for evaluating the effectiveness of controls and monitoring improvement plans, as required by the DAFP.

The report is published at the following address:
https://www.epm.com.co/site/home/transparencia/transparencia-de-nuestra-gestion/mecanismos-transparencia

2.9.3 A certification issued by the statutory auditor confirming the effectiveness of controls for financial reporting.

The document issued by the external auditor on financial reporting internal controls is attached.

3. Part Three: The issuer's sustainability and responsible investment practices

3.1. Corporate Governance Analysis.

3.1.1 Description of the issuer's administrative structure.

- Board of Directors Compensation

Under Decree 1165 of August 12, 2009, following Article 15 of the Bylaws, the compensation for members of the EPM Board of Directors was set at three legal monthly minimum wages in Colombia for attendance at each Board and committee session.

At EPM, Board members do not receive variable compensation, and the Mayor of Medellín, serving as a Board member, is not compensated. The following are the fees paid to Board members in 2023:

Item	Amount paid in 2023
Board of Directors Fees:	COP 817,800,000.00
Board Committee Fees:	COP 716,880,000.00
Total Paid:	COP 1,534,680,000.00

Section 3.9 of the EPM Corporate Governance Code establishes that Board members are granted the possibility to attend training programs directly related to the Entity's activity and their mandatory functions, at the Company's expense. The Company also recognizes transportation, food and lodging costs when Board and Committee members must attend meetings outside the Company's facilities.

- Senior Management Remuneration

As part of the Human Talent Management Policy, approved by the Board of Directors on December 7, 2010, the Vice-president of Human Talent and Organizational Development issued on November 15, 2022, guideline 100, which defines the criteria related to variable and fixed remuneration and benefits for EPM employees.

The following was the total remuneration of EPM's Senior Management in 2023:

EPM Senior Management Remuneration		
Group	**Position**	**Total paid in 2023**
General Management	CEO	COP 7,835,796,151.21
Executive Vice-presidents	EVP of New Businesses, Innovation and Technology	
	EVP of Finance and Investment	
	EVP of Business Management	
	EVP of Projects and Engineering	
Vice-presidents Tier 1	VP of Strategy and Planning	
	VP of Corporate Auditing	
	VP of Legal Affairs	
	VP of Corporate Communications and Relations	
	VP of Supplies and Shared Services	
	VP of Human Talent and Organizational Development	
	General Secretary	
	VP of Risks	

Note:

- The payments include paid vacations, legal bonuses and benefits (including vehicle allowance.)
- The vehicle allowance does not apply to the CEO.
- The total amount paid is for the position, including any individuals who held the position by appointment or as remunerated deputies during 2023.
- Severance is paid directly to the employee or deposited into funds in February 2023.
- Significant changes in compensation from 2022 to 2023 include:
  - In January 2023, the position of VPE Business Management was vacant, and an Official Worker was temporarily assigned.
  - The VP of Strategy and Planning position was filled on February 6, 2023.
  - The paid vacations of those who are in the positions under the deputy modality are not included, because they are not remunerated at the salary of the deputized position, but at the salary of the appointed position.
  - Ratio of total semi-annual remuneration of the best-paid person in the Organization over the median of total remuneration of all employees, excluding the best-paid person: 8.21
  - The ratio of the percentage increase in semi-annual total compensation for the highest-paid individual within the Organization to the median percentage increase in semi-annual total compensation for all employees, excluding the highest-paid individual: 1

3.1.2 Composition and operation of the Board of Directors and its support bodies.

Pursuant to the bylaws, the Board of Directors is comprised of nine (9) members:

- The Mayor of Medellín, who acts as Chairman.
- Five persons freely appointed by the Mayor of Medellín, all of whom must be independent.
- Three individuals chosen by the Mayor of Medellín from among the control spokespersons registered by the social control and development committees of residential public utilities (Article 27.6 of Law 142/1994).

To ensure that the strategic direction, policies, and guidelines set by the Board of Directors are continued without causing adverse effects on the company's operations due to changes in municipal administration, and to maintain the level of knowledge and experience gained by the Board members, the Framework Agreement on Relations signed between EPM and the Municipality of Medellín stipulates that the Mayor of Medellín will strive to retain at least five independent members and will aim for a gradual renewal of the Board of Directors that reflects its profile and the average tenure of its members.

At December 31, 2023, the Board of Directors of EPM was comprised as follows:

Daniel Quintero Calle
Chairman
Non-Independent
Profile: Acting Mayor of the District of Medellín
Start Date: January 1, 2020 to September 30, 2023
Participation in other Boards: 2.
Metropolitan Area – Medellín Metro

Oscar De Jesús Hurtado Pérez
Chairman
Non-Independent
Profile: Acting Mayor of the District of Medellín
Start Date: September 30, 2023
Participation in other Boards: 2.
Metropolitan Area – Medellín Metro

Bernardita Pérez Restrepo

Independent
Profile: Public and Legal Management
Start Date: August 25, 2020
Participation in other Boards: 1
Amtex S.A.

Jorge Iván Palacio Palacio

Independent
Profile: Public and Legal Management
Start Date: August 17, 2020
Participation in other Boards: 0

Omar Flórez Vélez

Independent
Profile: Public and Legal Management
Start Date: August 17, 2020
Participation in other Boards: 0

Pablo Felipe Robledo Del Castillo

Independent
Profile: Public and Legal Management
Start Date: August 20, 2020
Participation in other Boards: 1
Executive Committee of the Colombian Tennis

Erez Bastiaan Ernest Zaionce

Independent
Profile: Business, Financial, and Public Management
Start Date: June 28, 2020
Participation in other Boards: 0

Sergio Andrés Restrepo Muñoz
Control Member
Independent
Profile: Social and Community Management and Public Services
Start Date: May 19, 2021
Participation in other Boards: 1

	Federation (FCT, for the Spanish original)	UNE EPM Telecommunications

Gildardo Antonio Correa Salazar
Control Member
Independent
Profile: Social and Community Management and Public Services
Start Date: August 25, 2020
Participation in other Boards: 0

Olmer Orlando Palacio Garzón

Control Member
Independent
Profile: Social and Community Management and Public Services
Start Date: August 25, 2020
Participation in other Boards: 0

a) Brief description of the main functions performed by the Board of Directors

- This body determines the strategic planning, general policies, plans, and programs; assigns resources; supervises the businesses; provides the framework of action in the different areas for Senior Management, and controls and assesses its performance. The functions of the Board of Directors are described in the Bylaws (EPM Bylaws). Additionally, to facilitate performance of its functions, this governance body has established Board Committees with consultative duties, which have their respective Rules of Procedure (Rules of Procedure of Board Committees).
- In order to promote the unity of purpose and direction of the Group companies, EPM, in its capacity of Holding Company, through its Board of Directors defines, approves or proposes, depending on its powers, aspects related to five key matters for the Business Group: Strategic leadership, capital, capabilities, control and identity, the most prominent of which are: The corporate structure of Group companies;

shareholdings and governance model; financial and investment policies and guidelines; proposal for appointment of the Statutory Auditor or External Auditor; knowledge and approval of material transactions with related parties, among other aspects that are deemed necessary for EPM Group.

- Additionally, in fulfillment of their statutory functions, in addition to those defined by law, the Board members are committed to fulfilling the responsibilities and commitments defined in the Rules of Procedure of the Board of Directors and its Committees.

Main decisions adopted by the Board of Directors in 2023

- Approval of the financial statements of EPM and of EPM Group at December 31, 2022, and the External Auditor's opinion.
- Approval of the CEO's Annual Performance Report at December 31, 2022.
- Approval of the Corporate Governance Report at December 31, 2022.
- Review of the strategy of EPM Group.
- Comprehensive update of the Business Plan (includes adjustment to the 2023-2026 Investment Plan).
- Adjustment of the EPM Business Plan, Chapter 4.2.8.1: Infrastructure Investment Plan 2023 – 2026: due to the updated cost of the Ituango Project.
- Approval of the Aspirational MEGA 2030.
- Monitoring of EPM's business activities and performance of its subsidiaries.
- Approval of EPM's Objective Map, EPM BSC 2030.
- Authorization for the Mayor to initiate proceedings before the Medellín District Council to approve a draft agreement that would allow for additional transfers requested by the District totaling COP 330,000 million.
- Approval of capital injections into the subsidiary CaribeMar de la Costa SAS ESP - Afinia.
- Approval of capital injections into TIGO-UNE.
- Review of Regulatory Management in connection with Residential Public Utility Rates.
- The EPM Board of Directors authorized the Company Management to apply rate stabilization for the electric service until December 31, 2023.
- Approval of the Management and Results Plan (MRP) for water and sewage services 2023-2040.
- Review and analysis of legal strategies and the main legal proceedings.
- Follow-up and modification to the 2023 Audit Plan and audit improvement plans.
- Approval of the Board Committees' regulations
- Adjustment to the Governance Code to include Diversity, Gender Equality, and Inclusion criteria in the composition of the Board of Directors. Additionally, approval was granted for an adjustment to section 10.2 "General Meeting of Noteholders".
- The Board of Directors of EPM authorized an increase in EPM's investment commitments in the NEXT UTILITY VENTURES PRIVATE EQUITY FUND (FCP II) to up to COP 350,000 million, and to subscribe to the corresponding investment commitments. Furthermore, it authorized the necessary budget adjustments in line with these commitments.
- Review of the Compliance Unit Management Report and the Report on Statements of Conflicts of Interest of the first tier of direct reports to the CEO.
- Review of the Anti-corruption and Citizen Service Plan.
- Update of the LAFT Risk Management System Manual.
- Approval of the 2024-2027 Business Plan, which includes the 2024 Budget and EPM's Financial and Financing Plan, and approval for the usage of debt quotas – Findeter Credit.
- Approval of the Financial Plan for the Group

b) The rules of procedure of the Board of Directors and of the Board committees are available at the following link: [Rules of Procedure of Board of Directors](epm.com.co)

3.1.3 Composition and operation of the issuer's Senior Management.

Senior Management

The Senior Management of EPM is comprised of 12 executives who report directly to the CEO. The scope of their functions covers the EPM Group, and they are responsible for directing, planning and verifying fulfillment of the objectives, plans and goals of EPM and the Business Group subsidiaries.

Each vice-president has a functions manual that specifies the specific functions assigned to the position and other characteristics associated with their scope.

The following were the changes in the team of vice-presidents that were part of the administration of CEO Jorge Andrés Carrillo Cardoso during 2023:

No.	Position	Changes	Position Holder	Profile
1	CEO	Resigned on December 28, 2023.	Jorge Andrés Carrillo Cardoso.	Civil Engineer and Environmental Engineer, Master's degree in Environmental Management.
		Jhonatan Estiven Villada Palacio assumed charge on December 29, 2023.	Jhonatan Estiven Villada Palacio	Legal professional; with specialization and Master's degree in state contracting; specialization in labor law and social security.
2	Executive VP of Business Management	Served until January 31, 2023.	Daniel Arango Ángel.	Business Administrator, Specialist in Administration and Master's in Business Administration (MBA).

		He was in charge from February 1, 2023, to May 7, 2023, and from May 23, 2023, to August 13, 2023. Subsequently, he was appointed on a commission basis from August 14, 2023, to January 2, 2024.	Santiago Ochoa Posada	Civil Engineer, specialist in ISO 9000 quality management systems.
3	Executive VP of Projects and Engineering	Retired from the company due to the recognition of an old-age pension on January 5, 2023.	Gabriel Jaime Betancourt Mesa.	Civil Engineer, Specialist in Information Systems and Management.
		Officially appointed from February 3, 2023, to January 1, 2024.	Wilder Wiler Echavarría Arango	Civil Engineer, specialist in Government and Local Development; specialist in Public Function and Human Resource Management; Specialist in High Public Management and Project Management.
4	Executive VP of Finance and Investments	No changes. Retired on January 2, 2024.	Martha Lucía Durán Ortiz.	Economist, Master's degree in Economics.
5	Executive VP of New Businesses, Innovation and Technology	No changes. Retired on January 3, 2024.	Darío Amar Flórez.	Production Engineer, specialist in finance and marketing, currently pursuing a Master's in Digital Transformation.
6	VP of Legal Affairs	No changes. Retired on January 2, 2024.	Jhonatan Estiven Villada Palacio.	Attorney, Specialist in Labor and Social Security Law, Specialist and Master’s Degree in government contracting.

7	VP of Human Talent and Organizational Development	No changes. Retired on January 12, 2024.	Juliana Carolina Zapata Molina.	Civil Engineer and Master’s in Business Administration.
8	VP of Corporate Communications and Relations	No changes. Retired on January 2, 2024.	Mabel Rocío López Segura.	Social communicator and journalist, Attorney, Specialist in Administrative Law and Master's degree in Political Science.
9	General Secretary VP	No changes. Retired on January 2, 2024.	María Cristina Toro Restrepo.	Attorney, Specialist in Commercial Law, Tax and Customs Law, Specialist in Mining-energy Law.
10	VP of Risks	No changes. Retired on January 11, 2024.	Andrés Felipe Uribe Mesa.	Attorney, holding an MBA in Business Management.
11	VP of Corporate Auditing	Unchanged	Gustavo Alejandro Gallego Hernández.	Attorney, degree in Special Education and Master's degree in Government Law with emphasis in regulation and management of telecommunications and ICT.
12	VP of Supplies and Shared Services	No changes. Retired on January 2, 2024.	Carlos Enrique Londoño Amariles.	Industrial Engineer, Specialist in Management with emphasis in Human Resources, Specialist in Financial Management and Master's degree in Government and Public Policies.
13	VP of Sustainability and Strategy.	Appointed on a commission basis to serve as a public official with discretionary appointment and removal at Empresas Públicas de Medellín from February 6, 2023, to January 2, 2024.	Ana Milena Joya Camacho	Civil Engineer, specialist in project management, and in environmental and geoinformatics.

Functions of the CEO

Defines the company's policies and business plans, executes, supervises, and evaluates their performance. According to the functions defined in the bylaws, among others, he acts as legal representative of EPM; issues and executes acts and signs contracts within his powers; proposes delegation of authority; submits to the

Board of Directors the annual management report and end-of-year financial statements, and implements the decisions approved by the Board of Directors within the defined framework of action.

The functions of the CEO are described in the Bylaws (Annex No.2). Additionally, to facilitate their fulfillment, this governance body has established CEO support and strategic committees, upon which he has delegated certain powers and which have their respective Rules of Procedure (Annex No. 8).

In order to establish the unity of purpose and direction, the CEO of EPM acts as Group leader, and to this effect governance mechanisms are established to support the fulfillment of this role.

3.1.4 Information on the professional profiles and experience of Board members and Senior Managers of the issuer.

- **Professional profiles of Board members**

DANIEL QUINTERO CALLE
Chairman of the Board from January 1, 2020, to September 30, 2023. Non-independent.

Electronic Engineer, Specialist in Finance, Master's in Business Administration (MBA). Experience in the public and private sector.

- Vice-minister of Information Technology and Telecommunications (2016-2017)
- Director INNpulsa Colombia (2015-2016)
- Director Fundación Piensa Verde (2012-2014)
- Advisor to the Management of Intrasoft S.A. (2005-2015)

Was awarded the Carlos Lemos Simmons Order for transparency, democracy and social development, and the Saint Gabriel Archangel Medal of the National Army.

OSCAR DE JESUS HURTADO PÉREZ
Chairman of the Board since September 30, 2023. Non-independent.

Public Accountant, Specialist in Public Management. Experienced in various public sector positions.

- Currently Secretary of Government and Cabinet Management.
- Secretary of Finance for the Medellín Mayor's Office from 2020 to 2023.
- Representative to the Chamber for Antioquia. (2014-2018)
- Secretary-General of the Ethics Commission in the Congress. (2010-2013)
- Representative to the Chamber for Antioquia (2006 – 2010).
- Mayor of Tarso from 2001 to 2003.

BERNARDITA PÉREZ RESTREPO
Member of the Board of Directors (Since 08/25/2020). Independent

Lawyer from Universidad de Antioquia, specialist in Philosophy of Law from Universidad Castilla de la Mancha (Spain); she is currently enrolled in the Master's degree program in Political Philosophy at Universidad de Antioquia. She has served as professor at Universidad de Antioquia, Universidad Pontificia Bolivariana, Universidad de Medellín, Universidad Nacional and Universidad Libre.

She has been a speaker at conferences on constitutional law, political law and administrative law. She has a long track record in the public sector as Consultant for the Higher Judiciary Council, advisor for the Chairman of the Senate of the Republic, Television Viewers' Advocate at Teleantioquia, Assistant Judge of the Higher Court of Medellín, Assistant Judge of the Contentious Administrative Tribunal, Assistant Judge of the Constitutional Court, and academic collaborator with Non-Governmental Organizations.

In the private sector, she has been an advisor, consultant and board member of different companies in the infrastructure industry, as well as academic collaborator for Non-governmental organizations.
Member of the Board of Directors of Amtex S.A.

JORGE IVÁN PALACIO PALACIO
Member of the Board of Directors (Since 08/17/2020). Independent

Colombian lawyer and jurist, former Chairman of the Constitutional Court from 2013 to 2014. He holds a Law degree from Universidad Autónoma de Medellín, and a Master of Law degree from Universidad Sergio Arboleda. In his career, he has served as a Constitutional Court Judge, Magistrate of the Supreme Court of Justice and Associate Judge at the same entity. He has served as a judge in Medellín and various municipalities in Antioquia, has lectured nationally and internationally, was a professor at Universidad de los Andes in 2019, and has worked as an independent legal advisor and advisor to the Ministry of Labor and Social Security.

PABLO FELIPE ROBLEDO DEL CASTILLO
Member of the Board of Directors (Since 08/21/2020). Independent

Lawyer, Specialist in Civil Procedural Law and candidate to a Master's degree in Civil and Government Contractual and Extra-contractual Liability at Universidad Externado de Colombia. In the public sector, he has served as Superintendent of Industry and Commerce, Vice-Minister of Promotion of Justice, Minister of Justice and Law (deputy), Vice-Minister of Criminal Policy and Restorative Justice (deputy), Director of the National Agency for the Legal Defense of the State (deputy), Vice-Minister of Justice and Law, Governor of Guaviare (deputy), among others. In the private sector, he has served as trial lawyer, advisor, consultant and partner of law firms. Teaching experience at public and private educational institutions.

Participated as deputy chairman of the Review Committee of the Draft Law of the General Procedural Code; deputy chairman of the Inter-institutional Commission for the Constitutional Justice Reform appointed by the President of the Republic; member of the Commission to Draft the Law on National and International Arbitration, among others. Member of the Executive Committee of the Colombian Tennis Federation (FCT, for the Spanish original).

OLMER ORLANDO PALACIO GARZÓN
Member of the Board of Directors (Since 08/25/2020). Independent

Preschool Education professional from Universidad San Buenaventura.
Residential public utilities Control Spokesperson in Medellín– commune 3 (Conectémonos). He has engaged in teaching and social management. Not a member of other boards of directors.

GILDARDO ANTONIO CORREA SALAZAR
Member of the Board of Directors (Since 08/25/2020). Independent

Residential public utilities Control Spokesperson in Medellín– commune 1, since 2013.

He completed a corporate governance program for Board members at the ICGC and participated in Corporate Governance: Realities, Challenges, and Recommendations for successful assemblies and board meetings in public utilities at Universidad de los Andes.

- Neighborhood promoter of the Local Development Plan for commune 1 (PLDC1) from 2006 to 2013.
- Neighborhood delegate to the Participative Budget of commune 1 from 2005 to 2013.
- Trainer of Trainers for Community Action from 2008 to 2012.
- Coordinator of the Coexistence and Participation Commission of the PP of Comuna 1, 2007-2008
- Served twice as chairman of the Popular Community Action Board 1, 1996-2000
- Local representative Community Action Board commune 1: 1995-1997
- Member of COPACO Board 1994-1997
- General Secretary of the Informal Economy Union, 1966 – 1968

Not a member of other boards of directors.

SERGIO ANDRÉS RESTREPO MUÑOZ
Member of the Board of Directors (Since 05/19/2021). Independent

Electrical Engineer from Universidad de Antioquia, with graduate degrees from Universidad Externado de Colombia in Regulation and Management of Information and Communication Technologies, and in Regulation of Electricity and Gas. He completed the Innovation and Leadership in Government (ILG) program at Georgetown University in Washington D.C., studied management and project management at Universidad de La Salle in Bogotá, attended the specialized program in planning and cost reduction at the Bogotá Chamber of Commerce, studied renewable energies and photovoltaic installations at Universidad Nacional de Colombia, and earned a certification in board governance from the ICGC.

He is currently pursuing a Master's degree in Electrical Engineering with a focus on Sustainable Energy Management at Universidad Jorge Tadeo Lozano in Bogotá.

He has knowledge and experience in policies and structuring of processes for public contracting, residential public utilities, energy markets and implementation of projects related to electric power, renewable energies and Information and Communication Technologies.

He has provided professional advisory services to the Ministry of Information and Communication Technology, and has assisted the National Public Procurement Agency - Colombia Buys Efficiently in topics related to structuring terms and conditions sheets and IT technical standards. Previously, he was an energy supervisor at American Tower Corporation and a project professional at Furel S.A.

He is currently a Control Representative of the “Good Neighbor” Development and Social Control Committee, which promotes benefits related to the Vital Minimum of Drinking Water Program, among others.

He is also a member of the Board of Directors and Audit Committee of UNE EPM Telecomunicaciones S.A and Colombia Móvil S.A E.S.P. He was also a permanent guest member of the Board of Directors of Distribuidora Eléctrica DelSur S.A de C.V – EPM Group.

OMAR FLÓREZ VÉLEZ
Member of the Board of Directors (Since 08/15/2020). Independent

Former Mayor of Medellín and former Chairman of the Board of Directors of EPM. Engineer and Administrator from Universidad Nacional de Colombia and Specialist in Business Administration and Competitiveness. He has served as Manager of Fábrica de Licores de Antioquia, Secretary of Finance of Antioquia, Secretary of Government of Antioquia, Vice Minister and Minister of Communications, Representative to the House of Representatives and Senator of the Republic, and Chairman of the National Association of Municipalities, among other positions in the private sector.

Not a member of other boards of directors.

EREZ BASTIAAN ERNEST ZAIONCE
Member of the Board of Directors (Since 06/28/2022). Independent

Holds a Bachelor of Arts degree in Social Sciences and Humanities from Utrecht University, Netherlands, and a Master of Laws (cum laude) in International Law from the same university.

He has served as the Director of the Center for the Fourth Industrial Revolution in Colombia (affiliated with the World Economic Forum), Regional Director for LATAM at Manatech, Group Mana, Miami, USA, and Director of Special Projects at Iscol Investments/Pacific Fruits, Group Mana, Medellín. He was also the Economic Attaché for Colombia and the Caribbean at the Israeli Embassy in Bogotá, Director in the Department for China and the OECD Department at the Foreign Trade Administration, Ministry of Economy, Israel. Liaison Officer to the European Parliament, Israeli Mission to the EU (Brussels, Belgium), and assistant to parliamentarian Amira Dotan (Jerusalem, Israel).
Former member of the Board of Directors at UNE-TIGO and currently serves on the Advisory Boards of Technoart and Flapz. Not a member of other boards of directors.

- Professional profiles of Board members and Senior Management

JORGE ANDRÉS CARRILLO CARDOSO
CEO of EPM (From April 14, 2021, to December 28, 2023).

Civil Engineer and Environmental Engineer with master's degree in Environmental Management from Universidad de Los Andes. He has extensive experience as senior government official and as business consultant, leading the formulation of public and regulatory policies, projects and programs for public and private entities on sustainable management, water safety and the circular economy, structuring of projects and strategic direction for public-private coalitions with excellent results and high-level relations.

He has been an Advisor for the Chairman of the National Association of Public Utilities and Communication Companies (ANDESCO, for the Spanish original), Project Manager for the Colombian Water Coalition at The Nature Conservancy (TNC); Construction Services Division Manager at Grupo Constructor Normandia S.A. and Vice-Minister for Water and Basic Sanitation of the Ministry of Housing, City and Territory.

Chairman of the Drinking Water and Basic Sanitation Regulatory Commission (CRA, for the Spanish original), Advisor for the Council of Directors of the Colombian Geological Service, Advisor for the National Council on Water, Advisor for the National Environmental Council, and Member of the Inter-sector Commission on Climate Change. High Presidential Advisor for the Regions (Presidency of the Republic of Colombia), Coordinator of the Environment and Water Resources for the Master Plan for the Orinoco Region of the United States Agency for International Development (USAID), Deputy Superintendent for Water, Sewage and Waste Collection of the Superintendency of Residential Public Utilities and Consultant of the Business Management Directorate of the United Nations Development Program (UNDP).

DANIEL ARANGO ÁNGEL
Executive VP of Business Management (From January 29, 2020, to January 31, 2023).

Business Administrator, Specialist in Administration and Master's in Business Administration from Universidad EAFIT.

He has held positions at private entities, including Account Executive at CI NICOLE, General Director at the company Arango Ángel Daniel, Director of Enterprise Competitiveness at the Chamber of Commerce of Pereira. He provided professional services to the Ministry of Trade, Industry and Tourism to monitor, implement and coordinate Colombia's business formalization policy. He also served as Technical Director and Vice-minister of Business Development, Senior Associate Consultant at Centro de Formación y Estudios en Liderazgo y Gestión S.A, and was responsible for the direction of different projects. Currently serves as the Executive Vice President of Business Management.

SANTIAGO OCHOA POSADA
Executive VP of Business Management (From February 1, 2023, to January 2, 2024).

Civil Engineer, specialist in ISO 9000 quality management systems, with over 25 years of experience in planning, operation, maintenance and optimization of water and sewage systems.
He is a professional capable of understanding the variables of a situation, assessing the short and long-term outlook, and making effective decisions on opportunities to achieve business objectives, creating shared value.

He has a vocation for research that enables him to incorporate new technologies and methods in administrative, operating and maintenance processes through continuous improvement systems. He has been with the organization since 1994 and has held leadership positions such as Head of the Operations Area for Water Systems, Deputy Manager of Water Operations and Maintenance, Director of the Water Operations Front and Supply Chain in the EPM Group Without Borders program.

Engineer Santiago Ochoa Posada is Vice President of Water and Sanitation, where he leads management of the Group's business plans related to water supply and wastewater management to make sure they achieve the objectives. He also held the position of Chief of the Planning and Control Section and Civil Engineer at Acueductos y Alcantarillados de Antioquia (Aquantioquia) in 1993-1994.

He has participated as Chairman of the Boards of Directors of Tecnología Intercontinental Sociedad Anónima Promotora de Inversión (SAPI) de CV (Capital Variable) (TICSA), Aguas de Antofagasta (ADASA), EPM Capital México, Aguas de Malambo, Aguas Regionales, Empresas Varias de Medellín (EMVARIAS), Aguas del Oriente and Hidrosur.

During 2023, he was in charge as Vice President of Business Management, overseeing the Vice Presidencies of: Electricity Generation, Transmission and Distribution, Water and Sanitation, Commercial and Gas, as well as the departments of Regulation, Trébol and Urabá.

GABRIEL JAIME BETANCOURT MESA
Executive VP of Projects and Engineering (From March 9, 2020, to January 5, 2023).

Civil Engineer from Universidad de Medellín, Specialist in Information Systems from Universidad EAFIT. He served at the Tourism Corporation of Antioquia (TURANTIOQIA) as Planning Engineer and Planning Manager.

At EPM, he has held several positions as Engineer, Department Head, Sub-manager of Administration and Finance, Manager of Electricity Distribution, Director of International Growth, Executive Vice-president of Strategy and Growth, and is currently in the Vice Presidency of Project and Engineering.

WILDER WILER ECHAVARRÍA ARANGO

Executive VP of Projects and Engineering (From February 3, 2023, to January 1, 2024).

Civil Engineer from the Universidad Nacional de Colombia, holds specializations in Project Management from the Universidad del Tolima, Senior Public Management, Public Function and Human Resources, and Government and Local Development from the Ibero-American School of Advanced Studies in Local Government. He is currently pursuing a Master's Degree in Local Public Management and Administration.

He has served as the General Manager of the Empresa de Desarrollo Urbano de Medellín and as the Executive Director of the Water, Forests, and Tourism Province of Eastern Antioquia. Additionally, he has experience in the private sector as the General Director of Engineering and Architecture Firms and as a Planning and Project Advisor at EAT (Territorial Associative Schemes). He boasts 19 years of experience in both public and private sectors, specializing in urban planning and territorial development.

LUISA MARÍA PÉREZ FERNÁNDEZ
Vice President of Sustainability and Strategy (From July 6, 2022, to February 6, 2023)

Civil Engineer from Universidad EIA, Master's in Civil Engineering with emphasis in Water Resources from Universidad de los Andes, Specialist in Economics from Universidad Eafit and Economics doctoral student at the same university.

She has over 20 years of experience as Civil Engineer, Director of Regulation, Director of Planning of Water and Sanitation, Administrative Management Manager, deputy Vice-president of Strategy and Planning. Her professional track record includes work as advisor of the Regulatory Commission of Water and Sanitation, executive positions at both public and private residential public utilities companies, advisor on rate setting and investment plans for several years, member of local and international boards of directors. She received the academic excellence student award of the Companies University program of Universidad de los Andes.

ANA MILENA JOYA CAMACHO
Vice President of Sustainability and Strategy (From February 6, 2023, to January 2, 2024)

Civil Engineer from Universidad Industrial de Santander, specialist in the Environment and Project Management. She has worked as Secretary of the Environment of the Municipality of Medellín, Environmental Sub-director of Área Metropolitana del Valle de Aburrá and Environmental Consultant for the regional environmental authorities of Antioquia on topics related to territorial ordering, integrated management of water resources and protected areas.

A track record of nearly 17 years contributing her knowledge, professionalism and experience in the care and preservation of the environment, natural resources and the sustainable development of the department and of EPM Group. She joined EPM 14 years ago as Environmental Professional in Hydrometry and Instrumentation, and was the Environmental and Social Professional of the Environmental and Social Unit of Engineering Projects. Most recently, she was the Environmental and Social Manager, and was responsible for leading the environmental and social management of electricity, water and sewage public utilities, and in 2018 she coordinated the contingency of the Ituango Hydroelectric Project.

JHONATAN ESTIVEN VILLADA PALACIO
Vice President of Legal Affairs (From September 6, 2021, to January 2, 2024)

Attorney from Universidad de Medellín, Specialist in Labor Law and Social Security from Universidad Pontificia Bolivariana, Specialist and Master's degree in government contracting from Universidad de Medellín. He has served as management advisor for Adsorbentes de Colombia S.A; provided professional services as attorney at Colegio Mayor de

Antioquia, Associate Attorney at the firm Martha Morales, legal representative of the condominium "Urbanización Reserva del Seminario."

Specialist professional of the human rights unit in the framework of the agreement of association signed between the Secretary of Government and Human Rights of the Office of the Mayor of Medellín, the Office of the Ombudsman and Universidad de Medellín. Lecturer in degree courses on real estate law and the new Administrative Procedural Code. Provided professional services for legal support in the execution of inter-institutional contracts and agreements for Institución Universitaria Pascual Bravo. Advisor for government contracting processes of Corporación Interuniversitaria de Servicios.

Legal counsel for Cooperativa Especializada de Transportes (SERTRANS); advisor and deputy overseer assigned to the Administrative Oversight group to oversee the official conduct of the Office of the Ombudsman of Medellín, and secretary of the office and technical director of the Office of the Mayor of Medellín. He is currently the Vice President of Legal Affairs at EPM.

JULIANA CAROLINA ZAPATA MOLINA

Vice President of Human Talent and Organizational Development (From September 6, 2021, to January 12, 2024)

Civil Engineer from Universidad Pontificia Javeriana, Master's in Business Administration from Universidad de España. She has held positions at: PRODUCCIONES A&Z S.A.S. as Projects Engineer; at CEMEX COLOMBIA S.A. as Human Resources Manager, Head of Commercial Development, Coordinator of information management and events; at CONSTRUCTORA EN OBRA VERDE SAS as Planning Director; at the Ministry of Housing, City and Territory she provided administrative and financial professional support services.

At KARCHER S.A.S, she provided consulting and employee training services on the "Customer Centric" strategy; at ANDESCO, she supported the design and development of its strategic plan, and the implementation of the expense and cash flow monitoring process, and held the position of Planning and Knowledge Management Manager. Currently, she is the Vice President of Human Talent at EPM.

MABEL ROCÍO LÓPEZ SEGURA

Vice President of Communications and Corporate Relations (From September 6, 2021, to February 2, 2024)

Social Communicator and Journalist from Universidad Pontificia Bolivariana, Attorney from Universidad Cooperativa de Colombia, Specialist in Administrative Law from Universidad Autónoma Latinoamericana and Master's degree in Political Science from Universidad Nacional de Colombia. During her professional career, she has served as Communicator at Fundación EPM, as Communications Specialist at EMVARIAS, as Chief Editor and Anchorwoman at Global Media Telecomunicaciones S.A and Cosmovisión; as ASSISTANT at the Chamber of Representatives and the Council of Medellín

Formerly an assistant of the legislative work unit and support unit, served as Manager for TELEANTIOQUIA and held the position of Senior Manager at the Local Television Association of Medellín TELEMEDELLIN. She is now the Vice President of Communications and Corporate Relations at EPM.

MARÍA CRISTINA TORO RESTREPO

Vice President of the General Secretariat (From May 10, 2021, to February 2, 2024)

Attorney from Universidad de Caldas with specializations in Commercial Law and Tax and Customs Law from the same university. Specialization in Mining-energy Law from Universidad Externado de Colombia. She has served as Judicial

Assistant and Secretary of the regional judicial disciplinary commission of Caldas; Legal Director of Aguas de Manizales SA ESP, Advisor and General Secretary of Empresa de Energía de Bogotá SA ESP.

At Central Hidroeléctrica de Caldas (CHEC), she served as deputy Legal Representative for Legal and Administrative Affairs, General Secretary, second alternate of the CEO and deputy CEO. She served as Labor Affairs Manager at EPM; as General Secretary of Empresa de Transporte Masivo del Valle de Aburrá Limitada -Metro de Medellín, as head of the legal counsel office at Metro de Bogotá, and is currently the General Secretary at EPM.

ANDRÉS FELIPE URIBE MESA
Vice President of Risk Management (From May 4, 2021, to February 11, 2024)

Attorney and Master's in global Business Administration from Universidad EAFIT. He held positions at: ALMACENES ÉXITO S.A. as Analyst and Head of the Risk, Insurance and Litigation Department; at JEU SEGUROS he served as Operations Manager. . Currently, he serves as Vice President of Risk Management at EPM.

GUSTAVO ALEJANDRO GALLEGO HERNÁNDEZ
VP of Corporate Auditing (Since 01/05/2022)

Attorney from Institución Universitaria de Envigado and licensed in Special Education from Universidad de Antioquia. His graduate-level studies include a master’s in State Law with emphasis in regulation and management of telecommunications and ICT from Universidad Externado de Colombia.

With over 20 years of professional experience, he has worked in both the public and private sectors, and has held positions such as Manager of Emvarias, an affiliate of EPM Group; Assistant Comptroller at the Office of the Comptroller General of Medellin; Municipal Ombudsman (*personero*) of La Estrella and Deputy Ombudsman of the Office of the Ombudsman of Medellín, among others.

CARLOS ENRIQUE LONDOÑO AMARILES
Vice President of Supplies and Shared Services (From February 21, 2022, to January 2, 2024)

Industrial Engineer from Universidad Autónoma Latinoamericana, Specialist in Management with emphasis in Human Talent from Universidad Pontificia Bolivariana, Specialist in Financial Management from Fundación Universitaria CEIPA; graduated from the Financial Management program of Escuela de Administration de Empresas in Barcelona; Master's degree in Government and Public Policies from Universidad EAFIT.

He served as Head of the Financial Resources Department at the Secretary of Education and Culture, and Director of the administrative division of the same entity; Financial and Administrative Vice-president at EMTELCO, acting as Corporate Control Director; acted as deputy Administrative Under-secretary at the Department of Education; Head of the Budget Department of the financial division of the Finance Secretary, and as Finance Secretary of the Municipality of Sabaneta.

Manager of the industrial and commercial government company that promotes projects in Sabaneta; Technical Director of planning and administrative and financial Vice-rector of Instituto Tecnológico Metropolitano, Institución Universitaria; Administrative and Financial Director, as well as CEO of Empresa de Vivienda e Infraestructura de Antioquia (VIVA). He was in charge of the administrative and financial department of Fábrica de Licores y Alcoholes de Antioquia, and currently serves as Vice President of Supplies and Shared Services at EPM.

3.1.5 Information on the independence criteria adopted by the issuer for the appointment of members of the Board and Board support committees.

The following are not considered independent members of the Board of Directors:

1. Employees or managers of the Company or of any of its subsidiaries, affiliates or controlling companies, including those who have acted in such capacity in the latest 5 years from the date of the appointment, except in the case of the reelection of an independent person.
2. Partners or employees of associations or companies that provide advisory or consulting services to EPM or any Group member company, when the revenues from such services account for twenty percent (20%) or more of its operating revenues.
3. Employees or managers of a foundation, association or company that receives contributions or sponsorships from the Company.
4. Persons who receive any remuneration from EPM other than professional fees as members of the Board of Directors, the Audit Committee or any other committee created by the Board of Directors.
5. Secretaries of departments or employees of the Municipality of Medellín or of any of the entities controlled by, assigned to, or related to the Municipality, or who has acted in such capacity within the latest 5 years from the date of his/her appointment.
6. Managers of any entity in which EPM acts as a member of the Board of Directors.
7. Persons who depend exclusively on the income earned from professional fees as member of the Board of Directors of EPM.
8. Relatives of any individual who is or has been an employee of the Company or a manager of any of its subsidiaries in the last three years.
9. Advisors or employees of a company that advises the Company, or a member of Senior Management of the Company.
10. Significant supplier or customer of the Company.
11. Persons who have signed professional services contracts with the Company, or with a manager of the Company.
12. Partners or employees of the external auditing firm of the Company in the last three years.

The above independence criteria are consistent with those established by Law 964/2005 (Article 44), the Framework Agreement of Relations, and good corporate governance practices.

3.1.6 Information on quorum and attendance of meetings of the Board of Directors and its support bodies during the reporting period.

During 2023, the quorum requirements for decisions and deliberations were met in all the meetings of the Board of Directors, defined as a majority of the members present at the respective meeting.

Board of Directors Meeting Quorum, 2023:

	January		February			March	April	May			
Meeting Date	4	17	1	2	10	27	20	3	19	23	29
Minutes No.	1751	1752	1753	1754	1755	1756	1757	1758	1759	1760	1761
% Quorum	100%	100%	100%	100%	89%	100%	100%	100%	78%	100%	100%

	June		July	August			Sep				
Meeting Date	7	22	5	2	14	16 and	6	12	14	25	27

						28					
Minutes No.	1762	1763	1764	1765	1766	1767	1768	1769	1770	1771	1772
% Quorum	100%	100%	100%	100%	100%	100%	78%	100%	100%	100%	100%

	Oct			Nov		Dec		
Meeting Date	4	9, 10, and 11	18	1	22	5	13	19
Minutes No.	1773	1774	1775	1776	1777	1778	1779	1780
% Quorum	100%	100%	100%	100%	100%	100%	100%	100%

For decision-making effects, each member of the Board of Directors has one vote.

The average attendance of Board members was 99%. The following are the attendance details of each member:

Board member	Percentage of Total Attendance	% Physical Attendance	% Virtual Attendance	Period
Daniel Quintero Calle	100%	24%	76%	February to September:
Oscar Hurtado Pérez	100%	50%	50%	October to December
Juan Pablo Ramirez Álvarez	100%	100%	0%	January to January
Bernardita Pérez Restrepo	100%	43%	57%	January - December
Eréz Bastiaan Ernest Zaionce	100%	46%	54%	January - December
Gildardo Antonio Correa Salazar	100%	70%	30%	January - December
Jorge Iván Palacio Palacio	97%	39%	55%	January - December
Olmer Orlando Palacio Garzón	100%	63%	37%	January - December
Omar Flórez Vélez	100%	53%	47%	January - December
Pablo Felipe Robledo Del Castillo	100%	13%	87%	January - December
Sergio Andrés Restrepo Muñoz	100%	57%	43%	January - December

Attendance to Board Committee meetings was 100%, as follows:

Total number of sessions	11	13	11	11	16	3
Member	**Management and Corporate Governance**	**Sustainability, Strategy and Investments**	**Audit and Risk**	**Project Monitoring**	**Legal**	**IT, Cybersecurity and Innovation**
Bernardita Pérez Restrepo	100%		100%		100%	
Pablo Felipe Robledo Del Castillo	100%		100%		100%	
Omar Flórez Vélez	100%			100%		100%
Jorge Iván Palacio Palacio	100%	100%			94%	
Sergio Andrés Restrepo Muñoz		100%		100%		100%
Olmer Orlando Palacio Garzón			100%			
Gildardo Antonio Correa Salazar				100%		
Eréz Bastiaan Ernest Zaionce		100%		100%		100%
% Total attendance (*)	**100%**	**100%**	**100%**	**100%**	**98%**	**100%**

(*) The percentage of attendance is calculated as the number of meetings attended over the number of meetings scheduled. Whenever changes are made to the members of the committees during the period, it is reflected in a greater number of members of the committee whose members were changed.

3.1.7 Description of the process for assessment of the Board of Directors, its support bodies and Senior Management.

For EPM, the assessment of the Board of Directors and its Committees represents a mechanism to monitor fulfillment of the responsibilities and commitments by this collegiate body, which are defined in Article 7 of the Rules of Procedure of the Board of Directors. The assessment also enables the identification of the value added by the performance of the Board members to the Company's management.

The annual implementation of this practice enables EPM to adjust to the global challenges related to governance.

Section 3.10 of the EPM Corporate Governance Code defines the assessment methodology, which may include a self-evaluation by members, evaluation by an external advisor, evaluation by members of the Company's senior management and a peer-to-peer evaluation.

The assessment of the governance bodies is a crucial corporate governance practice. It enables the Board, both collectively and individually, to identify areas for improvement and steer their collective efforts toward more effective outcomes.

The methodology applied in 2023 was as follows:

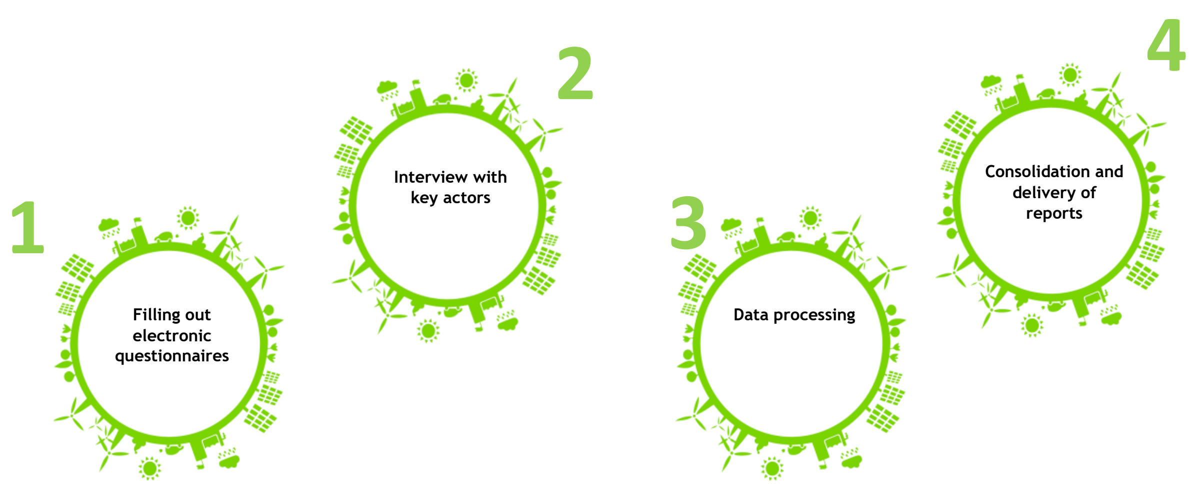
Each Board member conducts the assessment individually, regarding both the collective body and their individual contributions as Board members.

Senior Management assesses the Board from their perspective.
This process evaluates the degree of alignment between the Board and the company's management.

If necessary, interviews may be conducted with Board members as a means to clarify specific points from the self-evaluations.

ASSESSMENT PROCESS

The assessment process was conducted through the following four steps:



1. **1. Completion of Electronic Questionnaires:** By the Board and Senior Management members.
2. **2. Interviews with Key Stakeholders:** Interviews may be conducted with Board and/or Senior Management members to gather insights on various aspects of the assessment.
3. **3. Data Processing:** The data from questionnaires and interviews must be handled with rigorous and confidential criteria.
4. 4. Consolidation and Reporting: The processed data should be consolidated into a detailed assessment report that highlights areas for improvement.

The results of the assessment were presented at the Board Meeting on November 22, 2023.

Strengthening Plan for 2023

The Board of Directors, in a meeting on September 28, 2022, approved the Strengthening Plan for the Board and its Committees for the 2022-2023 period.

The plan included actions that both the Board members and Management considered important to implement, addressing the recommendations from the assessment conducted by KPMG Advisory, Tax & Legal S.A.S. in 2022. This plan outlined four periods for achieving the set milestones, spanning from October 2022 to December 2023.

The deliverables included:

- Typical Agenda for Board and Committees:

  Incorporating topics related to ESG criteria to enhance the company's sustainability model and informing the Board of Directors about the needs and expectations of stakeholders.
- Internal Guidelines for Timely Publication:

  Activities to filter information to optimize the review process, understanding, debate, and decision-making by the Board members.
- Proposed Annex to the Framework Agreement:

  Proposal for an annex to the Framework Agreement to be reviewed in a workshop with the District for the process of timely selection and replacement of Board members.
- Training:

  Enhance the training process aimed at optimizing Board performance, covering topics such as: Corporate Governance Update, Climate Change, Risks, and Finance.

As of December 31, 2023, the compliance level reached 95%, as only two of the four contemplated training topics were covered: Update in Corporate Governance and Climate Change.

Evaluation of the CEO

The evaluation of the CEO of EPM is carried out each year pursuant to the provisions of Section 4.7 of the Group's Code of Corporate Governance, which establishes, among other aspects, that the CEO's evaluation may "include a self-assessment of the CEO, an assessment by the Board of Directors, and an assessment by the first-tier management team; its results will be published in the public rendering of accounts process and in the Corporate Governance Report."

The annual evaluation conducted by the EPM Board of Directors is a systemic process intended to:

- Align the expectations on the CEO's performance based on qualitative (management behaviors and leadership) and quantitative results.
- Acknowledge the evolution of their competencies and actions towards achieving the company's objectives.
- Identify strengths and opportunities for improvement, with the aim to foster actions that enhance leadership and corporate value creation.

The evaluation process for the general manager of EPM in 2023 formally began with the presentation of the methodology at the September meeting of the Management and Corporate Governance Committee. In the agenda for the Board of Directors' meeting on December 19, the evaluation topic was included, and the Board convened privately with the General Manager to discuss the outcomes. The assessment process was completed before the end of the 2023 fiscal year, considering the appointment of a new CEO by the newly elected Mayor Federico Gutiérrez, starting January 1, 2024. The evaluation was conducted with the following scope:

- Quantitative evaluation of the fulfillment of managerial goals (based on the Balanced Scorecard - CMI, and the Manager's Report).
- Qualitative Assessment Based on Key Competencies Related to Strategic Perspective, Results Management, Self-Management, Relationship Management, and Competencies for Public Employees.
- Multi-source Evaluation, meaning assessments are made from the perspectives of the Board of Directors, the Senior Management team who report directly to the CEO, and the CEO's own self-assessment.

- Feedback on results during a private meeting between the Board of Directors and the CEO, the outcome of which is the issuance of a public statement, in the framework of EPM's public rendering of accounts on the management of the period.

Evaluation of Senior Management

The performance evaluations of the first-tier executives who report directly to the CEO of EPM was carried out in 2023 using the following methodology:

- The Management Committee sets performance agreements for each fiscal year related to the initiatives of the Company Plan, in which all or most of the Vice-presidents of the first reporting tier participate. In the case of first reporting tier managers and executives who have no responsibilities related to some of these agreements, the CEO establishes performance agreements based on the area's challenges and plans.

- Fulfillment of the milestones and deliverables of each agreement of the Management Committee is monitored through the Management Improvement Monitoring process. At the end of each fiscal period, this information forms the basis for managing performance and verifying the achievement of results and their scope.

- The Vice Presidency of Employee Experience and Organizational Solutions provides the information necessary for the CEO to present the consolidated evaluations of senior management members to the Management and Corporate Governance Committee of the Board, fulfilling the recommendation of the Country Code, specifically item 24.5.

- On December 4, 2023, the Management Committee conducted the final review of cross-departmental agreements, which serve as inputs for the CEO to assess the performance of directors before the end of their governance term.

3.1.8 Description of the mechanisms implemented by the issuer to manage, identify and handle conflicts of interest.

Annex No. 6 of the Corporate Governance Code, "Manual on Conflicts of Interest and Treatment of Group Decisions," amended by Decree No. 675 of September 22, 2022, provides the information and procedures required by managers and employees of EPM Group to know, prevent and manage in an adequate and timely manner any conflicts of interest that may arise in performance of their positions, which supplements the disciplinary regulations that apply to civil servants and the provisions of Law 1437/2011.

Similarly, in view of the dynamics of EPM Group, the manual regulates any differences that may arise between the EPM Group Holding Company and the subsidiaries, regarding the interests of the business group. The procedure follows the

Governance Agreement signed between the EPM Group companies, the signed shareholder agreements, and the governance model defined for each subsidiary.

It also defines the acts assigned in each case to the Board of Directors of the subsidiary, to the Management Committee of the Holding Company, and to the Board of Directors and their respective committees.

In the event that a member of the Board of Directors, or the legal representative, is involved in an actual or perceived conflict of interest, he/she shall:

- Suspend any action and direct or indirect involvement in the activities, deliberations and/or decisions related to the actual or potential conflict and inform the respective Board of Directors in a timely manner, providing all the documentation for this body to understand the details of the matter, either directly or through the Secretary General.
- The Board of Directors shall decide on the existence or non-existence of the conflict of interest. To this end, the manager involved must provide all the information necessary for the decision to be made and abstain from participating in the deliberation and decision.
- In the event that the Board of Directors determines that a conflict of interest does exist, the person involved shall refrain from participating in the deliberation and decision of the respective matter.

In this case, the person at conflict may ask that a General Meeting of Shareholders be called to decide whether to authorize the act or activity involving the conflict of interest, provided that said act does not harm the Company's interests.

In the case of EPM, the authorization referred to in this section is incumbent upon the Board of Directors.

- In the event that the conflict of interest is expressed by a member of one of the Board of Directors' committees, on the occasion of a meeting of the respective committee, the member involved must temporarily withdraw from the meeting, while the matter is being decided.

This will be recorded in the minutes of the respective meeting and reported to the Board of Directors at the following meeting.

In case of a conflict of interest involving an employee of any of the companies that are part of the EPM Group, the following procedure will be followed:

- The employee must suspend any direct or indirect action and involvement in the activities and decisions that give rise to the actual or potential conflict.
- He/She must also inform his/her immediate supervisor about the conflict in a timely manner and provide him/her with the necessary documentation for analysis.
- The employee's immediate supervisor will request an opinion from the Ethics Committee of EPM to determine the existence of the conflict.
- In the event of an actual conflict of interest, the supervisor of the employee at conflict shall appoint another employee to continue the activities being carried out by the employee involved, if any.
- If the immediate supervisor is also involved in the employee's conflict of interest, the former shall bring the matter to the attention of his/her supervisor.
- The employee and the immediate supervisor must leave written evidence of the notification and treatment of the actual or potential conflict.

According to item 10 of the manual, “Conflicts of interest that arise and require the manager to refrain from participating in the discussion of a certain matter shall be published annually in the Corporate Governance Report.”

The conflicts of interest are reported each year and are available in the Governance Report under the chapter on "Transactions with Related Parties." The following is the link to the report: https://www.epm.com.co/institucional/sobre-epm/gobierno-corporativo/informes-y-mediciones/informe-anual-de-gobierno-corporativo/

3.1.9 Description of the mechanisms implemented by the issuer for performance of transactions with related parties.

EPM maintains a policy on Transactions with Related Parties within the EPM Group, including the Guideline Pertaining to the "Transactions with Related Parties" Policy, along with other documents like the Manual of Accounting Practices and Financial Reporting in accordance with International Financial Reporting Standards (IFRS). Additionally, the relations between Group companies are formalized in the "Governance Agreement" described in Section 5.1 "EPM as owner of the subsidiaries."

Furthermore, to ensure compliance with the Transfer Pricing regulations of each country where the Group operates and the provisions included in the OECD Guidelines, as well as to standardize the management of contracts among related parties, the Transfer Pricing Guideline LINGG-65 within the Financial Macroprocess was established on April 21, 2021.

The transactions made between EPM Group companies are included each year in the governance report under the section named "Governance Agreement." Business transactions between EPM and other Group companies with the members of the Board of Directors, Senior Management and other managers, and/or their relatives or permanent companions are subject to the legal regime of disabilities and incompatibilities that applies to contracting.

The rules of procedure on the transactions between related parties defined for EPM and other Group companies form integral part of this Code, as defined in Section 9.3 Reforms and dissemination of the Code. Decree 640 of March 23, 2022, regulates this section and incorporates in the Code the policy and guideline:

- POLICY ON TRANSACTIONS WITH RELATED PARTIES OF EPM GROUP: The transactions with related parties made within the EPM Group shall be made in the framework of transparency and in abidance of the defined rules, directives and practices on Corporate Governance, in a manner that enables their identification, assessment, approval and disclosure.

- GUIDELINE 2022-LINGG-92 JULY 17, 2022 Guidelines of the Policy on "Transactions with Related Parties". "Related Party Transactions."

- Special report: The special report on the existing economic relationships between the controlling company and its subsidiaries or between subsidiaries and other controlled companies, pursuant to Article 29 of Law 222/1995, is included in the section named "Governance Agreement" of this Report, which describes the general context of the documents signed between the EPM Group companies as part of the Governance Agreement, and highlights the most important aspects.

3.1.10 Agreed fees with the Statutory Auditor or External Auditor for statutory auditing, auditing and other contracted services.

Due to its legal status of industrial and commercial government company, EPM is not required to perform an external financial audit. However, as a good corporate governance practice and in view of the commitments it has with multilateral banks, EPM has engaged an external financial audit that included an opinion on the financial statements, a specific audit to certify EPM's fulfillment of the specific requirements taken on in the legal stability contract, and the letters of conformance for bond issuances.

Starting on May 1, 2022, EPM Group engaged as External Financial Auditor the private firm Deloitte & Touche Ltda., which is one of the world's big four audit firms. The contract was renewed on May 1, 2022.

Contract	Purpose	Period (Start – End)	Payments made in 2023
CW177800 Deloitte	The contractor is assigned to provide the external audit services required by EPM.	January 01, 2023 April 30, 2023	COP 557,769,466 (excluding VAT)
CW258742 Deloitte	The contractor is assigned to provide the external audit services required by EPM.	May 01, 2023 December 31, 2023	COP 1,028,263,361 (excluding VAT)

The amount of the audit contract for the period from January to December 2023 was COP 1,586,032,827 (excluding VAT.)

The fees paid by EPM to Deloitte during the period January - December 2023 account for 1.31% of the total external auditing revenues of Deloitte in the same period.

3.1.11 Operation of the internal control system of the issuer, including a description of the mechanisms and committees that manage the internal auditing process.

The legal status of EPM, the fact that it is 100% owned by the government, the economic sector it is involved in, and its status of securities issuer, imply that the Company is extensively supervised by the internal control mechanisms regulated by law and by external control bodies, in addition to those voluntarily adopted and that have been implemented at the business group's companies.

In addition to enabling cohesion among the companies, the control environment establishes policies, processes, procedures, activities and information that assures the unity of purpose and direction, and that also comply with the internal and external regulatory framework, all the above with the aim of achieving the Group's objectives and strategic vision.

Control Environment

Comprehensive risk management

- Includes the definition of risk policies, as well as the definition and execution of methodologies for their identification, evaluation, measurement, administration, monitoring and reporting.
- Requires an internal control system that ensures, through controls, that risks are managed in accordance with the defined policy and methodology and that these are applicable in practice.

Internal Control

(Law 87 of 1993) " System integrated by the organizational scheme and the set of plans, methods, principles, standards, procedures and verification and evaluation mechanisms adopted by an entity, in order to ensure that all activities, operations and actions, as well as the administration of information and resources, are carried out in accordance with constitutional and legal standards within the policies outlined by management and in response to the planned goals or objectives".

Compliance

Risk management associated with money laundering and terrorist financing, which represent a significant threat to the economic, social and political stability of a country and markets worldwide.

Internal Audit

- Performs the evaluation of the internal control system, which is defined as an independent and objective assurance and consultation activity. Its purpose is to help improve the management of the organization and achieve its objectives.
- The internal audit activity provides a comprehensive approach to evaluate and improve the effectiveness of comprehensive risk management, controls, and governance.

Financial external audit

Evaluates the general accounting information and the financial statements, as well as the rendering of an independent option regarding the reasonableness with which they indicate the financial situation of EPM at the end of each fiscal year.

External controls

They are also part of the Company's control environment due to their legal nature since they seek to guarantee the development of its governance process within the public administration.

External Financial Audit	It reviews accounting information in general and the financial statements, and provides an independent opinion on their reasonableness in terms of reflecting the financial position of EPM at the end of each fiscal year.
External Controls	It is also part of the control environment of the Company due to its legal status because it seeks to assure the performance of its governance process within the public administration.

Internal Control Mechanisms: (According to the MECI-MIPG Model) It is the system comprised of the organizational arrangement and the set of plans, methods, principles, rules, procedures and mechanisms of verification and

assessment adopted by EPM, with the aim of ensuring that all the activities, operations and actions, as well as the management of information and resources, are performed in accordance with applicable constitutional and legal regulations, pursuant to the policies defined by the Board of Directors and the CEO, in line with the planned goals or objectives.
Internal Control Policy (Adopted by means of DECREE 2012-DECGGL-1906)

> "At EPM, Internal Control is managed to facilitate sustainability and the fulfillment of its business objectives, creating trust among stakeholders. To this end, the Internal Control is assessed, adapted and improved continuously in line with the business needs, regulatory requirements and associated best practices." The policy is available at: https://cu.epm.com.co/Portals/institucional/Documents/decretos/decreto-2012-decggl-1906-epm.pdf

Vice-president of Corporate Auditing: Lead the internal audit activities of EPM Group, in the framework of assurance and inquiry activities, with the aim of assessing and improving the effectiveness of controls, corporate governance and risk management, to support management in the fulfillment of the business objectives. Internal auditing is based on the statute on internal auditing, which defines the purpose, authority, responsibilities and scope of the Internal Control Office. It is available for viewing at: https://cu.epm.com.co/Portals/institucional/Documents/decretos/estatuto-de-auditoria-interna-v04-epm.pdf.

The Vice-presidency consists of 4 offices: Business Audit Manager, Project and Supplies Audit Manager, Support Audit Manager and the Director of Management and Performance of Corporate Audit.

The Internal Audit activity of EPM must be defined at the highest management level, in order to support the CEO in assessing and improving the Internal Control System, based on the independent verification and inquiry of risk, control and governance matters, avoiding any participation in activities that would compromise the independence and objectivity of the audit function.

Assessment of the Internal Control System: The Corporate Auditing Vice-presidency, in compliance with Article 156 of Decree 2106/2019 issued by the Administrative Department of the Public Function (DAFP, for the Spanish original), performs a semi-annual "Independent Assessment of the Status of the Internal Control System- Dimension 7", using the DAFP methodology, the results of which are published in the EPM website, available at Conclusiones SCI I Semestre 2022.pdf (epm.com.co).
Semiannual Internal Control System Evaluation Report, Second Half of 2023: https://www.epm.com.co/content/dam/epm/institucional/documentos/documentos/informe-semestral-evaluacion-sci.pdf

3.1.12 Description of the governance structure adopted by the issuer to achieve equal treatment for its investors and promote their participation.

a) Channels of access to information.

EPM has a corporate website where it publishes all the information of interest for investors and other participants in the securities market in general: https://www.epm.com.co/site/inversionistas/

EPM will report the following to investors and the general market:

- Financial information: The separate and consolidated financial statements of EPM. They are prepared based on the current International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), as well as the interpretations issued by the Interpretations Committee (IFRIC).

Said financial statements are aligned with the generally accepted accounting principles of Colombia, as set out in the Annex of Decree 2420/2015 and its subsequent amendments adopted by the Colombian General Accounting Office by means of Resolution 037/2017. Year-end Report. The audited separate and consolidated end-of-year financial statements with their notes are reported to the Financial Superintendence. Quarterly report.

The non-audited separate and consolidated financial statements with their notes are reported to the Financial Superintendence. Governance Code adopted by means of Decree No. 472 of September 24, 2019, updated through the amendment of Decree 481 of January 13, 2020, updated with the incorporation of Decree 627 of January 26, 2022, updated with the incorporation of Decree 640 of March 23, 2022, updated by Decree 645 of April 26, 2022. Sheet 21 Monthly Report.

EPM publishes the non-audited monthly separate financial statements of the Holding Company, with notes, pursuant to the applicable regulations of the Colombian General Accounting Office and the provisions of the Law on Transparency and the Right to National Public Information. Financial information is available at: https://www.epm.com.co/inversionistas/informacion-financiera/

- **Relevant Information** EPM will disclose to the market in a truthful, clear, sufficient and timely manner, through the Financial Superintendence, any financial or non-financial situations related to the Entity or its issuances, that are deemed relevant information according to applicable regulations.

EPM may also request the Financial Superintendence special authorization to not disclose relevant information, if it considers that such disclosure may affect its interests, in compliance with the requirements established in said regulations for making the request for non-disclosure. The relevant information is available on the investor website: https://www.epm.com.co/inversionistas/informacion-corporativa/informacion-relevante/ or on the website of the Financial Superintendence of Colombia: www.superfinanciera.gov.co

b) Mechanisms to address requests for information and for communications between investors, the issuer, its board of directors and other managers, among others.

Pursuant to the provisions of Resolution 275/2001 issued by the Securities Superintendence, EPM has taken on the following specific commitments, in addition to the information duties contained in this chapter:

Obligations of Empresas Públicas de Medellín in connection with corporate governance: Empresas Públicas de Medellín E.S.P. undertakes, with all the noteholders of internal public debt issued or placed, or that it may issue and place in the capital market, to fulfill the following obligations:

– Specialized audits: In addition to the internal and external audits, it may perform specialized external audits on the account and under the responsibility of the investors. The following will be the procedure to perform such audits:

a) One or more investors submit to the CEO of EPM a written request indicating the facts that are grounds for the audit, its objective, scope and duration, as well as the transactions to be audited and the audit firm of recognized reputation and track record that will perform the audit.

b) The request should include the respective audit program, work plan and number of people who will be responsible for the assessment. In any case, the audit must address specific matters, and no confidential documents, industrial secrets or matters covered by intellectual property rights law will be provided.

c) Once the request and the documentation has been received, within ten (10) business days following the date on which the request was received, the CEO will issue a reply and/or make any adjustments deemed relevant to avoid subjecting the Entity to unnecessary and costly controls.

d) The audit results will be communicated to the CEO within ten (10) business days from the scheduled end date of the assessment. The report should include a duly substantiated improvement plan, which will be verified by the department responsible for the audit function at EPM.

e) Once the CEO has issued an opinion on the report, the external auditor will submit the results directly to the investors who requested the audit. The documents prepared by the special auditor in performance of his/her work will be subject to confidentiality and must be maintained for a minimum period of five (5) years from the report date.

- The Legal Representative of the Noteholders shall be responsible for all the acts of administration and preservation that may be required for the exercise of rights and defense of the common interests of the Noteholders.

- A top priority for EPM’s Management is to identify and control any type of risk that may affect the Entity’s equity or the performance of its corporate purpose. To this end, it has implemented a Comprehensive Risk Management system, through which it identifies, analyzes, assesses and controls the risks to which its assets, human resources, interests, community and environment are exposed, optimizing the resources available to this effect.

Regarding the inherent risks of the issued securities, EPM receives the independent and impartial opinion of two credit rating agencies, which periodically assess the Entity’s risk level for the timely payment of its financial obligations, based on factors such as its financial position, its plans and strategies, the quality of its management, market opportunities, and control and audit procedures, among others.

EPM is committed to delivering to the credit rating agencies in a timely manner the information required for the initial credit rating, quarterly updates and annual reviews.
The opinion of the credit rating agencies and the results of their reviews are communicated to investors and are published on EPM’s website.

- In addition to the end-of-year and interim period financial statements, EPM makes available the reports presented by the financial auditing firm engaged by EPM to determine the reasonableness of the accounting information related to the special accounts of the loans granted by multilateral banks, and the reasonableness of the financial statements in terms of reflecting its financial position.
- EPM will gradually and progressively implement financial reporting systems in accordance with international standards that may be adopted.
- EPM will schedule, at least once a year, a meeting with investors to presents its financial position, its business outlook, investments and relevant events of the period.
- The contact point for individual investors or their proxies is the Capital Management Department of EPM, or its equivalent area. Requests for public information about EPM should be sent to the address indicated in the “Investor Services” section of the website, or by mail to Carrera 58 No. 42 – 125, Medellín.

The Good Governance Code of Empresas Públicas de Medellín may be requested by e-mail at investorelations@epm.com.co and will be permanently available to investors on the investors website https://www.epm.com.co/site/inversionistas/, as well as at the office of the Secretary General of the Company, at the address Carrera 58 No. 42 – 125 in the city of Medellín.

Contract with the Legal Representative of Noteholders:
The Legal Representative of Noteholders of outstanding or future issuances may request at any time that any obligations taken on by EPM be declared, and in compliance with this Code and the regulations of the public securities market, that it declare any contract signed or to be signed by the Entity with the Legal Representative of Noteholders assigned for each issuance.

General Meeting of Noteholders

Pursuant to the provisions of the relevant articles of Title 1, Book 4, Part 6 of Decree 2555/2010, EPM defines its framework of action regarding the investors in its public internal debt bonds issued as part of its Issuance and Placement Program, in the event it is necessary to hold a General Meeting of Noteholders.

The Noteholders will hold a General Meeting whenever they are summoned by their Legal Representative, whenever they deem it convenient to do so. A group of Noteholders representing at least ten percent (10%) of the outstanding amount of the issuance may require the Legal Representative of the Noteholders to summon a General Meeting, and if he/she fails to do so, it may request the Financial Superintendence of Colombia to summon the meeting. The Financial Superintendence of Colombia may also summon a General Meeting of Noteholders, or order the Legal Representative of the Noteholders to do so, whenever serious events take place that must be known by the Noteholders and to enable them to issue instructions to the Legal Representative of the Noteholders or to revoke his/her appointment.

The summons will be made through notices published in a highly visible manner in newspapers with widespread circulation in Colombia, or by any other means considered suitable, at the discretion of the Financial Superintendence of Colombia, that also ensures widespread communication of the summons, with the advance notice defined in the contract of legal representation of Noteholders or in the prospectus, and if no term is defined therein, notice shall be given eight (8) business days before the scheduled date of the meeting, informing the Noteholders whether it is a first, second or third summons, the place, date and time, the agenda of the General Meeting, and any other appropriate information or warning, pursuant to the provisions of Decree 2555/2010. The General Meetings of Noteholders will be held in the city of Medellín.

The General Meeting of Noteholders may validly deliberate in a meeting held on first summons with a plural number of Noteholders representing at least fifty-one percent (51%) of the outstanding amount of the issuances. In the event quorum to validly deliberate and decide is not achieved in a first summons meeting, a meeting held by second summons may validly deliberate and decide with any plural number of Noteholders or representatives thereof. The decisions of the General Meeting of Noteholders will be passed with the absolute majority of votes present. The above is notwithstanding cases in which a greater deciding quorum is required, as described below.

The General Meeting of Noteholders may make general decisions aimed at the common and collective protection of the Noteholders.

A General Meeting of Noteholders, with the vote in favor of a plural number representing the numeric majority of the Noteholders present and eighty percent (80%) of the outstanding issuance, may agree to amend the terms and conditions of the issuances and particularly authorize the Legal Representative of the Noteholders to sign a transaction contract on their behalf and representation, or to vote in favor of a restructuring proposal. If the necessary quorum is not reached to validly deliberate and make decisions in the first-summons meeting, a second meeting may be called for, which may validly make decisions with the vote in favor of a plural number representing the numeric majority of Noteholders present and forty percent (40%) of the outstanding issuance. If the necessary quorum is not reached to validly deliberate and make decisions in the second called meeting, a third meeting may be called for, at which the presence of any plural number of Noteholders will suffice to validly deliberate and make decisions. The same provisions of the second summons will apply to the third summons.

Any amendments to the terms and conditions of the issuances must additionally be authorized by the Board of Directors of EPM.

The decisions made by the General Meeting of Noteholders pursuant to the law will also be binding for dissidents and absentees. No decisions of the General Meeting of Noteholders will discriminate between the Noteholders of a same issuance, impose new obligations, or decide on the mandatory conversion of bonds into shares.

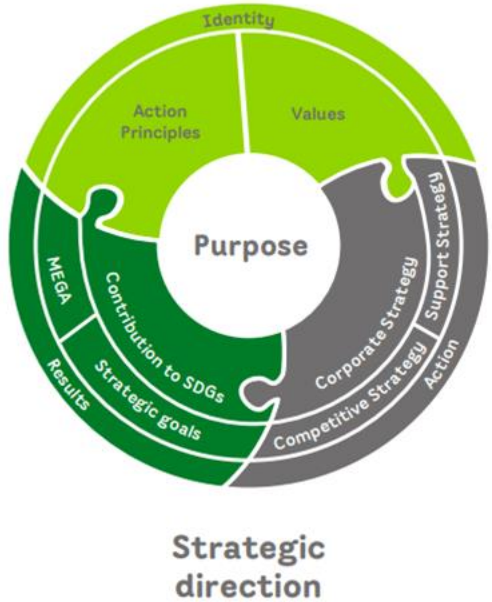
Currently applicable regulations for General Meetings of Shareholders of joint stock companies shall apply regarding representation, voting systems and drafting of the minutes of the General Meeting.

EPM will cover the costs involved in the summons and operation of the General Meeting of Noteholders.

Any material changes made to the practices, processes, policies and indicators related to corporate governance. The issuer must also include an analysis of any material changes in the information reported in the chapter on "Analysis of Corporate Governance" in the latest end-of-year periodic report. EPM publishes its Corporate Governance Report each year. The reports for each year are available at the following link: : https://www.epm.com.co/institucional/sobre-epm/gobierno-corporativo/informes-y-mediciones/informe-anual-de-gobierno-corporativo/

3.2. Environmental and Social Issues, Including Climate Concerns.

3.2.1 Sustainability Model and Strategic Direction



The Sustainability Model forms the fundamental basis to guide the development of Strategic Direction, consisting of four elements: Purpose, Identity, Action, and Outcomes:

Purpose was defined with the "Architecture for a Better World" and the Sustainable Development Goals (SDGs) of the 2030 Agenda in mind.

The corporate purpose of the EPM Group is to "contribute to the harmony of life for a better world." It is the central element of Strategic Planning, and is consistent with the approaches of the architecture for a better world[1], which calls for corporate leadership capable of reconciling business objectives with sustainable human development priorities, recognizing the interdependence between stakeholders and sustainability, the relevance of partnerships and collective action, and supported by the 2030 Sustainable Development Goals and respect for universal principles on human rights, the environment, labor rights and anti-corruption.

Identity was established considering the "Nature-Society-Economy" relationships.

The Identity component refers to the values and principles of the EPM Group. Connected to its principles and values, and with an ecosystemic vision, the EPM Group recognizes that generating sustainable and inclusive economic value is only possible by respecting social and environmental limits in the nature-society-economy relationship.

Action was defined by considering the geographical scope, stakeholder groups, and the materiality of commitments

The action component includes the strategies for achieving the business group's business objectives. The EPM Group recognizes the need to establish trusting relationships with the people who make up the territories in which it is present and to effectively, pertinently and coherently manage material or relevant sustainability issues.

Outcomes were determined based on contributions to the Sustainable Development Goals (SDGs).

The results component of the EPM Group includes the achievements expected to be reached based on the strategic objectives, contributions to the Sustainable Development Goals (SDGs) and the Big Hairy Audacious Goal (BHAG) in social, environmental and financial terms. These results are the basis for accountability to stakeholders and society in

[1] https://www.pactomundial.org/wp-content/uploads/2015/04/PublicacionArquitectosparaelFuturo2013_final1.pdf

general through the sustainability report.

3.2.2 Materiality

Materiality covers all Environmental, Social, and Governance (ESG) aspects that significantly impact, positively or negatively, a company's profitability and its stakeholders.

This materiality concept is enhanced by the necessity for organizations to consider not just how their actions affect their surroundings—environmentally and socially—but also how these external factors influence their financial performance. This is known as the principle of double materiality. Following the materiality analysis conducted for the EPM Group in 2022, the organization identified a set of priority ESG topics related to sustainability.

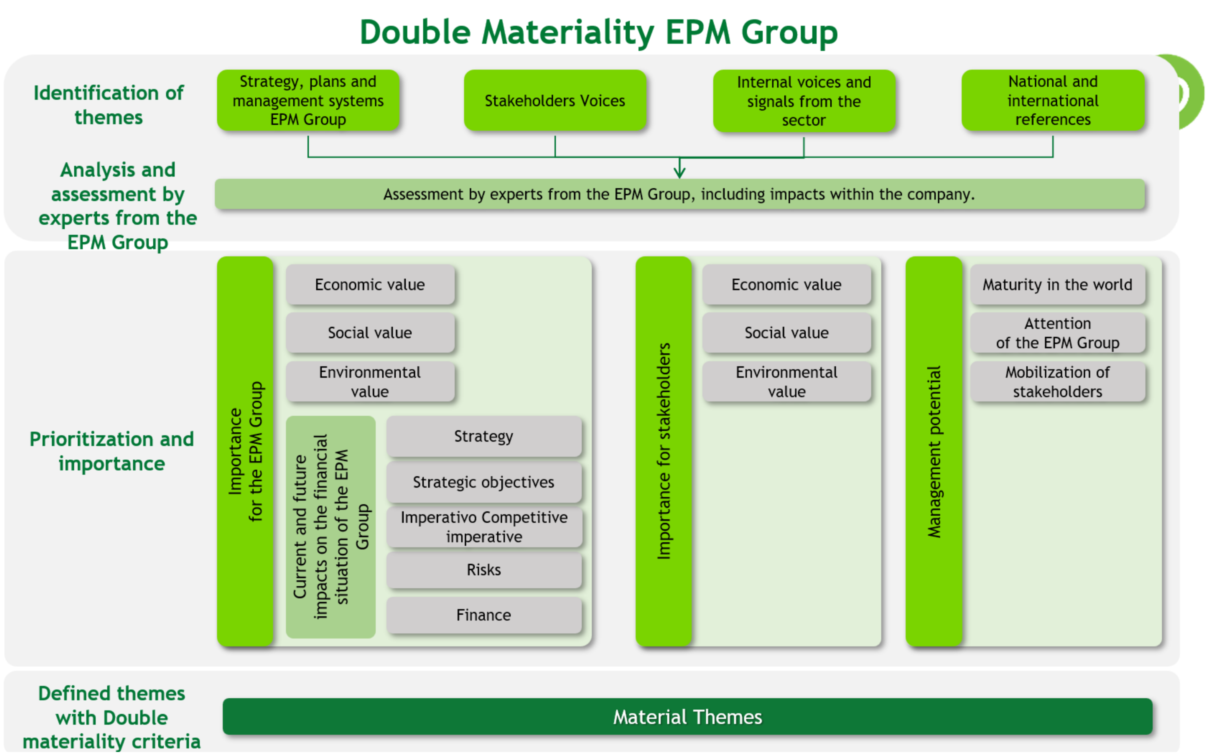
These topics stem from feedback from stakeholders and the internal perspective of the corporate core and the companies within the EPM Group.

The EPM Group's materiality exercise allows visualizing the relevant topics for contributing to Sustainable Development and the organization's performance, including financial aspects.

These issues aim to align the organization's strategic objectives with its commitment to contribute to sustainable human development. They are based on strategic guidance, operations, and stakeholder relationships, integrating both external and internal viewpoints.

In 2023, other impacts of material topics on the organization's strategic elements, or "inward impacts," were incorporated into the materiality analysis and considered in the significance rating for further detail in light of the dual materiality criteria.

Below, the steps for analyzing double materiality are described, including the assessment of current and future impacts on the organization's financial situation:



Identification of Topics

Sustainability is a critical concern. To address this, stakeholders were engaged through direct dialogues, studies on expectations and needs, satisfaction and reputation, and included feedback collected through interactive mechanisms such as claims and complaints, resulting in a comprehensive list of issues and associated actors.

The identified topics were aligned with globally relevant sustainability matters and the strategy of the EPM Group. Included sources were: Thematic areas and the SDGs from the 2030 global development agenda, UNDP human development reports from 2010–2017, the ISO26000 international standard on social responsibility, the Dow Jones Sustainability Index, sustainability reports from leading sector companies, events on topics like climate and human rights, and the GRI document which outlines sector-specific sustainability topics. Thus, the principle of comprehensiveness proposed by AA1000 and adopted by the EPM's Stakeholder Engagement Model was applied.

Analysis and Evaluation of Topics by Experts from the EPM Group

The insights from stakeholders were combined with the knowledge of EPM Group employees about their territories and their experiences from daily interactions across various company processes. The material topics identified from the stakeholder perspective underwent successive rounds of refinement, clarification, discussion, and analysis, as well as a preliminary selection based on potential economic, environmental, and social impacts on the performance of the EPM Group companies and society, as assessed by individuals familiar with the Group's operational companies and corporate core. Thus, the relevance principle of AA1000 was applied.

The materiality of the EPM Group included perspectives from its nine stakeholder groups, focusing on those most interested in financial performance, such as investors, partners, shareholders, and the Owner, and identified financial themes or implications thereof.

EPM Group Stakeholders

Customers and users

Community

EPM Group People

Owner

Suppliers and Contractors

Partners / Shareholders

Investors

Colleagues

Estado

- Environmental Authorities: VP Sostenibilidad y Estrategia
- Territorial authorities, roads and use of public space: Executive VP of Projects and Engineering
  Government: External Relations Management
- Control entities: VP Corporate Audit
- Regulatory entities: Regulation Management

Prioritization and Importance of Material Topics

This analysis was conducted by specialists within the Organization using prioritization criteria for material topics. It took into account both the financial perspective and the impact on sustainable development through a tool that assesses the significance of material topics based on their "capacity" to generate or diminish economic, financial, social, and environmental value for the EPM Group and its stakeholders—essentially measuring value creation internally and externally. The rating is the result of a comprehensive analysis that includes environmental signals, stakeholder perspectives, the proximity and scale of impacted actors, and the strategic direction and policies of the EPM Group. In this way, the principle of relevance was applied.

For analyzing these issues and topics, qualitative techniques were translated into numerical expressions to aid understanding, comparison, and visualization of certain qualities or trends.

The ratings aim to coherently express the level of similarity or difference among these variables:

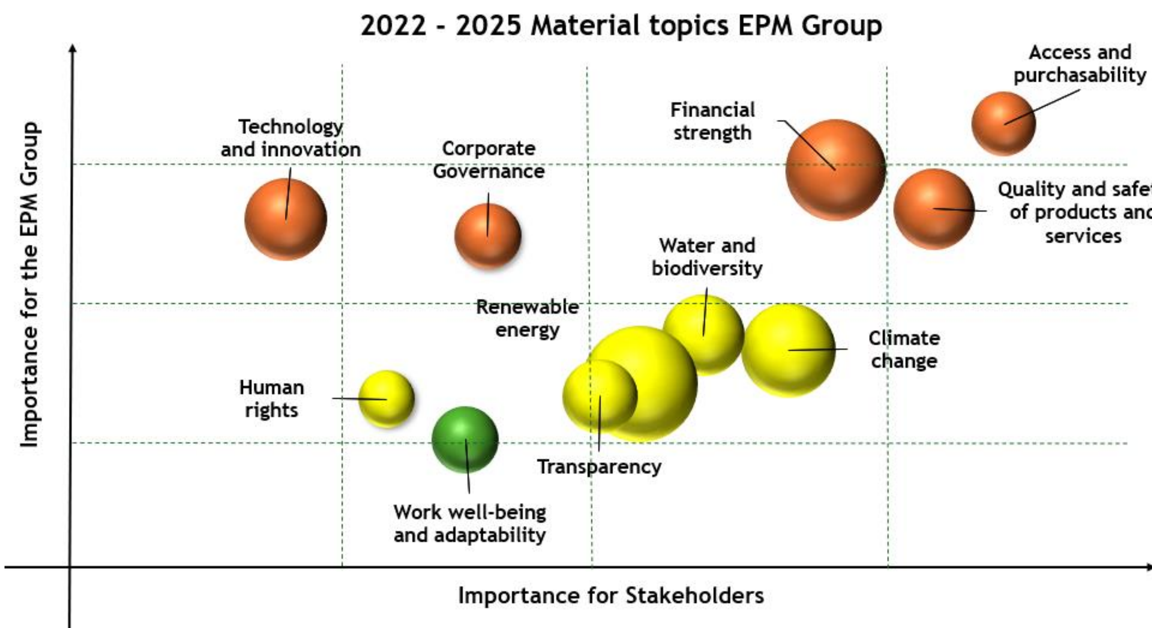
- Importance to Stakeholders: Economic Value, Social Value, and Environmental Value.
- Importance to the EPM Group: Economic Value, Social Value, Environmental Value, and Current and Future Impacts on the EPM Group's Financial Situation.

Furthermore, the rating seeks comparative consistency with those of the same variables in other topics. In 2023, the materiality analysis was enhanced by defining impacts internal to the organization as follows:

Definition of Current and Future Impacts on the Financial Status of the EPM Group

EPM has analyzed guidelines from national and international benchmarks such as the Superfinanciera, the European Corporate Sustainability Reporting Directive (CSRD), and in line with the technical group guidelines of the European Financial Reporting Advisory Group (EFRAG), as well as international standards of the Task Force for Climate-Related Financial Disclosures (TCFD) and the SASB Standards of the Value Reporting Foundation (VRF). Based on these frameworks, EPM has identified and will disclose in this report material topics considered crucial for investors when making decisions to buy, sell, or hold securities. These topics significantly impact the risks and strategic direction elements of the EPM Group, such as strategy, competitive imperatives, strategic objectives, and financial components related to assets and profitability.
A lesser impact on strategic direction elements does not imply lesser importance since these material topics are considered paramount. However, they demonstrate significant impacts on these elements. Below is a table illustrating the impact of material topics on the elements of Strategic Direction.

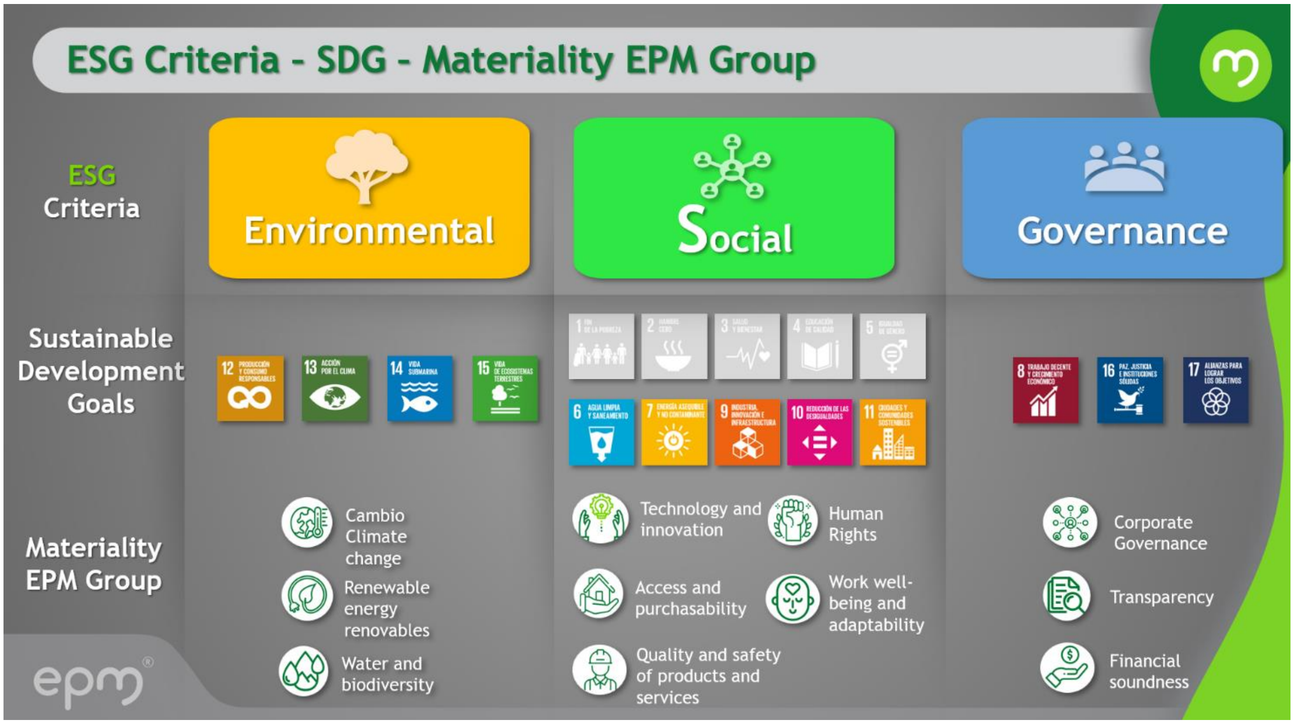
Following, the importance of material topics based on the criteria of double materiality for the EPM Group is presented:



Note: The diameter of the sphere represents the management potential of the material item.

3.2.3 Environmental, Social and Governance (ESG)

At the EPM Group, the material issues identified with stakeholders are expressed through ESG (Environmental, Social, Governance) matters, as follows:



Environmental

It refers to environmental practices, natural resource management, climate change and relationship with the planet. Among other things, in this aspect:

- We work to reduce GHG emissions and increase the resilience of the infrastructure.
- We care for water and biodiversity.
- We perform responsible environmental management.

Within EPM, this criterion governs material issues such as: Climate Change, Renewable Energies, and Water and Biodiversity.

(i) Climate Change

It refers to long-term changes in temperatures and weather patterns. Human activities have been the main driver, mainly from burning fossil fuels.

This has exacerbated climate variables affecting ecosystems, infrastructure and communities, especially the vulnerable population.

Tackling climate change involves decarbonizing economies, adapting productive activities and taking advantage of climate-related opportunities

Relationship to the Sustainable Development Goals:

Significant Developments:

- **Board Supervision of Climate-Related Risks and Opportunities**

The EPM Board of Directors incorporates into its annual calendar the definition and regular monitoring of Corporate Strategy. It is the responsibility of the Board of Directors, in pursuit of the consolidation and sustainability of EPM, to oversee the development of approved business and projects, highlight the sustainability model as a cornerstone in implementing the corporate strategy, generate value for stakeholders, the organization, and the territories in economic, social, environmental, ethical, and governance terms, and to define strategies and manage risks in corporate sustainability, ensuring that EPM continues to set a benchmark in sustainability for other companies and business groups nationally and internationally.

- **Roles of Management in Specific Areas of Strategic Plans for Climate Action**

The criteria for selecting and appointing Board members are outlined in the Framework Agreement of Relationships, detailing the Municipality's obligations concerning the EPM Board of Directors, including the required training and experience for their roles. Furthermore, the appointment process aims for interdisciplinarity and diversity of knowledge, encompassing sustainability issues. For 2023, the Board of Directors' profile matrix included the following profiles to address climate change issues:

Training and/or Experience	As of December 31, 2023
Business Management	3-Professional profiles of Board members
Ethics, Sustainability, and Corporate Social Responsibility	2 members of the Board of Directors

- **Board Supervision of Climate-Related Risks and Opportunities:**

The Board, via its Committees on Sustainability, Strategy and Investments, and Audit and Risks, monitors EPM's strategic issues and risks. Topics related to climate change presented to the mentioned Board committees include the annual estimation results of the Greenhouse Gas (GHG) Emissions Inventory, initiatives to achieve carbon-neutral operations (renewable energy, energy efficiency, sustainable mobility, and carbon footprint management), and the handling of identified risks in the Corporate and EPM Risk Matrix, including those associated with climate change and energy transition. Additionally, this body oversees the indicators of the EPM Group's Balanced Scorecard, one of which is the EPM Group's Carbon Neutral Management Plan.

- **The Board of Directors continued to deepen its expertise in climate change issues:**

At the joint Board Meeting on December 1, 2023, Mauricio López González, Executive Director of the Colombian Network of the United Nations Global Compact, led a discussion. The meeting covered the challenges and strategies corporations face towards sustainability and achieving the Sustainable Development Goals (SDGs) in a dynamically changing world.
Insights were shared on ESG (Environmental, Social, and Governance) management, emphasizing the need to consider not just financial elements but also the environmental and social impacts of business operations. Moreover, the discussion highlighted promoting sustainable practices and generating positive impacts in the communities where they operate.
This event reinforced the organization's commitment to sustainability and its proactive contributions to current global

challenges. It also kept the Board members informed about the global sustainability agenda, including climate change.

- **The Board Committees consider climate-related issues when reviewing and advising on strategy, main action plans, risk management policies, annual budgets, and business plans.**
    - The Audit and Risks Committee aims to oversee the effectiveness and adherence to the Comprehensive Risk Management system, reviewing the company's risks, including those associated with climate change and water, termed as "Scarcity, deterioration of water resource conditions or difficulties in accessing them for service delivery or expansion project development."
    - The Sustainability, Strategy, and Investments Committee, acting within its authority, analyzes, evaluates, and monitors the EPM Group's strategy, recommending development guidelines to the Board of Directors. This committee also leads, directs, and oversees EPM's activities and agenda on Sustainability, including corporate social and environmental management, and ESG factors, presenting appropriate recommendations to the Board of Directors.

- **The Board and its Committees (such as Audit, Risk, among others) receive regular updates on climate-related issues:**
    - In January and April of 2023, the Board monitored developments in the Sustainability Model, which included various sustainability aspects and proposed incorporating Carbon Footprint impact criteria into the prioritization of Infrastructure Projects, focusing on the attractiveness component.
    - In April 2023, following the approval of the BHAG initiative, there was a review of several strategic paths, including Trajectory 4: Sustainability, which ensures a balanced approach to social, environmental responsibilities, and co-responsibility with EPM staff.

- **Throughout 2023, the "Sustainability, Strategy and Investments" Advisory Committee of the Board, as part of its duties, tracked climate-related matters within its regular and special agenda, specifically through these topics:**
    - Monitoring of EPM and EPM Group Businesses: During these comprehensive reviews, businesses reported to the Committee (where applicable) the past impact of climatic events on their operations and future risks, as detailed in their Group-wide risk maps. The sectors of (i) Water and Sanitation, and (ii) Electricity Generation, forecasted climate-related scenarios tied to the development of the El Niño (ENSO) phenomenon for the second half of 2023 and early 2024.
    - BHAG 2030 for EPM Group: In 2023, an update was presented on the BHAG (Big Hairy Audacious Goal) for 2030.

      This update outlined a "Sustainability" trajectory. This trajectory comprises plans and projects aimed at realizing the EPM Group's Sustainability Model and achieving set targets for the BHAG sustainability indicators, including: "Adaptation to Climate Change."

- **The "Audit and Risks" Advisory Committee of the Board, in executing its duties, monitored climate-related issues on its agenda and pinpointed several opportunities for improvement:**
    - A specific plan was outlined to reach the Carbon Neutral goal by 2025, complete with annual GEG reduction targets and associated strategies.
    - The formation of a climate modeling team was formalized to project the impacts of climate change on EPM Group services and implement preventive measures.
    - Progress was noted in identifying climate risks, developing improvement plans, and updating risk matrices for adaptation across the Group's businesses.

- Management of information was enhanced for compiling GEG inventories, sourced from the Group's businesses and companies.
- An analysis of the Carbon Neutral Management Plan indicator was conducted, with considerations for its inclusion in the Sustainability Report.
- Improvements were made in managing information following changes in customer corporate names, ensuring data traceability consistency.
- Design and establishment of a system for certifying and marketing emission reduction certificates and Renewable Energy were refined, incorporating controls to manage revenues effectively.

- **In a session on December 6, 2023, the risk of "Scarcity, deterioration of water resource conditions or difficulty in accessing them for service provision or expansion projects" was evaluated.**

- **The role of management in assessing and managing risks and opportunities related to climate was emphasized.**
  - To achieve carbon-neutral operations and contribute to the decarbonization of both the economic sectors where the EPM Group operates and the territories it serves, the Organization has committed to developing resilient and carbon-efficient businesses within its public utilities role.
  - To address this, the Organization has developed a climate change strategy that ensures its infrastructure, assets, and investments maintain access, continuity, and quality during extreme weather events and climate variability; simultaneously, it aims to progressively decrease GEG emissions to optimize power generation, transmission, and distribution, natural gas distribution, water supply, and wastewater management, thus reducing the carbon intensity of its operations.
  - The Organization recognizes that tackling climate change involves decarbonizing its operations within the bounds of technical and economic feasibility, adapting its productive activities, and seizing climate-derived opportunities.
  - Accordingly, a climate change strategy has been formulated encompassing three main pillars: GEG emissions management, resilient management, and water and biodiversity management. This strategy is articulated through an annual roadmap aimed not only at reducing emissions within the Organization's processes but also at cutting emissions across the supply chain and presenting low-emission solutions to customers.
  - The CEO and Vice Presidents, particularly those in charge of business sectors, are crucial in executing and monitoring the climate change strategy, endorsing short- and medium-term measures to reduce GEG emissions in operations. These include energy efficiency projects and initiatives, sustainable mobility incorporating both natural gas and electric vehicles, an expansion of renewable energies within the energy matrix, reducing electricity and gas losses in transmission networks, a biomethane plant for wastewater management, and hydrogen pilot tests, among others.
  - In 2021, the eighth division, "Commercialization of new solutions," was established, featuring a portfolio of low-carbon solutions currently in development. Among these new solutions is the provision of electricity generated from photovoltaic solar panels to large customers, households, and small and medium-sized enterprises.
  - It is noteworthy that one of the EPM Group's Comprehensive Framework indicators is the Carbon Neutral Management Plan, which is monitored quarterly by the Management. A typical milestone within this plan involves formulating and registering projects for reducing GEG emissions across various carbon standards, as well as verifying these emission reductions. These verified reduced issuances are converted into carbon

credits that can be used for trading to third parties or for offsetting the company's own carbon footprint. EPM also accounts for Renewable Energy Certificates or Certificates of Origin from some power generation plants, which contribute to neutralize the GEG issuances of the final consumers of electricity taken from the National Interconnected System. These are financial opportunities derived from climate change.

- Following, after reviewing the charge description manual, the main departments of the Company with powers for matters related to climate change are related (which today coincide with the areas that have responsibilities in Environmental management), however, there may be additional areas that with their products, activities or decisions affect the management of this material issue in the organization (see Figure EPM governance structure related to climate change):

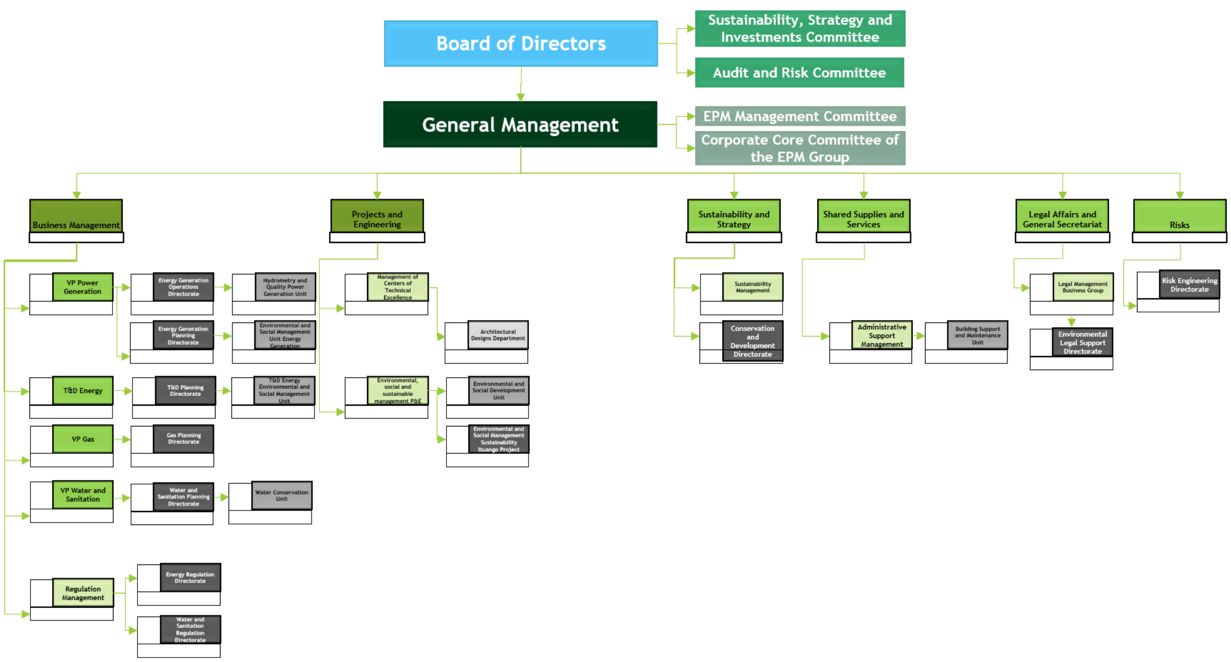


Figure EPM governance structure related to climate change.

- **Committees charged with addressing climate-related issues, as well as presenting how these issues escalate to the Department:**
  - The CEO is in charge of the Management of EPM, its representation and the management of its Business, has the AUTHORITY to enter into or complete, without other limitations than those established in the Bylaws, all acts included in its purpose or that are directly related to its existence or operation.
  - The Management Committee is composed of 14 members, including the CEO of EPM and first tier Vice Presidents: New Business Innovation and Technology, Business Management, Projects and Engineering, Finance and Investments, Sustainability and Strategy, Legal Matters, Supplies and Shared Services, Employee Experience and Organizational Solutions, Communication and Corporate Relations, Risks, Corporate Audit and General Secretariat.
  - The purpose of this Committee is to articulate and control the Management of EPM through the analysis,

definition, approval and follow-up of the Matters within its competence, in order to achieve the strategic guidance, from this perspective it makes follow-up to the ESG topics and indicators. Related to these issues and indicators are those related to GEG emissions reduction and climate change adaptation.

  - The Vice President of Sustainability and Strategy is responsible for leading these issues, since its basic function is to "Manage the formulation, development and evolution of the strategic guidance, planning, deployment and Corporate and Business follow-up through the Sustainability Model and its articulation with the competitive and support level".
  - The Core Committee comprises nine members, including the CEO and first-tier Vice Presidents responsible for New Business Innovation and Technology, Business Management, Projects and Engineering, Finance and Investments, Sustainability and Strategy, Legal Affairs, Corporate Audit, and General Secretariat. The committee's objective is to unify purpose and direction within the EPM Group through the analysis, recommendation, and monitoring of key missions and directives under its purview.
  - Strategic Leadership is one of these key missions, focusing on value creation, growth, and sustainability. This involves overseeing the Risk Map for the Group/Business, analyzing from the ESG perspective, and addressing issues like scarcity, deterioration of water resource conditions, or difficulties in accessing them for service delivery or expansion projects. These matters are primarily managed by the Vice President of Risks.
  - All climate-related issues to be presented to the Board of Directors are first reviewed by either the Management or Core Committee, depending on whether they pertain to EPM's operations or the broader EPM Group. This ensures all committee members are informed before the CEO recommends escalating the matter to the relevant Board Committee (Sustainability, Strategy, and Investments Committee) and subsequently to the Board of Directors.
  - Key climate change-related issues brought before these Committees include the annual assessment of the Greenhouse Effect Gases (GEG) emissions inventory, updates on the EPM Group's Comprehensive Climate Change Management Plan with a focus on mitigation efforts, specifically aiming for carbon-neutral operations, and the financial projections needed to offset residual emissions with carbon credits from either internal or external projects.
  - GEG emission reduction targets aligned with science-based targets (SBTi) are also presented for approval. Furthermore, these Committees track risks identified in the Business Risk Matrix for both the Group and EPM, which encompass climate change and energy transition risks. Additionally, they monitor the indicators of the EPM Group's Balanced Scorecard, one of which is the EPM Group's Carbon Neutral Management Plan.

- EPM Group companies engaged nationally, sectorially, and territorially in forums for the dissemination and dialogue on adaptation-related issues, enhancing collaboration among institutions, academia, and the public. Progress was made in identifying climate risks and implementing comprehensive management actions, including ecosystem-based adaptation measures, infrastructure enhancements, and studies on new water resource sources to mitigate impacts from climate variability.
- EPM incorporated climate change indicators into hydrological models to generate local precipitation and temperature series, bolstering medium- and long-term adaptation efforts to lessen the effects of climate variability. The company also advanced feasibility studies for new water supply sources and developed a model to analyze climate alerts for licensed energy transmission projects, aiming to reduce the impacts of climatic events.

- Climate risk management within the EPM Group is structured around the interaction with operational environments susceptible to the changing climate dynamics, utilizing the EPM Group's Comprehensive Risk Management methodology. This approach integrates natural and anthropogenic risk clusters and Disaster Risk Management Plans.
- The EPM Group formulated a climate risk management manual aligned with its Comprehensive Risk Management methodology, incorporating guidelines from the 2015 Guide issued by Colombia's Ministry of Environment and Sustainable Development for including climate variables in new projects, works, or activities. The application of this manual provides key outcomes to support decision-making regarding the management of identified risk scenarios:
    - Business Climate Risk Index, calculated as the product of probability and consequence.
    - Adaptive Capacity, determined by evaluating control measures.
    - Business Climate Vulnerability, derived from the Business Climate Risk Index and the Adaptive Capacity.
- In EPM's Power Transmission and Distribution sector, four Disaster Risk Management Plans were developed for 44 kV substations, with updates made to 118 lines and 62 substations. Additionally, a model for climate alerts was designed, integrated with the disaster risk analyses of transmission and distribution projects licensed by ANLA, to support the operation and maintenance of infrastructure as a preventive measure against potential impacts from climatic events. Early-stage identification of climate variability risks and monitoring of erosion and soil degradation processes were conducted in areas impacted by licensed projects, complemented by revegetation and mass movement assessments.
- In EPM's Power Generation business, the climate coverage policy for May 2020 to April 2024 was maintained as a risk management tool to mitigate income loss from hydroelectric generation due to low hydrological levels.
- An additional public electric vehicle charging station was commissioned at the Los Álamos service station in the Aburrá Valley, bringing the total to 22 stations. This initiative reinforces EPM’s commitment to environmental care and the advancement of the sustainable mobility ecosystem in Medellín.
- In support of sustainable mobility locally, in collaboration with natural gas industry stakeholders, a promotional program was launched to enable Medellín taxi drivers to install Natural Gas Vehicles (NGV) systems at no cost. Promoting the use of environmentally friendly fuel and facilitating energy transition in public transport. In 2023, NGV systems were installed in over 70 taxis, reducing fuel costs and lowering emissions.
- EPM secured contracts for 1,750,000 carbon credits in 2023. Sales for the year amounted to 1,125,510 credits, generating an income of COP 18,657 million.

(ii) Renewable Energy

It recognizes the importance of generating solutions to the megatrends of decarbonization, decentralization, democratization and digitization, which demand diversifying the EPM Group's energy portfolio by harnessing opportunities to implement energy, such as solar and wind power, among others. These clean and reliable sources contribute to ensuring full and timely energy supply, maintaining productivity and environmental protection, ensuring the efficient use of energy and preserving renewable natural resources.

Relationship to the Sustainable Development Goals

Relevant Events

- EPM reported progress on the Tepuy Photovoltaic Solar Park, its inaugural large-scale non-conventional renewable energy project in Colombia.

  The project, located in the municipality of La Dorada, department of Caldas, will contribute 83 megawatts of non-conventional renewable energy to the National Interconnected System (SIN, for the Spanish original).

  This is enough power to supply a city of 400,000 people. The award of the contract to build the Park to Powerchina International Group Limited, one of the world's leading wind and solar energy project construction companies, was the final step in the planned contracting processes for the Tepuy Park.

  Of the 199,534 solar panels to be installed at the Tepuy Park, 17,280 have already arrived in Colombia. The works are currently focused on the step-up substation.

- EPM's Board of Directors authorized creating an affiliate company with headquarters in Panama to promote the growth of the EPM Group's renewable energy in the Americas. This action is within the Organization's commitment to lead the energy transformation in the region and respond to the community's demand for clean and competitive energy.

  The EPM Group's goal is to reach an installed capacity of 1 gigawatt (GW) in multiple geographic locations by 2030, with an initial focus on Central America and a special emphasis on Panama, El Salvador and Guatemala, in addition to Colombia.

  Therefore, this subsidiary was created to establish a strategic partnership with an expert partner that provides knowledge and capital, in order to grow and develop the EPM Group's renewable energy business.

  The new subsidiary will allow the EPM Group to strengthen its leadership in renewable energy in the Americas, thereby contributing to the consolidation of its strategy towards the energy transition, climate change mitigation, environmental care, territorial development, the transformation of lives and community well-being.

- A pilot for generating electricity through water network systems was initiated at two sites—the El Dorado tank inlet and the La Estrella circuit pressure regulation station. The project tests turbo-generators that harness the speed, pressure, and flow of potable water for energy production, aiming for self-sustainability and surplus energy delivery to the interconnected network. Efforts are underway to fully automate these components for remote management from the Water and Sanitation Control Center.

  - EPM Renovables was established as an investment affiliate focused on Central America and Chile to seize growth opportunities in the energy generation sector in international markets, leveraging the strengths of other investors and operating in more stable regions to mitigate country-specific risks.

- EPM manages 27.68 MWp through solar self-generation installations for residential, commercial, and industrial sectors, enhancing the country's energy transition by augmenting the power supply to consumers. There are two primary offerings: the first is a Power Purchase Agreement (PPA), where EPM retains ownership of the assets and enters into a solar energy sales agreement with the customer; the second is Engineering, Procurement, and Construction (EPC) aimed at households and small businesses, where the customer purchases and ultimately owns all equipment.

- The pilot for renewable energy generation using the water network was initiated to utilize waterfalls and EPM's water infrastructure, generating up to 100 kilowatts (kW) of energy from April 2023. This project aims to promote energy efficiency and the circular economy, serving a dual purpose: providing potable water to the community and generating renewable electricity. This pilot could potentially produce up to 40,000 kWh monthly, equivalent to the energy consumption of 234 stratum four households.

(iii) Water and Biodiversity

It requires joint action by the stakeholders of the territory in light of the challenges arising from the relationships between water, energy, food, industry and climate with the natural base. The interdependence between water and biodiversity highlights the importance of their integrated management to ensure the necessary ecosystemic services for the different water users, including the EPM Group.

Relationship to the Sustainable Development Goals

Relevant Events

- In 2023, the EPM Group secured 11,992 new hectares for hydrological protection, surpassing the annual target. EPM contributed 8,491 hectares, Chec added 2,509 hectares, Aguas Regionales provided 661 hectares, and 331 hectares were secured in other EPM-influenced basins.
- The EPM Group preserved 86.5% of its operational land under vegetation cover, including 273.24 km² of natural forests and 363.90 km² dedicated to natural succession and ecological restoration. Additionally, 850.64 km² of EPM properties are situated within officially declared protected areas or their buffer zones, or in regions of significant biodiversity. This underscores the importance of these lands in safeguarding water resources and biodiversity.
- Research and monitoring conducted in 2023 as part of the group's project management activities registered 541 species under some threat category per IUCN, national lists, and CITES, highlighting the ecological sensitivity of these areas and the need for robust management to ensure their preservation. Consequently, EPM's efforts in conserving these species through project-associated area protection, conservation strategy implementation, impact management, and biodiversity knowledge enhancement are increasingly critical.
- Throughout 2023, EPM contributed to the conservation of 273.24 km² of forests and natural regeneration areas and advanced active ecological restoration efforts across 17.34 km². Furthermore, to manage impacts on water resources and biodiversity, EPM undertook compensation actions through land acquisition and ecological restoration, both on its properties and on privately owned lands, achieving 99.43% of the set

compensation goal and covering 0.87 km² in this reporting period. In addition, EPM planted 70,903 plants as part of other compensatory efforts, relocated 16,329 epiphytic plants, and enhanced management measures to prevent wildlife accidents in power transmission and distribution networks.

- The EPM Group utilized 18.3 million m³ of water for production activities, cooling, and domestic use, with EPM accounting for 16.4 million m³ (89%) of this usage. The primary sources for this water were surface and marine sources. A significant 97.5% of this water was allocated for power generation, with the remaining 2.4% used for providing potable water.
- EPM Group optimized the natural water resource by recirculating 41 million m³, with 86% utilized in power generation and 10% in water provisioning.
- Efforts continued to manage the impact of the El Niño phenomenon through strategic infrastructure investments enhancing the capacity and reliability of the aqueduct system; ongoing monitoring and control actions for reservoir management; and coordination with environmental authorities to address water quality and quantity issues as the phenomenon progresses.
- The repair of 11 critical points on the Regional Avenue interceptor was successfully completed, and floodgate boxes were installed in the Santa Elena - south, north, and express - Bermejala, and Molinos collectors, effectively preventing water flow into the interceptor. Additionally, the rehabilitation of the eastern interceptor along the Regional Avenue from Avenida San Juan to the Moravia neighborhood commenced, aimed at preserving the sanitation achievements for the Medellín River and its tributary streams.
- EPM contributed significantly to water resource protection in the Aburrá Valley, La Fe, and Riogrande II basins, surpassing the IPH - Hydrological Protection - targets with 8,495 hectares protected since 2016. Furthermore, wastewater treatment coverage reached 90.3% across the entire Aburrá Valley.
- The "Closing the Gap" project was awarded in the "Action for Water" category at the 2023 Sustainability Ties Awards, hosted by the British Embassy and the British Colombian Chamber of Commerce - BritCham Colombia. The award acknowledges companies that have spearheaded the promotion of sustainable practices and showcased projects in environmental, social, and corporate sectors across the country.
- The water protection goal within the energy generation business was achieved, contributing significantly to biodiversity sustainability and safeguarding water resources. This business segment accounted for 73% of the Corporate Environmental BHAG—103,260 hectares—and aided in achieving carbon neutrality by generating RECs (Renewable Energy Certificates) and CERs (Certified Emissions Reductions) for the international climate energy market.
- In its restoration and reforestation efforts, EPM distributed 2,698,693 seedlings across watersheds that supply reservoirs for power generation and drinking water, through the EPM Forestry Promotion program.
- Through the REDD+ project, EPM preserved 6,935 hectares of natural forests within the protective zones of the Miraflores, Riogrande I, Porce II, and Porce III reservoirs, preventing the emission of 1,325,021 tons of CO_2 over 20 years while enhancing ecosystem services and providing refuge for diverse wildlife.
- EPM also supported a voluntary environmental services payment scheme in its areas of influence by involving 137 families in the conservation of 2,398 hectares of natural forests, crucial for water, biodiversity, and environmental services, thus improving the living standards of these families and their communities.

Social

In general, this area addresses Human Rights, labor standards, diversity, equality, inclusion, and relationships with society and local communities. Among other things, in this aspect:

– We provide access to quality public services with continuity and security.

– We strengthen the balance between work, personal and family life, occupational health and safety, and the ability to adapt.

– We are working on implementing new technologies and innovation to improve services to close gaps in the territories.

Within EPM, this criterion governs material issues such as: Access and affordability, quality and safety of products and services, human rights, technology and innovation, and employee welfare and adaptability.

(i) Access and Affordability

It implies developing conventional and non-conventional solutions, in accordance with the demographic dynamics and the particularities of the territories. Affordability addresses the options available to customers and users, considering their needs and preferences in relation to their ability to pay.

Relationship to the Sustainable Development Goals

Relevant Events

- In 2023, the EPM Group connected 172,476 homes to water, sewage, electricity, and gas services, positively impacting the lives of 534,676 individuals.
- By the end of 2023, EPM achieved the connection of 33,758 new customers to the water service and 34,172 to the sewage service, marking increases of 8% and 4% respectively compared to the previous year. This rise was primarily due to the removal of the cadastral ID requirement for new connections, leading to a significant increase in connections year over year.
- In rural electrification, the corporate group connected 4,374 homes, benefiting 13,559 people with an investment of COP 44,236 million.
- 1,723 customers enrolled in EPM's prepaid water service, bringing the total to 9,886 customers since its inception in 2015. User engagement with this service increased from 30% in 2020 to 57% in 2023.
- In 2023, EPM Group connected 413,419 customers to its Prepaid Energy service. Significant achievements include 13,597 new connections, with 16% in Bajo Cauca and 26% in the Urabá region, particularly in Turbo, which saw the highest number of connections.
- Within Colombian affiliates, 94,130 homes were connected to the energy service, benefiting approximately 291,803 people. Notably, Afinia connected 36,866 homes affecting 114,285 people, and CENS connected 14,641 homes impacting 45,387 people, primarily in Cúcuta. EPM connected 36,715 homes to its services, benefiting 113,817 individuals. Over 40% of these connections were in rural areas, predominantly in the Urabá region and the north and south zones of the metropolitan area.
- Regarding gas services, 49,890 homes were connected, surpassing the annual target by 4% or 4,200 new

connections. COP 21,077 million was invested to construct an additional 40 km of infrastructure beyond the planned amount, expanding the system and investing in projects that ensure long-term stability and continuity.

- 278 homes in challenging management areas were connected to the sewage system, previously only having water access, through the 2023 Gap Closing project. Since its launch in 2019, the initiative has benefited over 7,421 customers.
- EPM Group companies in Colombia achieved significant coverage in universalizing residential public services: 97.55% for water, 94.55% for sewerage, 97.29% for electricity, and 86.60% for gas.
- By the end of 2023, the company serviced 1,424,192 water customers and 1,406,377 sewer customers, achieving universalization rates of 98.13% and 96.27%, respectively.
- EPM connected 108,407 new power customers during the year, benefiting approximately 336,063 people. Notably, 29% of these connections occurred in rural areas, facilitated through various installation legalization modalities. Universalization currently stands at 97.20%.
- Under the Coverage Expansion Plan (PECOR), 666 homes were connected, with 39% of these connections made in the Urabá region, followed by 19% in the northern region.
- In the gas sector, EPM connected 49,890 new customers, reaching a total of 1,472,475. By the end of 2023, gas service universalization reached 86.6%. The decrease from the previous year is mainly attributed to the cleanup and update of installations in the database of viable facilities.
- EPM offers a range of commercial payment alternatives to minimize service suspension days for users facing payment difficulties:
    - 'Pay as You Go' allows for bill payment in up to five (5) installments or partial payments throughout each month.
    - Other existing payment options include financing, refinancing, restructuring, and extended terms, predominantly benefiting residential customers in strata 1, 2, and 3.

(ii) Quality and Safety of Products and Services

It comprises technical and commercial characteristics inherent to the service to meet customer and user expectations and regulatory and control requirements. This includes service quality, continuity and safety, customer service and satisfaction, and infrastructure development and improvement. The quality and safety of products and services is basic for the EPM Group's competitiveness and for maintaining and strengthening its reputational capital. Technology and innovation, the optimization of processes and business management systems ensure the quality of services in terms of greater economic value and market share.

Relationship to the Sustainable Development Goals

Relevant Events

- EPM maintained a high continuity of water service at 99.84%. Actions such as the activation of the MOFLO - Operational Flexibility Module at the Manantiales plant have increased service availability during events like El Niño, ensuring continuous and quality service provision in the Aburrá Valley.

- All group companies have an annual IRCA below 5%, significantly under the statutory reference value, ensuring the supply of water suitable for human consumption throughout the year per Resolution 2115 of 2007.
- In the electricity sector, the SAIDI indicator tracks the average duration of service interruptions experienced by users of EPM's power distribution system. In 2023, there was an improvement in this metric, decreasing from 13.14 hours to 12.42 hours. This reduction of 1.85 hours is notable; however, it could not be officially recorded in the regulatory indicator due to challenges in excluding interruptions caused by public order issues.
- The SAIFI indicator, which measures the average number of service interruptions experienced by users. This indicator in the year 2023 was maintained below 8 interruptions thanks to investments and actions defined by the Quality Project and implemented by the Operations and Quality departments. t improved from 7.87 to 7.78 in 2023.
- EPM's gas service complied 100% with the continuity and quality indicators mandated by current Colombian regulations. The system's availability was ensured, even in the face of public order challenges (blockades, strikes, etc.) and issues related to the winter season (access road difficulties).
- During 2023, EPM processed 10 million transactions across its customer service channels without incurring any fines for regulatory non-compliance.
- In the face-to-face channel, 939,645 transactions were managed, representing 9% of the total transactions across all channels. Client users have access to 12 convenient service points located in the main offices, offering various self-management options, including: 65 self-service modules, virtual service lockers, and telephone booths with direct links to the customer service line and payment modules.
- The customer hotline addressed 4,217,711 calls, accounting for 41% of the total transactions handled across all channels. Additionally, 2,040,688 outbound calls were made to notify clients of scheduled service interruptions, and 9,036,045 text messages were sent.
- The written channel processed 280,087 transactions, constituting 3% of the overall transactions. Furthermore, 73,707 data updates were conducted, enhancing contactability to over 90%.
- The virtual channel was the most active, handling 4,805,839 transactions, which made up 47% of the total. Following the pandemic, the importance of digital channels surged, leading EPM to enhance its digital strategy by introducing new transactions to facilitate clients' self-management of services such as electricity, gas, water, and sewage, along with other value-added offerings.
- In terms of customer satisfaction, EPM scored 39 on the Net Promoter Score (NPS) in 2023, an international metric assessing the likelihood of customers recommending the brand based on their transaction experiences.
- Twenty-two types of transactions were evaluated, including: RCC (Requests, Complaints, and Claims) for Electricity, Gas, and Water, damage reports for electricity and water, sewage issues, orders, information requests or procedures, in-person and written complaints, among others. Customers reported satisfaction with the service and support provided and the quality of public utility services. They expressed dissatisfaction with the delay and complexity of processes and procedures and the unresolved issues, particularly with online requests.
- EPM introduced new techniques in its assessments, including relational measurement, which monitors six key forces that foster customer relationships. The six key forces are: Fair Treatment, Certainty, Control, Status, Belonging, and Enjoyment. This relational metric, which also tracks satisfaction, trust, and retention indicators, has evolved to include a measure of customers' emotional engagement. In 2023, the emotional engagement metric scored 48 (on a scale from 0 to 100). This score was notably high, particularly among major clients. Factors such as service availability, bill clarity, perceived increases in service fees, and executive attention were identified

as triggers for dissatisfaction and weak emotional ties.

- EPM gave the order to start the final civil works for the start-up of commercial operation of generation units 5 to 8 of the Hidroituango Power Plant. In this phase, the civil works and installation of turbines 5 to 8 of the Hidroituango Power Plant will be carried out. Once the construction and assembly of these other 4 units is completed, Hidroituango will have completed its total capacity, with 8 units available and generating 2,400 MW (Megawatts) of energy for the National Interconnected System. This is the construction phase of the final civil works to fulfill the region's purpose of having a power generation plant as the engine of Colombia's economy.
- Units 3 and 4 at Hidroituango are now ready to generate 600 megawatts of clean, renewable energy for all Colombians. These units await XM's approval of the operational reports following testing to commence commercial operations. This Friday, a ceremonial event was held at the Plant to honor the workers and contractors for their dedication to the Project.
- EPM has confirmed the inclusion of units 3 and 4 at the Hidroituango Generation Plant in the comprehensive insurance policy covering Material Damage and Business Interruption, issued by La Previsora Seguros, valid until March 24, 2024, with coverage up to USD 250 million. This policy already provided coverage for the completed civil works of the Power Plant, such as the dam, spillway, substation, camps and power generation units 1 and 2.
- EPM unexpectedly received notice from Canacol cancelling the natural gas supply agreement scheduled to start on December 1, 2024. EPM is reviewing the contractual terms and applicable laws. As Colombia's second-largest natural gas distributor, EPM reassures over 1.45 million residential, SME, commercial, industrial customers, and natural gas vehicle stations of continued energy supply. The Company will continue to provide this service with the continuity and quality that distinguishes it.
- EPM wishes to announce that, similar to the process with units 1 and 2, synchronization of units 3 and 4 at the Hidroituango plant involved comprehensive start-up tests conforming to international standards. The tests for all four units included slow rotation, no-load balancing, adjustments of speed and voltage regulators, among other procedures. These tests confirmed the stability and vibration levels of the units, establishing that their operational characteristics—amplitude and frequency—mirror those of units 1 and 2. Experts from the manufacturer and EPM, using specialized equipment, validated this information.
- EPM successfully synchronized generation unit three at Hidroituango ahead of schedule. Hidroituango is now technically capable of generating 900 MW (Megawatts), significantly enhancing the country’s energy reliability and helping EPM mitigate the effects of the El Niño phenomenon. Generation unit three is poised to add another 300 MW (Megawatts) to the National Interconnected System.
- EPM’s Index of Losses per Billed User (IPUF) stands at 6.34 m3 of water, 0.34 points above the regulatory target, marking an 11% increase from the previous year.
- PMM Enterprise Certification, the auditing firm, endorsed the continuation of the ISO 55001 certification for the Asset Management System of the Power Transmission and Distribution Business, extending the validity of the certification obtained in 2022 through 2024. The business is continuously enhancing the maturity of all aspects of its asset management.
- The Network Operator’s Loss Ratio (NOLR) recorded was 20,238.81%, achieving 100% compliance. This metric now includes regulatory updates effective from January 2020 under CREG Resolutions 015 of 2018 and 036 of 2019, applicable to EPM as the Network Operator.
- The SAIDI quality indicator improved, decreasing from 13.14 hours per customer in 2022 to 12.42 hours per customer in 2023. These improvements have led to savings by reducing downtime for users—especially in Urabá, Occidente, and Oriente—through strategic suspensions and the deployment of technologies like the Big Jumper

and the installation of 141 reclosers-regulators.

(iii) Human Rights

It consists of the commitment the EPM Group assumed to respect human rights in its engagement with stakeholders, both in its own operations and in those carried out by third parties while performing activities derived from an agreement signed with the Organization. This is a challenge for the Group in terms of its own sustainability, and it assumes it with the conviction that respect for human dignity is a fundamental commitment in the sustainable human development agenda.

Relationship to the Sustainable Development Goals

Relevant Events

- In 2023, a total of 1,872 employees completed the virtual course on Labor Inclusion for Individuals with Disabilities, while 4,057 undertook the course on Workplace and Sexual Harassment. Additionally, 621 individuals from the organization participated in the virtual course on Gender Equity. This training, along with the previously reported Human Rights training, complements other strategies that the company employs to consistently embed responsible human rights management into the daily activities of its personnel; furthermore, 1,043 individuals received specific training on Human Rights and Businesses. A face-to-face workshop designed and conducted at the EPM School of Leaders in 2023 is entitled: Leadership in Human Rights Management within the EPM Group, serving as a strategic initiative for training and raising awareness, targeting the group's executives, leaders, and managers.
- EPM guarantees freedom of union association, with 92% of the staff affiliated with one or more of the existing six union organizations. Within the group's companies, there are 32 unions with a total direct membership of 14,817 employees, representing 85.7% of the workforce.
- In terms of internal training, besides the 1,043 individuals who underwent specific training on Human Rights and Business, a face-to-face workshop was organized and executed at the EPM School of Leaders in 2023 titled: Leadership in Human Rights Management within the EPM Group, serving as a strategic initiative for training and raising awareness, targeting the group's executives, leaders, and managers.
- In efforts related to diversity, gender equality, and inclusion, the company successfully integrated 85 employees with disabilities, among whom 58 hold structured positions and 27 are officials within the inclusion program. In 2023, 10 apprentices with disabilities were recruited for their academic internships in administrative assistance.
- EPM achieved gender parity, with women filling 50% of the top-tier positions reporting to the CEO. The company continued its partnership with SENA to sponsor women's training in roles predominantly held by men, facilitating the development of competencies for women and thereby ensuring their participation and presence in these fields. Currently, there are 21 students enrolled in the training program for industrial electricity technologists (group of female electricians in the training chain) and another 21 women in the industrial electricity technician program (second cohort of female electrician technicians).
- The period saw significant progress in the development of the due diligence procedure for human rights within the

EPM Group. The management indicator in this area achieved 79% compliance, based on the scheduled milestones for each company in pursuit of rigorous adherence to the commitment to human rights, as established in the institutional policy.

- With the support of Guías Colombia, a self-assessment was conducted on practices associated with developing the corporate security process, following the guidelines of a focused guide created by the initiative. This evaluation involved EPM along with its affiliates, CENS and ESSA. Aguas Regionales also undertook this exercise, concentrating on practices of institutional strengthening. The final report identified several management gaps and provided recommendations, which will inform the development of a work plan for 2024.
- In 2023, EPM continued its participation in the Human Rights and Energy working group, affiliated with the Ministry of Mines and Energy of Colombia. This group aims to promote, strengthen, and publicize respect for human rights within the energy sector’s activities in the country.
- During the International Human Rights Day celebrations in 2023, EPM hosted the fourth forum on Companies and Human Rights, providing an institutional space for reflection to guide practices related to human rights within the EPM Group companies. The session addressed human rights due diligence as a mandatory practice for companies, featuring speakers from the Ombudsman of Colombia, OECD, and United Nations.
- EPM conducted 31 consultations on land restitution to ensure specialized due diligence in project development or for establishing easements and land acquisitions. CHEC, an affiliate, progressed 12 land management processes with enhanced due diligence.
- In 2023, designs were finalized and preparations made for launching claims and complaints mechanisms focused on human rights for EPM Guatemala and Delsur in El Salvador. This tool is designed to address situations posing real or potential risks to stakeholders, preventing simple issues from escalating and ensuring timely responses. These mechanisms are integral to the human rights due diligence framework established by the EPM Group for all its companies.
- On October 3, a series of citizen blockades occurred near the Ituango Project site, initiated by communities from the municipalities of Briceño and Toledo. They urged EPM to intensify efforts to locate two individuals missing in the reservoir following an incident at the mouth of the San Andrés River. The company expressed solidarity with the affected families and deployed boats and drones in coordination with the Toledo fire department. Despite these efforts, the families and communities have requested divers, a resource the company lacks and finds technically challenging to provide. This has caused unrest among the people, who, driven by local leaders, have blocked access to the project site and camps, disrupting vehicle and boat traffic in the area. This blockade impacts the daily operations at the work fronts and risks the necessary work for the turbines’ proper functioning, additionally compromising the health and life rights of over 3,000 workers and contractors by restricting their access to water, food, and medical care. Residents of the municipality of Ituango have not escaped the situation where transit to their locality has been impacted, affecting essential services necessary for their subsistence.
- Blockades at five affected locations were lifted. After extensive negotiations with those blocking the water and land access routes to the Hidroituango power plant and to Ituango municipality, in Northern Antioquia, a resolution was reached on Thursday, October 5th. This was made possible through the coordinated efforts of EPM, the Government of Antioquia, the Provincial Attorney's Office of Yarumal, and municipal personnel from Briceño, Toledo, and Ituango, enabling the normalization of traffic and the continuation of construction and operational activities at the plant. For EPM, it is crucial to protect the lives of residents in the municipalities near Hidroituango and the workers on the project site, as well as to ensure environmental protection and the recovery of the project, which is now a functional power generating facility.

- At the Hidroituango power plant, priority was given to community strengthening initiatives involving community, social organizations, and formal participation frameworks within the 12 municipalities of the influence area, focusing on conflict resolution, participation, open governance, remembrance, and communication. These initiatives involved 850 participants from the 12 municipalities within the influence area.
- In 2023, EPM entered into an agreement with the Colombian Army, Police, and Air Force. As a foundational principle, all contracts of this nature signed by EPM Group companies in Colombia include a commitment to "Respect international treaties on Human Rights and International Humanitarian Law to which Colombia is a signatory, promoting their preservation and defense."
- A significant measure in security involves the disarmament of contracted security personnel. The organization determines the optimal security arrangement based on the assessed threats to physical and facility security. Including decisions on which facilities require armed surveillance. Currently, 94% of EPM's security personnel operate without firearms. For EPM Group companies such as CHEC, EDEQ, and CENS in Colombia, and Adasa in Chile, this figure is 100%. This matter continues to be analyzed in other companies.
- In collaboration with the Bogotá Chamber of Commerce and the Guías Colombia initiative, EPM launched a human rights management program targeting SMEs in its supply chain in Medellín, aimed at strengthening their commitment to and management of human rights. The program includes a series of workshops providing training on human rights due diligence, a diagnostic process to identify management gaps, and a tailored recommendations report for each company, directed towards bridging these identified gaps.
- As part of the strategies initiated with critical suppliers, EPM has fostered communication and sensitization efforts to strengthen its engagement and management concerning Human Rights. To this effect, gender inclusion workshops were conducted at the workplace with the international consultant ECO. A total of 92 individuals from 74 companies participated.
- Currently, all companies within the Group have adopted a Code of Conduct for suppliers and contractors. This code is integrated into the procurement documents to ensure that each company commits to disseminating institutional guidelines related to human rights, environmental standards, and labor practices among their employees. As a prerequisite of the procurement process, each supplier must agree to the terms of the document to qualify as a contractor for EPM.
- To ensure the identification and management of human rights-related risks throughout the supply chain, the EPM Group companies perform comprehensive risk analyses associated with contractor operations. These analyses have pinpointed various risk scenarios such as discrimination on various grounds, health and safety at work, and overall decent work conditions, which are part of the explicit commitments of the institutional Human Rights policy. This policy also includes prohibitions against child labor and mandates respect for the rights of ethnic communities, among other stipulations. This approach ensures 100% coverage in the evaluation of operations conducted through third parties. Various controls are in place to address non-compliance; if infractions are detected, EPM has the authority to dismiss a bid or terminate a contract prematurely.
- As part of their monitoring tools, the Group companies utilize claims and complaints mechanisms attentive to human rights. These mechanisms are included as key milestones in the due diligence requirements that each Group company must fulfill. In 2023, the claims and complaints mechanisms for suppliers and contractors at the affiliates Emvarias, Aguas Regionales, and ENSA were activated. Additionally, similar mechanisms for EPM Guatemala and Delsur were designed and are scheduled to be operational in 2024.

(iv) Technology and Innovation

It consists of adapting the infrastructure, processes and organizational culture to new technologies and innovation, including the development of actions to close the gaps that technology generates between stakeholders due to their socioeconomic and educational conditions, geographic location, among other factors, increasing access to information and knowledge.

Relationship to the Sustainable Development Goals

Relevant Events

- Circular Economy
  - The EPM Group continues to develop solutions and integrate technologies aimed at creating value through circularity and sustainable utilization, with a total investment of COP 3,140 million.
  - CENS allocated COP 1,731 million towards reusing components of concrete poles and enhancing the lifespan and value recovery of waste electrical and electronic equipment (WEEE) and transformers.
- Innovation Management
  - EPM is actively structuring offers and seeking solutions to optimize business operations through the Innovation Private Capital Funds—FCP-I and II. The disinvestment and liquidation period of FCP I was extended, the size of FCP II was increased with an in-kind contribution of up to COP 200 thousand million. A total of 540 investment-viable companies were evaluated, resulting in investments in Klik Energy, Erco Energía S.A.S., and NEU Energy.
- Operational Profitability
  - The EPM Group affiliates continue to excel in the modernization and enhancement of assets for service delivery. CHEC invested COP 2,255 million and ESSA COP 2,126 million in deploying technological tools aimed at optimizing operations, maintenance, asset management in terms of quality, safety, reliability, and operational continuity, including georeferenced updates.
- Digital Transformation
  - The EPM Group is bolstering its digital transformation strategy across its territories through the implementation of artificial intelligence tools. CHEC invested COP 5,164 million in the incubation and acceleration of projects including an information management model, robotic process automation, cybersecurity, and enhancement of digital services, aiming to improve customer experience and service as well as support CHEC's human resources.
- Energy Transition
  - The EPM Group continued its focus on hydrogen technology by investing COP 4,922 million in identifying production and commercialization models, creating a business case for exports, developing a partner map,

and establishing the Medellín Hydrogen Hub. In collaboration with its affiliate Aguas Nacionales, which invested COP 2,500 million, a pilot project was launched to produce 5 kg/day of green hydrogen at the Aguas Claras Wastewater Treatment Plant.

  - 19 **individual solar photovoltaic solution facilities (SISFV)** have been installed under an agreement with the Government of Antioquia.

- Notification was received regarding Resolution 2281 of 2023 from the Ministry of Science, Technology and Innovation (MinCiencias), approving tax benefits for the multi-company and multi-year project aimed at the optimal planning of the expansion and replacement of the EPM Group's distribution network system.
- An agreement was entered into with the International Finance Corporation (IFC) to conduct a pre-feasibility study. This study aims to review various technological options for the treatment and recovery of value from ordinary solid waste in Medellín, with the objective to reduce the volume of waste deposited at the La Pradera sanitary landfill and to maximize material and energy recovery. This initiative has made progress, including the identification of potential corporate structures for implementing the project, the commencement of feasibility studies with IDOM, and the environmental criticality analysis of potential project sites.
- Progress was made in management and a memorandum of understanding with Reciclados Industriales de Colombia (RIC), a company within EPM's Ventures portfolio, to enhance the utilization of construction and demolition waste (CDW) through the operations of the RIC recovery plant, in which EPM holds an equity stake. Of the 60,000 tons processed during an eighteen-month operational period, 40,000 tons have been repurposed into materials such as base layers, sub-bases, crushed stone, and sand.
- EPM participated in designing the pilot for a new scheme to utilize industrial surplus and waste electrical and electronic equipment (WEEE), focusing on process standardization and best practices for material reuse. A contracting process is currently underway to engage a management company for WEEE and surplus.
- Applications were submitted to access international cooperation funds from the Korean government through KEITI and KOICA. A project concept paper (PCP) was presented for the utilization of organic waste in the District of Medellín, aimed at "a pilot project for waste-to-energy conversion to promote the circular economy in Colombia using organic waste."
- The EPM Challenges program was developed and managed through Ruta N, targeting creative and high-impact solutions to the business group's challenges. This initiative, valued at COP 1,200 million, has impacted 120 teams of EPM employees and 133 companies. Since its inception in March 2021, 14 challenges have been launched, with six executed in 2023:

  1. Reduction of water leaks.
  2. Implementation of a smart fuse solution.
  3. Automation of environmental processes.
  4. Monitoring of gas business substation lines.
  5. Establishment of a virtual office in the Metaverse.
  6. Deployment of a *COIN* digital currency.

- The investment and liquidation period for the first private equity fund (PEF) dedicated to entrepreneurship and innovation was extended from April to January 2024. During the divestment process, the exit strategies for invested companies were managed. As of now, the PEF is valued at COP 249,000 million, against an investment of COP 126,000 million.

- 540 companies were evaluated for the second PEF, Next Utility Ventures, following its investment policy, which has allocated a budget of COP 150,000 million for investments over ten years. This year, investments were made in Klik Energy, Erco Energía SAS, and NEU Energy, with further investment analysis underway for Sunco.
- The Hydrogen Hub of Medellín was launched in partnership with Ruta N, aimed at consolidating hydrogen knowledge within Medellín and the Aburrá Valley. This initiative includes collaborative efforts with universities and key industry players to enhance capabilities and promote knowledge transfer for the production of clean energies, contributing to environmental conservation and global decarbonization. Progress continues on the installation and setup of a pilot project for hydrogen production and usage located at the Aguas Claras WWTP of Aguas Nacionales. This project will commence the production of green hydrogen.
- In December 2023, the solar community pilot in the El Salvador neighborhood of Medellín was concluded. This initiative involved the community, EPM, EIA University, ERCO Energía, and NEU, in collaboration with the Royal Academy of Engineering of the UK and University College London (UCL). The project demonstrated a new model of energy service delivery, enhancing Colombia's energy transition. The pilot included 43 solar modules installed across a community of 24 families, each module with a capacity of 465W, totaling 20kWp of solar power. These panels generated approximately 1,800kWh per month, culminating in earnings of about COP 8,000,000 over six months of operation. EPM purchased the generated electricity, and the proceeds were distributed equally among the 24 families, who applied the funds to their utility accounts.
- EPM secured the CIER award in the national phase for the best innovation platform and was selected internationally to present at the Brussels Urban Summit 2023 on Smart Grids and Smart Cities initiatives, thanks to the Smart Grids project.

(v) Occupational Well-being and Adaptability

It coordinates the balance between work, personal and family life, occupational health and safety, competitive and equal salaries and non-economic remuneration, as well as the ability to adapt both employees and the Organization to new challenges to processes, organization, technology, culture and information, required by the strategy. The disruption caused by the COVID-19 pandemic made it even more evident that adaptability and especially resilience are a strategic asset for competitiveness in a volatile, uncertain, complex and ambiguous world.

Relationship to the Sustainable Development Goals

Relevant Events

- EPM reported the submission of the list of demands by the trade unions SINTRAELECOL, SINTRAEMSDES, and UNIGEEP.
- EPM announced the closure of the direct settlement phase of the collective labor dispute triggered by the list of demands submitted by SINTRAEMSDES. The issue concluded with an agreement.

- EPM confirmed that the Arbitration Award resolving the collective labor dispute with UNIGEEP is final. The Arbitration Tribunal granted union contributions and leaves, and ordered the publication of the Arbitration Award on EPM's website.
- In 2023, there was a 16.5% increase compared to 2022 in the utilization of benefits and the request for monetary contributions by EPM employees and their beneficiaries, with a 31.4% increase in cash. This rise is attributed to the expansion of amounts allocated for health assistance and the increased percentage of coverage for cultural and sports instruction courses, as outlined in the conventions formalized in 2023. EPM distributed benefits worth COP 50,447 million, and within the EPM Group, the figure was COP 99,242 million.
- In 2023, support was extended to work teams to enhance the management of psychosocial risks and promote safe and healthy work environments, building on the assessments from 2022.
- The performance model was implemented for all employees at EPM, ESSA, CHEC, and for a pilot group from CENS and EDEQ, facilitating the integration of performance management and people development processes.
- During the year, 294 employees nearing retirement were identified, 26 of whom possess key or critical knowledge; activities were undertaken to ensure knowledge transfer. This practice, established in previous years at EPM, continues to add value for its stakeholders and remains a focal point in development management. A pilot was designed and executed to apply the Succession Mechanism for Critical Operational Safety Positions, thereby ensuring knowledge transfer within the business and mitigating risks related to the management of human talent.
- The Shared Services Center at EPM consolidated the selection service for EPM, Afinia, CHEC, CENS, EDEQ, and ESSA. In 2023, 3,187 customer RCCs (Requests, Complaints, and Claims) were received, with 81.6% pertaining to EPM and the remaining 18.4% to its affiliates. At EPM, the following were recorded: 466 new hires, 53 promotion processes, 375 changes through selection processes, and 258 transfers between departments. In 2023, EPM Group Services registered 60,540 candidates to fill 2,050 vacancies across Colombia, with 17,525 applications for positions at the affiliates Afinia, CHEC, CENS, EDEQ, and ESSA, and the remainder for the EPM parent company.
- Collaboration with educational institutions continued to provide professional development opportunities for the academic community, including the integration of 10 inclusion apprentices through the SENA-Maestro Guillermo Vélez Vélez partnership; and 45 women trained as industrial electricity technicians and technologists with SENA, aimed at reducing gender disparities in predominantly male fields.
- EPM secured 8th place in the Merco Talento 2023 ranking, among the top 100 most attractive companies to work for in Colombia. EPM has consistently been among the top ten companies in this ranking for 14 consecutive years.
- EPM earned third place in the 2023 Comfenalco Antioquia Inclusion Awards, in the category of Labor Inclusion for People with Disabilities, competing alongside 26 other companies from Antioquia.
- EPM supports 2,940 employees in supplementary, autonomous, and mobile teleworking arrangements, accounting for 35% of EPM's total workforce. This approach allows the company to adapt to employee needs while maintaining service levels, promoting a balance between personal, family, and work life, and fostering healthier and more sustainable work environments.

Governance

This criterion encompasses the structural and ethical governance of the company, addressing business ethics, anti-corruption efforts, collective action, transparency, and decision-making processes It has both internal and external impacts, and serves to strengthen ethical leadership from the sustainability agenda. Among other things, in this aspect:

- We strengthen relationships with stakeholders through ethical and transparent management.
- We provide clear and timely information.

We make progress in the governance system to increase competitiveness and strengthen unity of purpose and direction.

Within EPM, this criterion governs material issues such as: Corporate Governance, Transparency, and Financial Stability.

(i) Corporate Governance

It represents the principles, standards, values, processes and practices on which the business group has based its actions, denoting the balance and independence between the District of Medellin and the EPM Group's business management, seeking transparent decision-making with stakeholders and based on the sustainability of the business. The demands of investors and other stakeholders to adopt and promote sound governance for sustainability require ethical and transparent decision-making both within the Organization's governing bodies and in its relationships with EPM 's People and external stakeholders.

Relationship to the Sustainable Development Goals

Relevant Events

Relevant Events are reported in **Chapter 3.1** of this document under the **Corporate Governance Analysis**.

(ii) Transparency

It involves managing information and communications in terms of sufficiency, relevance, timeliness and clarity to maintain trust and strengthen relationships with stakeholders.

Relationship to the Sustainable Development Goals

Relevant Events

- A report was issued concerning observations on the evaluation and conclusions of the contracting process CRW 167467 for the construction of the final civil works of the Hidroituango project. Regarding the contracting process CRW 167467, which involves the construction of the final civil works for the Ituango hydroelectric project's generation units 5 to 8, EPM informs the public: On Wednesday, February 22, 2023, the bidder, Consorcio Ituango PC-SC, composed of Powerchina International Group Limited and Schrader Camargo SAS, responded to the assessment and conclusions report issued by EPM and within the contractual deadlines provided additional information to verify the required experience. Following this, EPM will begin the review and analysis of the submitted information.

- Concerning reports circulated in the media about the Tigo UNE Assembly held on this date, EPM clarifies that shareholder Millicom approved by simple majority the directive for the Board of Directors to draft, subject to preemptive rights, the subscription regulations for all reserve shares of the company. EPM voted against this resolution. As communicated to EPM, the approval of the subscription regulation will be considered by UNE's Board of Directors. EPM is evaluating various scenarios to safeguard public assets.
- EPM has opened a public solicitation for bids for the construction of the final civil works at the Hidroituango power plant. The process is open to national and international companies with the requisite technical, legal, and financial capabilities; submissions may be made individually or as consortia.
- In compliance with External Circular 028 of 2014 from the Financial Superintendence of Colombia, EPM has submitted the Country Code survey for the year 2022.
- The Superintendence of Industry and Commerce conducted an administrative inspection at EPM's Medellín headquarters on April 12 and 13, 2023, aiming to gather information related to the natural gas market in Colombia, the economic activities of the inspected entity, and other activities through which it fulfills its corporate objectives in this market. To verify compliance with standards related to the protection of free economic competition." EPM fully cooperates with the Superintendence of Industry and Commerce and provides the requested information. This process is confidential.
- EPM has issued statements regarding media coverage of the contracting process CRW 167467, which is aimed at constructing the final civil works for the Ituango Hydroelectric Project (generation units 5 to 8).
- EPM addressed the information circulating in the media. To date, EPM has no cash deficit. The Company's current liquidity condition allows it to meet its commitments with creditors and, in general, with its different stakeholders in a timely and solvent manner. As of November 30, 2023, the Company reached an EBITDA of COP 6.28 billion, with growth of 20.8% compared to the same period of 2022. This result was obtained in the midst of challenging conditions due to the macroeconomic and sectoral environment and the effects of the El Niño phenomenon. The 2024 budget approved by the Board of Directors in its November 1, 2023 session considers some Uses according to the different lines of business that present an investment plan in infrastructure for an amount of COP 4.2 billion, in addition to uses related to operations and functioning of COP 12 billion, debt services of COP 4.6 billion, tax payments of COP 1.4 billion, surplus payments to the District of Medellin of COP 1.8 billion and other uses of COP 4.2 billion, for a total of COP 28.2 billion for uses. Following the resolution of a clarification request submitted by EPM, the ruling issued on January 26, 2023, by the Council of State took effect, determining that EPM cannot continue its SOMOS financing program as it is not included in its corporate purpose. EPM has informed customers and other stakeholders of the actions it is taking to comply with this judicial decision. It is important to note that this decision only affects the SOMOS program customers in Antioquia. For other EPM Group affiliates where the program exists, operations will continue as normal.
- The acting Mayor of the District of Science, Technology, and Innovation of Medellín accepted the resignation of General Manager Jorge Andrés Carrillo and appointed Jhonatan Estiven Villada Palacio, Vice President of Legal Affairs, as the acting CEO.
- The EPM Group presented its management and performance for 2022 and the business challenges for 2023 at the 17th Annual Investor Meeting held in Bogotá. Before the investor community and other financial sector stakeholders, the CEO presented the 2022 Management Report linked to the Sustainable Development Goals. This year, over 80 participants from the local and international financial sectors and related entities attended the event organized by the EPM Group. Investors were provided detailed insights into the performance and financial status of the EPM Group, emphasizing the robustness of its operational results and the stability of its debt indicators over the past two years.

- EPM announced that, as part of the transition with the District Administration of Medellín, it initiated the handover process on Wednesday, November 15, between EPM and the team from the newly elected district administration. During this session, the work agenda and methodology will be defined. The CEO of EPM, Jorge Andrés Carrillo Cardoso, will also present a management report for the four-year period, focusing on business results, corporate results, financial indicators and future projection.

- EPM has released updates concerning the Senior Management team. As of January 9, Mr. Gabriel Jaime Betancourt Mesa submitted his resignation to the position of Executive Vice-President of Projects and Engineering, after having received approval for his old-age pension. On Wednesday, February 1, the EPM Board of Directors approved the appointment of Mr. Wilder Wiler Echavarría Arango as Executive Vice-President of Projects and Engineering, who took office on Friday, February 3. (resignations and appointments).

- EPM submitted the annual end-of-year report for 2022 as requested by the Financial Superintendence, adhering to the guidelines set forth in External Circular 012-2022 of Decree 151 of 2021.

- EPM also presented the quarterly report for 2023 as required by the Financial Superintendence, in compliance with External Circular 012-2022 of Decree 151 of 2021.

- EPM's Board of Directors approved the modification of the Corporate Governance Code, incorporating a section that includes Diversity, Gender Equity and Inclusion as criteria for forming said body. With respect to gender equality, at least 30% of the EPM Board of Directors will be comprised of women. The criteria of diversity, gender equality and inclusion, in all cases, do not replace the criteria of education, experience and suitability for the Board of Directors, which are established in the Framework Agreement on Relations signed between the Special District of Science, Technology and Innovation of Medellin and EPM.

- The Board of Directors of EPM, approved the modification of section 10 of the Corporate Governance Code, updating the content of section 10.2 General Meeting of Noteholders. In accordance with the relevant Articles of Title 1, Book 4, Part 6 of Decree 2555 of 2010, EPM has established its operational framework concerning internal public debt investors involved in its bond issuance and placement program, should a General Meeting of Noteholders be necessary.

- The EPM Board of Directors approved modifications to the EPM Company Plan 2023-2026, specifically Chapter 4.2.8.1, which pertains to the Infrastructure Investment Plan, due to cost updates for the Ituango Hydroelectric Project. In this regard, the total cost of the project increased from COP 17.6 billion to COP 19.4 billion. This change is due to the increase in direct investments and financial and pre-operating costs, equivalent to COP 1.7 billion. It is important to highlight that this updated cost does not include possible changes in the offered prices that will be received during the new contracting process currently in progress at the Company to perform the works to complete the second phase, which covers units 5 through 8.

- Following the resolution of a clarification request submitted by EPM, the ruling issued on January 26, 2023, by the Council of State took effect, determining that EPM cannot continue its SOMOS financing program as it is not included in its corporate purpose. EPM has informed customers and other stakeholders of the actions it is taking to comply with this judicial decision. It is important to note that this decision only affects the SOMOS program customers in Antioquia. For other EPM Group affiliates where the program exists, operations will continue as normal.

- The acting Mayor of the District of Science, Technology, and Innovation of Medellín accepted the resignation of General Manager Jorge Andrés Carrillo and appointed Jhonatan Estiven Villada Palacio, Vice President of Legal Affairs, as the acting CEO.

- The EPM Group presented its management and performance for 2022 and the business challenges for 2023 at the

17th Annual Investor Meeting held in Bogotá. Before the investor community and other financial sector stakeholders, the CEO presented the 2022 Management Report linked to the Sustainable Development Goals. This year, over 80 participants from the local and international financial sectors and related entities attended the event organized by the EPM Group. Investors were provided detailed insights into the performance and financial status of the EPM Group, emphasizing the robustness of its operational results and the stability of its debt indicators over the past two years.

- As part of the transition with the District Administration of Medellín, EPM, a decentralized entity of the District, commenced the handover process on Wednesday, November 15, with the newly elected district administration team. During this session, the work agenda and methodology were outlined. The CEO of EPM, Jorge Andrés Carrillo Cardoso, will also present a management report for the four-year period, focusing on business results, corporate results, financial indicators and future projection.

- Jorge Iván Palacio Palacio, a member of EPM's Board of Directors, has announced his resignation from the board effective January 1, 2024, due to new professional and personal commitments that require his attention. The Mayor of Medellín will appoint his successor once the resignation takes effect.

- The Board of Directors of EPM, in its meeting held on August 2, 2023, approved the appointment of Santiago Ochoa Posada, under the figure of secondment, to the position of Executive Vice President of Business Management. Santiago Ochoa Posada is a Civil Engineer from Universidad Nacional de Colombia, Specialist in Quality Management Systems - ISO 9000, and has 28 years of work experience in EPM.

- In 2023, EPM made financial transfers totaling COP 1,748,005 million to the District of Medellín. Of this amount, COP 910,787 million were regular transfers, representing 30% of the 2022 profits, and COP 837,218 million were extraordinary transfers, accounting for 28% of the profits.

(iii) Financial Solidity

It requires establishing goals and obtaining medium and long-term achievements that guarantee the balance between the financial sufficiency and efficiency of the EPM Group in terms of competitiveness and business growth, from a perspective that involves sectoral trends, innovation and information technologies and territorial dynamics.

Relationship to the Sustainable Development Goals

Relevant Events

Relevant Events are reported in Chapter 2 of this document, under Securities Market and Financial Performance.

4. Part Four – Annexes

Empresas Públicas de Medellín E.S.P.

Annual separate financial statements
Under Accounting Standards and
Financial Information Accepted in Colombia (NCIF)

December 31, 2023 and 2022

CERTIFICATION OF FINANCIAL STATEMENTS

Medellín, March 20, 2024

To the Board of Directors of Empresas Públicas de Medellín E.S.P.

We, the undersigned, in our capacity as the Legal Representative and Accountant of Empresas Públicas de Medellín E.S.P., hereby certify that the balances of the Separate Statements of Empresas Públicas de Medellín E.S.P. at December 31, 2023 and 2022, were faithfully taken from the accounting books.

The accounting prepared in accordance with the Accounting and Financial Reporting Standards accepted in Colombia (NCIF, for the Spanish original) and the disclosures faithfully reflect the financial, economic, social and environmental situation of Empresas Públicas de Medellín E.S.P. We certify that the assertions contained in the financial statements were verified, particularly those related to:

The facts, transactions and operations were recognized and carried out by Empresas Públicas de Medellín E.S.P. during the period from January 1 to December 31, 2023.

That economic events are disclosed in accordance with accounting and financial reporting standards accepted in Colombia (NCIF, for the Spanish original) adopted by the Colombian General Accounting Office through Resolution 037/2017, Resolution 056/2020, Resolution 035 and 0197/2021 and Resolution 267 /2022. These accounting and financial reporting standards are based on the International Financial Reporting Standards issued by the International Accounting Standards Board (IASB), as well as interpretations issued by the Interpretations Committee, adopted in Colombia through Decree 2420/2015 and its amendments.

The total value of the assets, liabilities, equity, revenues, expenses and costs were disclosed in the Separate Financial Statements of Empresas Públicas de Medellín E.S.P. at December 31, 2023.

The assets represent existing rights and the liabilities represent obligations on the account of Empresas Públicas de Medellín E.S.P. at December 31, 2023.

The Separate Financial Statements do not contain any defects, inaccuracies or misstatements that would prevent the true financial position and financial performance of the Entity from being known.

John Alberto Maya Salazar
Legal Representative

John Jaime Rodríguez Sosa
Public Accountant
Professional License No. 144842-T

estamos ahí.

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors:
Empresas Públicas de Medellín E.S.P.

REPORT ON THE AUDIT OF THE SEPARATE FINANCIAL STATEMENTS

Opinion

We have audited the separate financial statements of Empresas Públicas de Medellín E.S.P. (Hereinafter "the Entity") which include the separate statement of financial position as of December 31, 2023, and the Statements of Profit or Loss and Other Comprehensive Income, statement of changes in equity and statement of cash flows for the year then ended on that date, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying separate financial statements, taken from the accounting books, reasonably present in all material respects, the Entity's financial position as of December 31, 2023, the result of its operations and its cash flows for the year ended on that date, in accordance with the Accounting and Financial Reporting accepted in Colombia adopted by the General Accounting Office of the Nation through Resolution 037 of 2017, and its subsequent updates.

Basis for Opinion

We conducted our audit in accordance with International Auditing Standards accepted in Colombia. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Colombia, and we have fulfilled our other responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis Paragraph

Without modifying our opinion, we draw attention to the matters discussed in Note 4.1 to the Separate Financial Statements regarding the Ituango Hydroelectric Project contingency and its impact on the financial statements. The Entity continues to monitor the progress of the project and is taking all appropriate measures and actions to identify and recognize the accounting impact of this contingency and the actions of the regulatory and environmental authorities. The outcome of the impact on the Entity's financial position, results of operations and cash flows is uncertain and will depend on the further development of these events until the completion of the project.

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Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of the greatest importance in our audit of the separate financial statements as of December 31, 2023. These matters were covered in the context of our audit of the financial statements as a whole, and in forming our opinion on them, and we do not express a separate opinion on these matters. We have identified the issues described below as the key audit issues to be reported in our report.

Impairment Assessment of Long-Lived Assets – Cash Generating Unit (CGU) Power Generation

As described in Note 11.2 of the separate financial statements, the Entity includes the Cash Generating Unit (CGU) Power Generation EPM.

The Entity used the discounted cash flow model to estimate the value in use of the assets associated with the Power Generation CGU, which required Management to make significant estimates and assumptions related mainly to, (1) the historical behavior and growth rates of certain base variables for the projection; (2) the discount rates applied and macroeconomic variables used; (3) the projection period and (4) the growth gradient in perpetuity.

The main considerations for selecting the impairment assessment of the Power Generation CGU as a key audit matter were: 1) the use of important judgments by the Administration to calculate the use value of the CGU and 2) the progress of the Ituango Hydroelectric project, included within the Power Generation CGU. where there is an impact on the projection of cash flows.

Procedures developed by the audit team

Our audit procedures related to the impairment assessment of long-lived assets – Cash Generating Unit (CGU) Power Generation included the following, but were not limited to:

- We evaluate the design of the controls related to the evaluation of the value of use of the CGU by the Administration.

- We evaluated whether the assumptions used by the Administration were reasonable, considering (i) the current and past performance of the Power Generation CGU, (ii) consistency with external market and industry data.

- We involved specialists with knowledge and experience in valuation who assisted us in: (i) the evaluation of the methodology used to estimate the value in use and the development of independent calculations, and (ii) the evaluation of the following input data and relevant assumptions used in the model: (1) the historical behavior and growth rates of certain base variables for the projection; (2) the discount rates applied and macroeconomic variables used; (3) the projection period and (4) the growth gradient in perpetuity.

Other Information

Management is responsible for the other information. The other information comprises the information included in the management report but does not include the separate financial statements and our accompanying auditors' report.

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Our opinion on the separate financial statements does not cover the other information and we do not express any form of conclusion that provides a reasonable degree of assurance on the other information.

In connection with our audit of the separate financial statements, our responsibility is to read the other information, and in doing so consider whether the other information contained therein is materially inconsistent with the separate financial statements or our knowledge obtained during the audit or appears to contain a material misstatement. If, based on the work we have performed, we conclude that there is material misstatement of the other information, we would be required to report that fact. We have nothing to report on this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Administration is responsible for the preparation and correct presentation of these separate financial statements in accordance with the Accounting and Financial Information Standards Accepted in Colombia adopted by the General Accounting Office of the Nation through Resolution 037 of 2017, and its subsequent updates. , and for the internal control that management considers relevant for the preparation and correct presentation of the financial statements free of material misstatements, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Independent Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the International Auditing Standards accepted in Colombia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing accepted in Colombia, the auditor exercises professional judgment and maintains professional skepticism throughout the audit; also:

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; to design and perform audit procedures responsive to those risks; and to obtain audit evidence that is sufficient and appropriate to provide a basis for the independent auditor's opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

VERIFIED

- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.

- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- We conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern.

- We evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.

We also provide those charged with governance with a statement that the auditor has complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. The auditor describes these matters in the auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

As indicated in Note 2.1, the accompanying separate financial statements have been prepared in accordance with the legal provisions in force in Colombia. These financial statements should be read in conjunction with the consolidated financial statements issued separately.

The separate financial statements for the year ended December 31, 2022, which are included for comparative purposes only, were audited by us and in our report of March 27, 2023 we expressed an unqualified opinion.

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English translation

These separate financial statements, notes to the separate financial statements and the independent auditor's report were translated into English for the convenience of readers outside Colombia from financial statements originally issued in Spanish.

Deloitte & Touche Ltda.
DELOITTE & TOUCHE S.A.S.
March 20, 2024.

EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P.

SEPARATE STATEMENT OF FINANCIAL POSITION

As of December 31, 2023 and 2022

Figures expressed in millions of Colombian pesos

	Notes	2023	2022
Assets			
Non-Current Assets			
Property, plant and equipment, net	5	34,034,084	31,439,635
Investment property	6	179,149	169,288
Goodwill	7	260,950	260,950
Other intangible assets	7	728,484	617,800
Right-of-use assets	14	2,449,432	2,320,213
Investments in subsidiaries	8	12,007,858	12,264,415
Investments in associates	9	1,670,971	1,373,449
Investments in joint ventures	10	99	99
Trade and other receivables	12	2,061,131	1,462,492
Other financial assets	13	2,300,744	2,990,535
Other assets	16	139,587	108,525
Cash and cash equivalents (restricted)	18	40,591	56,615
Total non-current assets		**55,873,080**	**53,064,016**
Current assets			
Inventories	17	204,322	195,617
Trade and other receivables	12	4,433,696	3,300,166
Current tax assets	39	459,336	340,687
Other financial assets	13	110,605	382,396
Other assets	16	188,667	158,486
Cash and cash equivalents	18	1,430,239	2,027,834
Total current assets		**6,826,865**	**6,405,186**
Total assets		**62,699,945**	**59,469,202**
Liabilities and Equity			
Equity			
Issued capital		67	67
Reserves	19	1,070,645	1,459,906
Accumulated other comprehensive income	20	2,073,289	3,851,230
Retained earnings	19	22,487,773	20,814,391
Net profit for the period	19	3,765,281	3,035,956
Other components of equity		55,508	64,305
Total equity		**29,452,563**	**29,225,855**

EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P.

SEPARATE STATEMENT OF FINANCIAL POSITION

As of December 31, 2023 and 2022

Figures expressed in millions of Colombian pesos

	Notes	2023	2022
Liabilities			
Non-current liabilities			
Loans and borrowings	21 and 41	17,177,083	19,120,702
Trade and other payables	22	9,345	8,093
Other financial liabilities	23	3,997,950	2,808,878
Employee benefits	25	409,130	285,502
Income tax payable	39	29,980	29,980
Deferred tax liabilities	39	2,384,073	1,982,785
Provisions	27	1,777,068	712,137
Other liabilities	28	30,634	31,741
Total non-current liabilities		**25,815,263**	**24,979,818**
Current liabilities			
Loans and borrowings	21 and 41	2,908,001	1,324,693
Trade and other payables	22	1,906,736	1,565,937
Other financial liabilities	23	561,884	536,815
Employee benefits	25	249,536	209,035
Income tax payable	39	26,047	26,047
Taxes, contributions and rates payable	26	275,357	259,252
Provisions	27	289,406	439,283
Other liabilities	28	1,215,152	902,467
Total current liabilities		**7,432,119**	**5,263,529**
Total liabilities		**33,247,382**	**30,243,347**
Total liabilities and equity		**62,699,945**	**59,469,202**

The accompanying notes are an integral part of the Separated Financial Statements

John Alberto Maya Salazar
General Manager
Certification Attached

Diana Rúa Jaramillo
Executive Vice-President of Finance
and Investments

John Jaime Rodríguez Sosa
Director of Accounting and Costs
Professional Card N° 14482-T
Certification Attached

EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P.

SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the years ended December 31, 2023 and 2022

Figures expressed in millions of Colombian pesos

	Notes	2023	2022
Rendering of services	30	16,009,742	13,121,382
Leases	30	80,463	80,063
Sale of goods	30	12,755	9,043
Ordinary activities revenue		**16,102,960**	**13,210,488**
Income from sale of assets	32	1,718	613
Other income	31	123,055	253,346
Total revenue		**16,227,733**	**13,464,447**
Costs of services rendered	33	(8,846,660)	(7,098,482)
Administrative expenses	34	(2,130,943)	(1,219,985)
Net impairment loss on accounts receivable	12	(138,152)	(215,877)
Other expenses	35	(50,085)	(40,666)
Finance income	36.1	631,613	267,633
Finance expenses	36.2	(2,671,439)	(1,777,638)
Net foreign exchange difference	37	184,023	(90,580)
Equity method in subsidiaries	8	1,555,779	1,600,935
Share of results of equity investments	38	198,430	(975,812)
Profit for the period before taxes		**4,960,299**	**3,913,975**
Income tax	39	(1,195,018)	(878,019)
Profit for the period after taxes		**3,765,281**	**3,035,956**
Net profit for the period		**3,765,281**	**3,035,956**
Other comprenhensive income			
Items that will not be reclassified to profit or loss:			
Remeasurement of defined benefit plans	20 and 39	(99,482)	52,230
Equity investments measured at fair value through equity	20 and 39	(539,451)	(136,838)
Equity method in subsidiaries - NRRP	20 and 39	(418,621)	(67,399)
Income tax related to components that will not be reclassified	20 and 39	118,503	(290,514)
		(939,051)	**(442,521)**
Items that will be reclassified subsequently to profit or loss:			
Cash flow hedges:	20 and 39	**448,394**	**(596,324)**
Reclassified to profit or loss for the period		(2,095,091)	328,945
Reclassification Adjustment		2,543,485	(925,269)
Equity method in subsidiaries	20 and 39	**(1,301,438)**	**1,010,644**
Result recognized in the period		(1,301,438)	1,010,644
Hedges of net investments in foreign operations	20 and 39	**283,752**	**(216,145)**
Result recognized in the period of Hedges of net investments in foreign businesses		283,752	(216,145)
Income tax related to the components that may be reclassified	20 and 39	**(251,334)**	**288,328**
Result recognized in the period		369,746	(91,580)
Reclassification adjustment		(621,080)	379,908
		(820,626)	**486,504**
Other comprehensive income for the period, net of taxes	**39**	**(1,759,677)**	**43,982**
Total comprehensive income for the period		**2,005,605**	**3,079,938**

The accompanying notes are an integral part of the Separated Financial Statements

John Alberto Maya Salazar
General Manager
Certification Attached

Diana Rúa Jaramillo
Executive Vice-President of Finance
and Investments

John Jaime Rodríguez Sosa
Director of Accountimg and Costs
Professional Card N° 14482-T
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EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P.

SEPARATE STATEMENTS OF CHANGES IN EQUITY

For the years ended December 31, 2023 and 2022

Figures expressed in millions of Colombian pesos

	Issued capital	Reserves (note 19)	Retained earnings (note 19)	Other components of equity	Other comprehensive income						Total
					Equity investments (note 20)	Defined benefit plans (note 20)	Cash flow hedges (note 20)	Hedges of net investments in foreign operations (note 20)	Reclassification of property, plant and equipment to investment property (note 20)	Accumulated share in other comprehensive income of associates and joint ventures business (note 20)	
Balance at January 1, 2022	67	1,552,992	22,576,829	64,341	3,037,953	2,144	(343,034)	(61,509)	12,079	1,215,372	28,057,234
Net profit for the period	-	-	3,035,956	-	-	-	-	-	-	-	3,035,956
Other comprehensive income of the period, net of income tax	-	-	-	-	(407,312)	32,191	(307,996)	(216,145)	-	943,244	43,982
Comprehensive income for the period	**-**	**-**	**3,035,956**	**-**	**(407,312)**	**32,191**	**(307,996)**	**(216,145)**	**-**	**943,244**	**3,079,938**
Surpluses or dividends decreed	-	-	(1,850,776)	-	-	-	-	-	-	-	(1,850,776)
Movement of reserves	-	(93,086)	93,086	-	-	-	-	-	-	-	-
Transfers to retained earnings	-	-	(4,748)	(35)	-	-	-	-	-	(55,757)	(60,540)
Balance at December 31, 2022	67	1,459,906	23,850,347	64,305	2,630,641	34,335	(651,030)	(277,654)	12,079	2,102,859	29,225,855
Balance at January 1, 2023	67	1,459,906	23,850,347	64,305	2,630,641	34,335	(651,030)	(277,654)	12,079	2,102,859	29,225,855
Net profit for the period	-	-	3,765,281	-	-	-	-	-	-	-	3,765,281
Other comprehensive income of the period, net of income tax	-	-	-	-	(456,790)	(63,640)	197,060	283,752	-	(1,720,059)	(1,759,677)
Comprehensive income for the period	**-**	**-**	**3,765,281**	**-**	**(456,790)**	**(63,640)**	**197,060**	**283,752**	**-**	**(1,720,059)**	**2,005,604**
Surpluses or dividends decreed	-	-	(1,748,005)	-	-	-	-	-	-	-	(1,748,005)
Movement of reserves	-	(389,261)	389,261	-	-	-	-	-	-	-	-
Equity method on variations in equity	-	-	(3,830)	(8,797)	-	-	-	-	-	(18,264)	(30,891)
Balance at December 31, 2023	67	1,070,645	26,253,054	55,508	2,173,851	(29,305)	(453,970)	6,098	12,079	364,536	29,452,563

The accompanying notes are an integral part of the Separated Financial Statements

John Alberto Maya Salazar
General Manager
Certification Attached

Diana Rúa Jaramillo
Executive Vice-President of Finance
and Investments

John Jaime Rodríguez Sosa
Director of Accountimg and Costs
Professional Card N° 14482-T
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EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P.

SEPARATE STATEMENTS OF CASH FLOWS

For the years ended December 31, 2022 and 2021
Figures expressed in millions of Colombian pesos

	Notes	2023	2022
Cash flows from operating activities:			
Net result for the period		3,765,281	3,035,956
Adjustments to reconcile the net profit for the period to the net cash flows used in operating activities:		3,232,324	2,902,928
Depreciation and amortization of property, plant and equipment, right-of-use assets and intangible assets	33 and 34	951,023	706,841
Net impairment loss on accounts receivable	12	138,152	215,877
Impairment of investments in associates and joint ventures	11	-	1,060,968
Write-down of inventories, net	35	134	115
Result due to foreign exchange difference	37	(184,023)	90,580
Result due to valuation of investment property	6	(9,863)	(17,122)
Result for valuation of financial instruments and hedge accounting	36	(253,078)	13,254
Result of compensation for activities associated with investment flows		(94)	-
Provisions, post-employment and long-term defined benefit plans	34	894,410	233,281
Provisions for tax, insurance and reinsurance obligations and financial updating	36.2	104,750	79,211
Applied Government subventions	31	(47)	(78)
Deferred income tax	39.3	268,457	(20,595)
Current income tax	39.3	926,561	898,614
Share of loss of equity-accounted investees	8	(1,555,779)	(1,600,935)
Interest and yield income	36.1	(207,072)	(181,419)
Interest and commission expenses	36.2	2,395,225	1,598,960
Result due to disposal of property, plant and equipment, right-of-use assets, intangibles and investment property	32 and 35	78	(439)
Result from withdrawal of property, plant and equipment, right of use assets, intangible assets and investments	32 and 35	12,834	10,292
Result from disposal of financial instruments		19	-
Result from disposal of investments in subsidiaries		(20,289)	-
Non-cash recoveries	31	(50,914)	(99,321)
Dividend income from investments	10 and 13	(178,160)	(85,156)
		6,997,605	**5,938,884**
Net changes in operating assets and liabilities:			
Change in inventories		(8,506)	(12,778)
Change in trade and other receivables		(1,721,511)	(1,019,299)
Change in other assets		233,721	(420,467)
Change in creditors and other accounts payable		403,671	75,833
Change in employee benefits		35,336	11,525
Change in provisions		(309,751)	(353,605)
Change in other liabilities		23,953	1,016,586
Cash generated from operating activities		**5,654,518**	**5,236,679**
Interest paid		(2,434,079)	(1,651,703)
Income tax paid		(1,045,210)	(917,495)
Income tax refund		-	690
Net cash provided by operating activities		**2,175,229**	**2,668,171**
Cash flows from investing activities:			
Acquisition and capitalization of subsidiaries or businesses	8	(902,043)	(4,757)
Purchase of property, plant and equipment	5	(3,112,979)	(3,425,307)
Disposal of property, plant and equipment	5 and 32	478	840
Purchase of intangible assets	7	(83,107)	(79,834)
Disposal of intangible assets		4	1
Disposal of investment properties	6	-	175
Purchase of investments in financial assets	13	(212,600)	(160,088)
Disposal of investments in financial assets	13	473,753	351,682
Dividends received from associates and joint ventures	8 and 9	452,526	502,839
Other dividends received	13	178,175	76,973
Loans to related parties		155,305	223,022
Compensation received for activities associated with investment flows	5	-	2,521,064
Other cash flows from investment activities		5,577	(2,894)
Net cash flow used in investing activities		**(3,044,911)**	**3,716**
Cash from financing activities:			
Proceeds from loans and borrowings	21	3,038,546	1,706,272
Repayments of loans and borrowings	21	(980,928)	(2,079,859)
Transaction costs due to issuance of debt instruments	21	(18,381)	(26,657)
Payments of liabilities for financial leasing	23	(15,546)	(14,252)
Surpluses paid	19	(1,748,005)	(1,850,775)
Capital subventions	31	47	78
Payments of capital of derivatives designated as cash flow hedges	13	-	37,239
Payment of pension bonds	23	(43,278)	(57,329)
Other cash from financing activities		(3,260)	1,504
Net cash flows used in financing activities		**229,195**	**(2,283,779)**
Net increase in cash and cash equivalents		**(640,487)**	**388,108**
Effects of variations in foreign exchange rates in the cash and cash equivalents		26,867	(101,746)
Cash and cash equivalents at beginning of the period		2,084,449	1,798,087
Cash and cash equivalents at end of the year	18	**1,470,830**	**2,084,449**
Restricted cash	18	121,701	97,542

The accompanying notes are an integral part of the Separated Financial Statements

John Alberto Maya Salazar
General Manager
Certification Attached

Diana Rúa Jaramillo
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Index to the notes to the separate financial statements

Notes to the separate financial statements of Empresas Públicas de Medellín E.S.P. for the periods ended December 31, 2023 and 2022.

(In millions of Colombian pesos, except when otherwise indicated)

Note 1. Reporting entity

Empresas Públicas de Medellín E.S.P. (hereinafter "EPM") is the parent company of a multi-Latin business group established of 44 companies and 6 structured entities[1]; with presence in the provision of public services in Colombia, Chile, El Salvador, Guatemala, Mexico and Panama.

EPM is a decentralized entity of the municipal order, created in Colombia through Agreement 58 of August 6, 1955 of the Administrative Council of Medellín, as an autonomous public establishment. It was transformed into an industrial and commercial company of the State of the municipal order, by Agreement 069 of December 10, 1997 of the Council of Medellín. Due to its legal nature, EPM is endowed with administrative, financial autonomy and its own equity, in accordance with Article 85 of Law 489 of 1998. The capital with which it was constituted and operates, as well as its equity, is public nature, its sole owner being the Municipality of Medellín. Its main address is at Carrera 58 No. 42-125 in Medellín, Colombia. It does not have an established term of duration.

EPM provides residential public services of aqueduct, sewage, energy, and distribution of fuel gas. It can also provide the residential public services of cleaning, treatment, and use of garbage, as well as the complementary activities of one of these public services.

EPM offers its services through the following operating segments: Electricity Generation, Distribution and Transmission; Distribution and Marketing of Natural Gas; Water provision; Wastewater Management; Solid Waste Management. Additionally, the Others Segment includes the participation in the telecommunications business, through the associate UNE EPM Telecomunicaciones S.A. and its subsidiaries: Edatel S.A. E.S.P., Orbitel Servicios Internacionales S.A. - OSI, Cinco Telecom Corporation - CTC and Colombia Móvil S.A.; and the associate Inversiones Telco S.A.S. and its subsidiary Emtelco S.A.; offering voice, data, Internet, professional services, data center, among others.

EPM's separate financial statements for the year ended December 31, 2023, were authorized by the Board of Directors for their publication on March 20, 2024.

1.1 Legal and regulatory framework

The provision of residential public services in Colombia is mainly regulated by Law 142 of 1994, Public Services Law, and Law 143 of 1994, Electricity Law.

- The functions of control, inspection and surveillance of the entities that provide residential public services are exercised by the Superintendence of Residential Public Services (SSPD).
- Because it is an issuer of Bonds, EPM is subject to the control of the Financial Superintendence of Colombia under Decree 2555 of 2010, by which the regulations regarding the financial, insurance and stock market sectors are collected and reissued, and other provisions are issued, it establishes that the SIMEV is the set of human, technical and management resources that the Financial Superintendence of Colombia will use to allow and facilitate the supply of information to the market. Among these tools is the National Registry of Securities and Issuers - RNVE, whose purpose is to keep a

[1] Autonomous Assets of Social Financing of EPM (until November), CHEC, EDEQ, ESSA, CENS, Credieegsa S.A. and Somos, under International Financial Reporting Standards (IFRS) adopted in Colombia, are considered structured entities that are part of the scope of the consolidation of financial statements of the EPM Group.

record of issuers of securities and the issues they make. When issuing bonds, EPM is subject to the control of this Superintendency and to the regulations that are requested for financial information purposes for its issuance, especially External Circular 038 of 2015 whose reference is: Modification of the terms for the transmission of the Interim Quarterly and Year-End Financial Statements under IFRS adopted in Colombia, Individual or Separate and Consolidated and its report in XBRL language (extensible Business Reporting Language) and which was modified by External Circulars 008, 017 and 037 of 2016; Additionally, External Circulars 031 of 2021 on social and environmental issues, including climate issues and 012 of 2022 on periodic information, in development of Decree 151 of 2021.

For accounting purposes, EPM is governed by the accounting standards issued by the National Accounting Office, these standards are based on the IFRS issued by the IASB, as well as the interpretations issued by the IFRIC, as described in the accounting policies section.

For administering the health service as employee benefits, the figure of the Adapted Health Company, is supervised by the National Health Superintendence.

As a decentralized municipal entity, EPM is subject to the political control of the Administrative Council of Medellin, the fiscal control of the Medellin General Comptroller's Office, and the disciplinary control of the Office of the Attorney General of the Nation.

1.2 Regulation commisions

Law 142 of 1994, in its articles 68 and 69, delegates to the regulation commissions the presidential function of establishing general policies for administration and control of efficiency in residential public services.

These entities are the following:

- The Energy and Gas Regulation Commission (CREG), a technical body attached to the Ministry of Mines and Energy (MME), which regulates energy sales rates and aspects related to the operation of the Wholesale Energy Market (MEM) and, more in general, with the provision of electricity, gas and liquid fuel services.
- The Commission for the Regulation of Drinking Water and Basic Sanitation (CRA) regulates the rates of aqueduct, sewerage and cleaning and their conditions of provision in the market. It is a special administrative unit, attached to the Ministry of Housing, City and Territory.

1.2.1 Regulation by sector

1.2.1.1 Activities of the aqueduct, sewage and cleaning sector

Law 142 of 1994, Public Services Law, defined the aqueduct, sewerage and cleaning services:

Aqueduct: also called home public drinking water service. Activity that consists of the municipal distribution of water suitable for human consumption, including its connection and measurement. Includes complementary activities such as water collection and processing, treatment, storage, conduction, and transportation.

Sewage: an activity that consists of the municipal collection of waste, mainly liquid, through pipes and conduits. Includes complementary activities of transport, treatment and final disposal of such waste.

Cleaning: an activity that consists of the municipal collection of waste, mainly solid. Includes complementary activities of transport, treatment, use and final disposal of such waste.

For the first two services, the tariff framework is established in Resolutions CRA 688 of 2014, 735 of 2015, 821 of 2017 and 908 of 2019, compiled in Resolution CRA 943 of 2021. For the public sanitation service, in resolution CRA 720 of 2015, compiled in Resolution CRA 943 of 2021. These regulations establish quality and hedge indicators, encourage compliance with goals and define remuneration mechanisms to guarantee the financial sufficiency of the company.

1.2.1.2 Activities of the electricity sector

Law 143 of 1994 segmented the electric power service into four activities: generation, transmission, distribution, and commercialization, which can be developed by independent companies. The legal framework is intended to supply the demand for electricity under economic and financial viability criteria and promote an efficient, safe and reliable operation of the sector.

Generation: consists of the production of electricity from different sources (conventional or non-conventional), whether that activity is carried out exclusively or in combination with one or more other activities in the electricity sector, whichever of them is the main activity.

Transmission: the national transmission activity is the transport of energy in the National Transmission System (hereinafter STN for its initials in Spanish). It is made up of a set of lines, with their corresponding connection equipment, which operate at voltages equal to or greater than 220 kV. The National Transmitter is the legal entity that operates and transports electricity in the STN or has established a company whose purpose is the development of that activity.

Distribution: consists of transporting electrical energy through a set of lines and substations, with their associated equipment, which operate at voltages less than 220 kV.

Commercialization: an activity consisting of the purchase of electricity in the wholesale market and its sale to other market agents or to regulated and non-regulated end users, whether this activity is carried out exclusively or combined with other activities in the electricity sector, whichever is the main activity.

1.2.1.3 Activities of the natural gas sector

Law 142 of 1994 defined the legal framework for the provision of residential public services, an area in which natural gas is defined as a public service.

Gas: is the set of activities related to the distribution of fuel gas, by pipeline or other means, from a large volume storage site or from a central gas pipeline to the installation of a final consumer, including its connection and measurement. This Law will also apply to complementary commercialization activities from the production and transportation of gas through the main gas pipeline, or by other means, from the generation site to the one where it is connected to a secondary network.

Note 2. Significant accounting policies

2.1 Basis for the preparation of financial statements

The separate financial statements of the EPM are prepared in accordance with the Accounting and Financial Information Standards accepted in Colombia (NCIF) and adopted by the General Accounting Office of the Nation through Resolution 037 of 2017, Resolution 056 of 2020 resolution 035 and 0197 of 2021 and Resolution CGN 267 of 2022 (hereinafter, IFRS adopted in Colombia). These accounting and financial reporting standards are based on the International Financial Reporting Standards (hereinafter, IFRS) issued by the International Accounting Standards Board (International Accounting standards Board, hereinafter, IASB), as well as the interpretations issued by the Interpretations Committee (hereinafter, IFRIC). These financial statements are harmonized with the generally accepted accounting principles in Colombia enshrined in the Annex to Decree 2420 of 2015 and its subsequent amendments.

The presentation of the financial statements in accordance with the IFRS adopted in Colombia requires making estimates and assumptions that affect the amounts reported and disclosed in the financial statements, without undermining the reliability of the financial information. Actual results may differ from such estimates. Estimates and assumptions are constantly reviewed. The review of accounting estimates is recognized for the period in which they are reviewed, if the review affects that period or in the review period and future periods. The estimates made by the Administration when applying the IFRS adopted in Colombia, which have a material effect on the financial statements, and those that imply significant judgments for the annual financial statements, are described in greater detail in Note 3 Significant accounting judgments, estimates and causes of uncertainty in the preparation of the financial statements.

EPM presents separate financial statements, for compliance with control entities and for the purpose of internal administrative monitoring and providing information to investors. Similarly, EPM as the main parent presents consolidated financial statements under IFRS adopted in Colombia.

Assets and liabilities are measured at cost or amortized cost, except for certain financial assets and liabilities and investment properties that are measured at fair value. Financial assets and liabilities measured at fair value correspond to those that are classified in the category of assets and liabilities at fair value through profit or loss, some equity investments at fair value through equity, as well as all financial derivative assets and recognized liabilities that are designated as hedged items in a fair value hedge, whose carrying amount is adjusted for changes in fair value attributed to the hedged risks.

The separate financial statements are presented in Colombian pesos and their figures are expressed in millions of Colombian pesos.

2.2 Classification of assets and liabilities as current or non-current

An asset is classified as a current asset when it is held mainly for trading purposes or is expected to be realized within a period not exceeding one year after the reporting period or is cash and cash equivalents that are not subject to restrictions on their exchange or on their use in settling a liability at least one year after the reporting period. Other assets are classified as non-current assets.

A liability is classified as a current liability when it is held mainly for trading purposes, or when it is expected to be settled within a period not exceeding one year after the reporting period, or when the EPM does not have an unconditional right to defer its settlement for at least one year after the reporting period. Other liabilities are classified as non-current liabilities.

Derivative instruments not covered by hedge accounting are classified as current or non-current, or separated into current and non-current portions, based on an assessment of facts and circumstances (i.e., the underlying contractual cash flows):

- When the EPM maintains a derivative, to which hedge accounting is not applied, for a period of more than twelve (12) months from the reporting date, the derivative is classified as non-current (or divided into portions current and non-current) to correspond to the classification of the underlying item.
- Derivative instruments that are designated as hedging instruments and that are effective are classified consistently with the classification of the underlying hedged item. The derivative instrument is divided into a current and a non-current portion only if such allocation can be made reliably.

2.3 Cash and cash equivalents

Cash and cash equivalents in the statement of financial position and in the statement of cash flows include cash on hand and in banks and highly liquid investments, easily convertible into a determined amount of cash and subject to an insignificant risk of changes in value, with a maturity of three months or less from the date of acquisition. Callable bank overdrafts that are an integral part of the EPM's cash management represent a component of cash and cash equivalents in the statement of cash flows.

2.4 Investments in subsidiaries, associates and joint ventures

A subsidiary is an entity controlled by EPM. Control is obtained when EPM controls the relevant activities of the subsidiary and is exposed, or has the right, to its variable returns and has the ability to influence said returns.

An associate is an entity over which EPM has significant influence over financial and operating policy decisions, without actually having control or joint control.

A joint venture is an arrangement in which EPM has joint control, under which EPM has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

At the acquisition date, the excess of the acquisition cost over the portion of the net fair value of the identifiable assets, liabilities and contingent liabilities assumed by the subsidiary is recognized as goodwill. Goodwill is included in the carrying amount of the investment and is not individually amortized or tested for impairment.

Investments in subsidiaries are measured in the separate financial statements by the equity method, except if the investment or a portion thereof is classified as held for sale, in which case it is accounted for in accordance with IFRS 5 Non-current assets held for sale and discontinued operations. Through this accounting methodology, the investment is initially recorded at cost and is subsequently adjusted based on changes experienced, after the acquisition, the portion of the net assets of the entity that corresponds to the investor. The result of the period of EPM includes its participation in the result of the period of the investee and the other comprehensive income includes its participation in the other comprehensive income of the investee. When there are variations in the ownership percentages in the subsidiary that do not imply a loss of control, the effect of these changes is recognized directly in equity. When the EPM's share of the losses of a subsidiary exceeds the EPM's share of them (which includes any long-term interest that, in substance, forms part of the company's net investment in the subsidiary), the company ceases to recognize its share of future losses. Additional losses are recognized as long as the company has entered into any legal or implicit obligation or has made payments on behalf of the subsidiary. When the subsidiary subsequently presents profits, the company resumes the recognition of its share in them only after its share in said gains equals the share in unrecognized losses.

Investments in subsidiaries are accounted for using the equity method from the date the investee becomes a subsidiary.

Investments in associates and joint ventures are maintained in separate financial statements at cost.

Dividends received from the subsidiary are recognized as a reduction in the value of the investment, and those received from the associate or joint venture are recognized directly in profit or loss for the period when the company's right to receive payment is established.

The company periodically analyzes the existence of indicators of value impairment and, if necessary, recognizes losses due to impairment in the investment in the subsidiary, associate or joint venture. Impairment losses are recognized in the result of the period and are calculated as the difference between the recoverable value of the subsidiary, associate or joint venture, this being the higher of the value-in-use and its fair value less the necessary costs for its sale and its carrying amount.

When control of the subsidiary is lost or significant influence over the associate or joint control over the joint venture is lost, the company measures and recognizes any residual investment that it retains in it at its fair value. The difference between the carrying amount of the subsidiary, associate or joint venture and the fair value of the residual investment retained, with the value from its sale, is recognized in the result of the period.

EPM discontinues the use of the equity method from the date the investment ceases to be a subsidiary, or when the investment is classified as held for sale. Additionally, EPM records all amounts previously recognized in other comprehensive income with respect to that subsidiary on the same basis that would have been required if said subsidiary sold the financial assets or liabilities directly. Therefore, if a gain or loss previously accounted for in other comprehensive income by the subsidiary had been reclassified to profit or loss on the sale of the related assets or liabilities, EPM would reclassify the gain or loss from equity to gains or losses (as a reclassification adjustment) at the time the use of the equity method is discontinued.

2.5 Joint operations

It is a joint arrangement whereby the parties with joint control of the arrangement have rights to the assets, and obligations for the liabilities, related to the arrangement.

In joint operations, EPM recognizes its participation as follows: its assets, including its participation in the assets held jointly; its liabilities, including its share of jointly incurred liabilities; its revenue from ordinary activities from the sale of its interest in the proceeds arising from the joint operation; its participation in the revenue from ordinary activities from the sale of the product carried out by the joint operation; and your expenses, including your share of expenses incurred jointly. EPM recognizes the assets, liabilities, revenue from ordinary activities and expenses related to its participation in a joint operation in accordance with the guidelines applicable to assets, liabilities, revenue from ordinary activities and expenses.

2.6 Functional currency and foreign currency

The functional currency of the company is the Colombian peso, which is the currency of the main economic environment in which it operates, that is, in which it generates and uses cash.

Transactions in foreign currency are initially recorded at the exchange rates of the functional currency in effect on the date of the transaction. Subsequently, monetary assets and liabilities in foreign currency are converted at the exchange rate of the functional currency, in force at the closing date of the period, non-monetary items that are measured at their fair value are converted using the exchange rates at the date on which their fair value is determined and non-monetary items that are measured at historical cost are converted using the exchange rates prevailing on the date of the original transactions.

All exchange differences are recognized in the statement of comprehensive income in the section profit or loss for the period, except for adjustments originating from interest costs that are capitalizable and those from loans in foreign currency to the extent that they are considered as adjustments of interest costs and the exchange difference originating from the conversion of the financial statements of foreign subsidiaries for the application of the equity method, which is recognized in other comprehensive income.

2.7 Revenue from ordinary activities

Revenue from ordinary activities corresponds basically to the development of the main activity of the company, which is the provision of residential public services of aqueduct, sewerage, energy and fuel gas distribution, and are recognized when the service is provided or at the time of the delivery of the goods, to the extent that the performance obligations on the part of the company are satisfied. Income is measured at the value of the consideration received or to be received, excluding taxes or other obligations. Discounts, client offsetting for quality of service and financial components that are granted are recorded as an adjustment to the value of income. The financing component is only recognized if the contract with clients lasts more than one year.

The most representative revenues from the energy business are as follows:

Reliability charge: remuneration paid to a generating agent for the availability of generation assets with the characteristics and parameters declared for the calculation of firm energy for the reliability charge - ENFICC, which guarantees compliance with the Firm Energy Obligation - OEF that was assigned in an auction for the assignment of firm energy obligations or in the mechanism that takes its place.

Long-term contracts: energy purchase and sale contract entered into between trading agents and generators that are settled on the energy exchange, under this type of energy contract, generators and traders freely agree on amounts and prices for the purchase and sale of electrical energy for periods of more than one day.

In the case of long-term energy purchase contracts, which have prices lower than those of the market and whose intention is not to use the energy purchased in the operation but to resell it in a market to obtain benefits, it is considered that it does not comply with the own use exception.

Secondary firm energy market or secondary market: bilateral market in which the generators negotiate a support contract with each other to guarantee, during a determined period of time, the partial or total fulfillment of the firm energy obligations acquired by one of them.

Sale of non-regulated market energy: It is the energy that is sold in the market to clients whose maximum demand is greater than a value in MW (megawatt for its acronym in English) or a minimum monthly energy consumption in MWh (megawatt per hora by its acronym in English), defined by the regulatory entity, by legalized installation, from which it does not use public electricity transmission networks and uses it on the same property or on contiguous properties. Your electricity purchases are made at prices freely agreed between the buyer and the seller.

Sale of regulated market energy: It is the energy that is sold to clients whose monthly consumption is less than a predetermined value and is not empowered to negotiate the price they pay for it, since both concepts are established by regulation; it usually uses energy for its own consumption or as an input for its manufacturing processes and not to develop its marketing activities.

Automatic generation regulation - AGC: it is a system for the control of secondary regulation, used to monitor load variations through generation, control the frequency within an operating range and scheduled exchanges. The AGC can be programmed in centralized, decentralized or hierarchical mode.

Firm energy: is the incremental contribution of a company's generation plants to the interconnected system, which is carried out with a reliability of 95% and is calculated based on a methodology approved by the Commission and on the operating planning models used in the national interconnected system.

Gas revenues come from the distribution and sale of natural gas to the regulated and non-regulated markets.

In the water business, income comes from the provision of aqueduct and sewerage services.

At the time of revenue recognition, the company evaluates based on specific criteria to identify when it acts as principal or commission agent and thus determine whether revenue should be recognized gross or net for marketing activities.

2.8 Contracts with Customers

When the results of the contract can be measured reliably, EPM recognizes the revenue and expenses associated with contracts with clients, measuring the degree of progress in the satisfaction of the performance obligations using the input method based on the proportion that the incurred costs represent for work performed to date and the estimated total costs to completion.

Incurred cost comprises costs, including borrowing costs, directly related to the contract, until the work has been completed. Administrative costs are recognized in the result of the period.

On the other hand, the incremental costs incurred by the company to obtain or fulfill contracts with clients are recognized as an asset in the statement of financial position under other assets and are amortized on a straight-line basis over the term of the contract, as long as the term of the contract is greater than one year. Otherwise, EPM recognizes it directly in the result of the period.

Payments received from the client before the corresponding work has been carried out are recognized as a liability in the statement of financial position as other liabilities.

The difference between the revenue recognized in profit or loss for the period and the invoicing is presented as an asset in the statement of financial position called Trade and other receivable, or as a liability called other liabilities.

In the initial recognition of an account receivable from a contract with a client, the difference that occurs between the measurement of the account receivable and the value of the corresponding income is presented as an expense in the statement of comprehensive income called Impairment of accounts receivable.

2.9 Government grants

Government grants are recognized at fair value when there is reasonable assurance that they will be received and all conditions attached to them will be met. Grants intended to offset costs and expenses, already incurred, without related subsequent costs, are recognized in profit or loss for the period in which they become payable. When the grant is related to an asset, it is recorded as deferred income and is recognized in the result of the period on a systematic basis throughout the estimated useful life of the corresponding asset. The benefit of a government loan at a below-market interest rate is treated as a government subsidy, measured as the difference between the amounts received and the fair value of the loan based on the market interest rate.

2.10 Taxes

The country's tax structure, the regulatory framework and the plurality of operations make the company a passive subject of taxes, rates and contributions of the national and territorial order. They are obligations that originate to the Nation, departments, municipal entities and other active subjects, once the conditions provided in the corresponding regulations issued are met.

Among the most relevant taxes are the income tax and the sales tax.

Income tax

- Current: current assets and liabilities for income tax for the period are measured by the values that are expected to be recovered or paid to the tax authority. The expense for income tax is recognized in the current tax according to the depuration carried out between the tax income and the accounting profit or loss affected by the income tax rate of the current year and in accordance with the provisions of the tax regulations from the country. The tax rates and regulations used to compute such values are those that are enacted or substantially approved at the end of the reporting period, in the country in which the company operates and generates taxable profits.

Taxable profit differs from the profit reported in profit or loss due to items of income and expenses that are taxable or deductible in other years, and items that will not be taxable or deductible in the future.

Current income tax assets and liabilities are also offset if they relate to the same tax authority, and it is intended to settle them at net value or to realize the asset and settle the liability simultaneously.

- Deferred: Deferred income tax is recognized using the liability method calculated on the temporary differences between the tax bases of assets and liabilities and their carrying amounts. Deferred tax liabilities are generally recognized for all taxable temporary differences, while deferred tax assets are recognized for all deductible temporary differences and for future offsetting of unused tax credits and tax losses to the extent that availability is probable. of future taxable profits against which they can be imputed. Deferred taxes are not discounted.

Deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition of an asset or liability in a transaction that does not constitute a business combination and that, at the time of the transaction, affected neither accounting profit nor tax gain or loss; and in the case of deferred tax liability when it arises from the initial recognition of goodwill.

Deferred tax liabilities related to investments in subsidiaries, associates and interests in joint ventures are not recognized when the timing of the reversal of temporary differences can be controlled and it is probable that such differences will not reverse in the near future. Deferred tax assets related to investments in subsidiaries, associates and interests in joint ventures are recognized only to the extent that it is probable that temporary differences will reverse in the near future, and it is probable that future taxable income will be available against which those deductible differences will be charged.

The carrying amount of deferred tax assets is reviewed at each reporting date and is reduced to the extent that it is no longer probable that there will be sufficient taxable income to use all or part of the deferred tax asset. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it is probable that future taxable income will allow their recovery.

Deferred tax assets and liabilities are measured at the tax rates that are expected to be applicable in the period in which the asset is realized or the liability is settled based on the tax rates and regulations that were approved on the reporting date, or whose approval procedure is close to being completed by that date. The measurement of deferred tax assets and liabilities will reflect the tax consequences that would result from the way in which the entity expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities must be presented as non-current.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to do so and they are with the same tax authority.

Deferred tax is recognized in the result of the period, except that related to items recognized outside the result; in this case it will be presented in other comprehensive income or directly in equity.

For the purpose of measuring deferred tax liabilities and deferred tax assets for investment properties that are measured using the fair value model, the carrying amount of such properties is presumed to be fully recovered through sale, at unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is maintained within a business model whose objective is to consume substantially all the economic benefits generated by the investment property over time, and not through sale. The directors reviewed the investment property portfolio of the company and concluded that none of the investment properties of the company are held under a business model whose objective is to consume substantially all the economic benefits generated by the investment properties over time and not through the sale. Therefore, the directors have determined that the presumption of “sale” should be established in the amendments to IAS 12 Income Tax.

When the current tax or deferred tax arises from the initial accounting of the business combination, the tax effect is considered within the accounting of the business combination.

Sales tax - VAT

EPM is responsible for the common regime since it makes sales of personal property and provides taxed services and obtains exempt income from exports. Currently in Colombia, energy, aqueduct, sewerage and home gas services are excluded from this tax.

In Colombia the general rate is 19% and there is a differential rate of 5%.

In Colombia, the generation of income excluded in the particular case of residential public services, the VAT paid on purchases is part of a higher cost value. Likewise, when taxable income is generated, that is, when taxed goods or services are sold, the VAT paid on the purchase or acquisition of inputs for these sales will be deductible from the value to be paid for the tax. When the company generates income that is excluded from VAT, but at the same time generates income that is exempt and taxed, in this case, a pro-rata of the VAT paid must be made to determine the percentage of VAT to be discounted.

The tax generated is recognized as a value payable to the tax administration from which the tax paid is deducted. Revenues are recognized without considering the value of the tax.

2.11 Property, plant and equipment

Property, plant and equipment are measured at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost includes the acquisition price, the costs directly related to the location of the asset in the place and the necessary conditions for it to operate in the way foreseen by the company, the costs for loans of the projects under construction that take a substantial period to be completed, if the recognition requirements are met and the present value of the expected cost of dismantling the asset after use, if the recognition criteria for a provision are met.

Construction in progress is measured at cost less any recognized impairment loss and includes those expenditures that are essential and directly related to the construction of the asset, such as professional fees, supervision, civil works and, in the case of those qualified assets, borrowing costs are capitalized. Such construction in progress is classified to the appropriate categories of property, plant and equipment at the time of its completion and when it is ready for use. Depreciation of these assets begins when they are ready for use on the same basis as in the case of other items of property, plant, and equipment.

The company capitalizes as a higher value of the assets, the additions or improvements made to them, provided that they meet any of the following conditions: a) they increase their useful life, b) they expand their productive capacity and operating efficiency, and c) reduce costs to the company. All other repair and maintenance costs are recognized in the statement of comprehensive income as they are incurred.

Inventories of spare parts for specific projects, which are expected to have no turnover in one year and which meet the criteria to be capitalized, known as replacement assets, are presented under other property, plant, and equipment. They are depreciated considering the time spent in the warehouse and the technical useful life of the asset once its use begins.

Depreciation begins when the asset is available for use and is calculated on a straight-line basis over the estimated useful life of the asset as follows:

Plants, ducts and tunnels	
Civil work	50 to 100 years
Equipment	10 to 100 years
Networks, lines, and cables	
Electric transmission network	30 to 40 years
Power distribution network	30 to 40 years
Aqueduct network	40 to 80 years
Network Wastewater	30 to 80 years
Gas network	60 to 80 years
Buildings	50 to 100 years
Communication and computer equipment	5 to 40 years
Machinery and equipment	7 to 40 years
Furniture, fixtures and office equipment	10 to 15 years
Land	10 to 20 years

The useful lives are determined considering, among others, the manufacturer's technical specifications, the knowledge of the technicians who operate and maintain the assets, the geographical location and the conditions to which it is exposed.

EPM calculates depreciation by components, which implies individually depreciating the parts of the asset that have different useful lives. The depreciation method used is straight line; the residual value that is calculated for the assets is not part of the depreciable amount.

A component of property, plant and equipment and any significant part initially recognized are derecognized upon disposal or when no future economic benefits are expected to be obtained from its use or disposal. The gain or loss at the time of writing off the asset, calculated as the difference between the net value of the disposal and the carrying amount of the asset, is included in the statement of comprehensive income.

Assets temporarily classified out of service continue to be depreciated and are tested for impairment within the CGU to which they are assigned.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if required.

2.12 Leases

The determination of whether an arrangement constitutes or contains a lease is based on the substance of the arrangement at its inception date, considering whether fulfillment of the arrangement requires the use of an asset and whether it transfers the right to control the use of that asset for a period of time in exchange for consideration.

On the start date of the lease, the company acting as lessee recognizes a right-of-use asset and a lease liability, except for leases with a duration of less than 12 months or those whose new value of the underlying asset is less than 15 (fifteen) current legal minimum wages (SMMLV).

EPM that acts as lessor classifies the lease as operating or financial. A lease is classified as financial when the risks and rewards inherent in ownership of the leased asset are substantially transferred to the lessee; otherwise, it is classified as an operating lease.

EPM as lessee

Right-of-use assets are recognized and presented as assets in the statement of financial position at the beginning of the lease, at cost that includes the value of the lease liability, initial direct costs, payments made in advance, incentives, estimated costs decommissioning, among others. The corresponding liability is included in the statement of financial position as a lease liability, which is measured as the present value of future lease payments discounted using the interest rate implicit in the contract, if it can be easily determined, otherwise, you will use the company's incremental borrowing rate. Future lease payments comprise fixed payments, variable payments, incentives to collect, residual value guarantees expected to be paid, the price of the purchase option and the payment of penalties for early termination of the contract.

Right-of-use assets are amortized over the asset's useful life using the straight-line method, if ownership of the underlying asset is transferred at the end of the contract or a purchase option is exercised. If ownership of the underlying asset is not transferred by the end of the lease term or if the option to purchase the asset is not exercised, the asset is amortized only through the end of the useful life or the lease term, whichever comes first.

Lease payments are divided between financial expenses and debt repayment. Financial charges are recognized in income for the period unless they can be directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's policy for borrowing costs. Variable lease payments, which depend on an index or a rate, are included in the measurement of the lease liability. Leases with a duration of less than 12 months or those whose new value of the underlying asset is less than 15 (fifteen) SMMLV are recognized as operating leases in the result of the period throughout the term of the lease.

EPM as lessor

Assets leased under financial leases are not presented as property, plant, and equipment since the risks associated with the property have been transferred to the lessee, instead, an account receivable is recognized for a value equal to the net investment in the lease.

When a lease agreement includes components of land and buildings together, EPM assesses the classification of each component separately as a financial or operating lease. If the lease payments cannot be allocated reliably between these two components, the entire lease is classified as a finance lease, unless it is clear that both components are operating leases, in which case the entire lease is classified as an operating lease.

Income, which depends on an index or a rate, is included in the valuation of the net investment in the lease.

The initial direct costs, such as commissions, fees, legal and internal costs that are incremental and directly attributable to the negotiation and contracting of the lease, are included in the measurement of the net investment in the lease at the beginning and are reflected in the calculation of the implicit interest rate.

When the lease is classified as an operating lease, lease payments are recognized as revenue on a straight-line basis or on another systematic basis, provided that it is more representative of the structure by which the benefit from the use of the underlying asset is diminished.

2.13 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to prepare for its intended use or sale, are capitalized as part of the cost of the respective assets until the asset is is ready for its intended use. The income received from the temporary investment in specific loans pending to be consumed in qualified assets is deducted from the costs for loans suitable for their capitalization. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that the business incurs in connection with borrowing funds. To the extent that the funds come from generic loans and are used to obtain a qualifying asset, the value of the costs eligible for capitalization is determined by applying a capitalization rate (weighted average of the costs for loans applicable to the general loans outstanding during the period) to the disbursements made on said asset.

- The capitalization of borrowing costs begins on the date on which the following conditions are met:
- Disbursements are incurred in relation to the asset.
- Borrowing costs are incurred, and

Activities necessary to prepare the asset for its intended use or sale are carried out.

The capitalization of borrowing costs is suspended during the periods in which the development of activities of a qualified asset is interrupted for periods of more than one year. However, the capitalization of borrowing costs is not interrupted during a period if important technical or administrative actions are being carried out. Nor is the capitalization of borrowing costs suspended when a temporary delay is necessary as part of the process of preparing a qualifying asset for use or sale.

The capitalization of borrowing costs is completed when substantially all the activities necessary to prepare the qualifying asset for use or sale have been completed. When the asset has components that can be used separately while construction continues, the capitalization of borrowing costs on those components is stopped.

When EPM completes construction of a qualifying asset in parts, and each part can be used separately while construction continues on the rest, capitalization of borrowing costs will cease when substantially all activities necessary to prepare that asset is completed. part for its intended use or sale.

2.14 Investment properties

Investment property is land or buildings or part of a building or both, held for rentals or capital appreciation (including investment property under construction for such purposes). Investment properties are initially measured at cost, including transaction costs. The carrying amount includes the cost of replacing or replacing a part of an existing investment property at the time the cost is incurred, if the recognition criteria are met; and excludes the costs of daily maintenance of the investment property.

Subsequent to initial recognition, investment properties are measured at fair value that reflects market conditions at the reporting date. Gains and losses arising from changes in the fair values of investment properties are included in the statement of comprehensive income in the section result of the period in the period in which they arise.

Investment properties are derecognized, either at the time of disposal, or when permanently withdrawn from use, and no future economic benefit is expected. The difference between the value obtained net of the disposal and the carrying amount of the asset is recognized in the statement of comprehensive income in the section result of the period in the period in which it was derecognized.

Transfers are made to or from investment properties only when there is a change in their use. In the case of a transfer from an investment property to property, plant and equipment, the cost considered for its subsequent accounting is the fair value at the date of the change of use. If a property, plant and equipment become an investment property, it will be accounted for at its fair value, the difference between the fair value and the carrying amount will be recorded as a revaluation applying IAS 16 Property, plant, and equipment.

2.15 Intangible assests

Intangible assets acquired separately are initially measured at cost. The cost of intangible assets acquired in business combinations is their fair value at the acquisition date. After initial recognition, intangible assets are carried at a cost less any accumulated amortization and impairment losses. Internally generated intangible assets are capitalized as long as they meet the criteria for recognition as an asset and the generation of the asset must be classified into research phase and development phase; If it is not possible to distinguish the research phase from the development phase, the disbursements must be reflected in the statement of comprehensive income in the period in which they are incurred.

The useful lives of intangible assets are determined as finite or indefinite.

Intangible assets with finite useful lives are amortized over their economic useful life on a straight-line basis and are evaluated to determine whether they had any impairment, provided there are indications that the intangible asset may have suffered such impairment. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each period. Changes in the expected useful life or in the expected pattern of consumption of the asset's future economic benefits are accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The expense for amortization of intangible assets with finite useful lives is recognized in the statement of comprehensive income in the section result of the period in the category of expenses that is consistent with the function of the intangible asset.

Intangible assets with indefinite useful lives are not amortized but are subjected to annual tests to determine whether they suffered impairment, either individually or by cash-generating unit - CGU. The indefinite life assessment is reviewed annually to determine if said indefinite life is still valid. If it is not, the change in useful life from indefinite to finite is carried out prospectively.

The useful lives of intangible assets are:

Similar concessions and rights	Depending on the term of the contract
Easements	Indefinite
Capitalized development costs	Indefinite
Software and computer applications	Indefinite/Finite 3 to 5 years
Licenses	Indefinite/Finite 3 to 5 years
Rights	Depending on the term of the contract
Other intangible assets	Indefinite/Finite 7 to 15 years

An intangible asset is derecognized when it is disposed of, or when no future economic benefits are expected from its use or disposal. The gains or losses that arise are measured by the difference between the value obtained in the disposal and the carrying amount of the asset and is recognized in the statement of comprehensive income section result of the period.

Research and development costs

Research costs are expensed as incurred. Expenditures for development in an individual project are recognized as an intangible asset when the company can demonstrate:

- The technical feasibility of completing the intangible asset so that it is available for use or sale.
- Your intention to complete the asset and your ability to use or sell the asset.
- How the asset will generate future economic benefits, considering, among others, the existence of a market for the production generated by the intangible asset or for the asset itself, or the utility of the asset for the entity.
- The availability of technical and financial resources to complete the asset and to use and sell it.
- The ability to reliably measure disbursement during development.

In the statement of financial position, the asset for development disbursements is recognized from the moment the element meets the conditions for its recognition established above, and they are recorded at cost less accumulated amortization and accumulated losses due to value impairment.

When the development of an intangible asset related to a power generation project begins, the costs are accumulated as construction in progress.

The amortization of the asset begins when the development has been completed and it is available for use. It is amortized over the period of the expected future economic benefit. During the development period, the asset is tested annually to determine if there is impairment of its value.

Research costs and development costs that do not qualify for capitalization are recorded as expenses in the statement of comprehensive income section result for the period.

Goodwill

Goodwill represents the difference between the cost of a group of assets that constitutes a business, over which control is acquired, and the fair value at the time of acquisition of this group of acquired assets.

Goodwill is not amortized, is measured at cost less any accumulated impairment loss, and is subject to impairment testing annually or more frequently when there are indicators of impairment. Value impairment losses are recognized in the statement of comprehensive income in the section result for the period.

For CGUs that have goodwill assigned, impairment is assessed annually, which implies calculating the value-in-use of the CGUs to which it is being assigned. The calculation of the value-in-use requires the determination of the future cash flows that must arise from the CGUs and an appropriate discount rate to calculate the present value. When actual future cash flows are less than expected, an impairment loss may arise.

2.16 Financial instruments

A financial instrument is a contract that gives rise to a financial asset in one entity and, simultaneously, to a financial liability or equity instrument in another entity.

Financial assets and liabilities are recognized in the statement of financial position when the company becomes a party in accordance with the contractual conditions of the instrument.

Total payments are indexed with the IPP, based on the IPP of the month prior to signing the connection contract.

2.16.1 Financial assets

The company initially recognizes its financial assets at fair value. Transaction costs directly attributable to the financial asset are added to or deducted from its fair value if these are subsequently measured at amortized cost or fair value through other comprehensive income or are recognized immediately in the statement of comprehensive income if the assets are measured at fair value through profit or loss.

For subsequent measurement, financial assets are classified at amortized cost or at fair value (through other comprehensive income or through results) depending on the business model of the company to manage the financial assets and the characteristics of the contractual cash flows. of the instrument.

- **Financial assets at fair value through profit or loss**

  Financial assets at fair value through profit or loss are assets whose contractual cash flows are highly liquid. EPM classifies a financial asset in this category if it is acquired mainly for the purpose of being sold in the short term.

  Investments made to optimize excess liquidity are included, that is, all those resources that are not immediately allocated to the development of the activities that constitute the corporate purpose of the company. The investment of excess liquidity is made under the criteria of transparency, security, liquidity and profitability, under the guidelines of adequate control and in market conditions without speculative spirit (EPM General Management Decree 2015-DECGGL-2059 of February 6 of 2015). Gains and losses arising from changes in fair value are included in the statement of comprehensive income under Finance income or expenses, in the period in which the aforementioned changes in fair value occur.

  Dividend income is recognized when the company's right to receive payment is established.

  At the same time, the company can irrevocably designate a financial asset as measured at fair value through profit or loss.

- **Financial assets at fair value through other comprehensive income**

  Debt instruments that are maintained under a business model whose objective is obtained by obtaining the contractual cash flows and selling the instruments are classified as assets measured at fair value through other comprehensive income and, in addition, the instrument grants, on specific dates, cash flows that correspond only to payments of principal and interest on the outstanding principal value.

  Variations in the fair value of the investment are recorded in other comprehensive income, except for impairment losses or recoveries, interest income and foreign exchange gains and losses that are recognized in the results of the period.

  EPM has made the irrevocable election to present in other comprehensive income the subsequent changes in the fair value of some investments in equity instruments that are not held for trading. Dividends from this type of investment are recognized in profit or loss for the period when the right to receive payment is established.

When equity investments are disposed of at fair value through other comprehensive income, the accumulated value of gains or losses is transferred directly to retained earnings and is not reclassified to profit or loss for the period.

- **Financial assets at amortized cost**

  A financial asset is subsequently measured at amortized cost using the effective interest rate[2] if the asset is held within a business model whose objective is to hold it to obtain the contractual cash flows and the contractual terms thereof that grant, on specific dates, cash flows that are solely payments of principal and interest on the outstanding principal value.

Impairment of financial instruments

On each reporting date, the company recognizes value adjustments for expected credit losses on financial assets that are measured at amortized cost or at fair value through other comprehensive income, including accounts receivable from leases, contract assets, or loan commitments, and financial guarantee contracts to which the value impairment requirements are applied during the life of the asset.

Expected credit losses are estimated considering the probability that a loss due to bad debts may or may not occur and are recognized as a gain or loss in the result of the period against a lower value of the financial asset. The company assesses the credit risk of accounts receivable on a monthly basis in order to determine the value adjustment for expected credit losses on financial assets.

The company assesses on a collective basis the expected losses for financial assets that are not individually significant. When the collective evaluation of expected losses is carried out, the accounts receivable are grouped by similar credit risk characteristics, which make it possible to identify the debtor's ability to pay, in accordance with the contractual terms of negotiation of the account receivable.

The company determines that a client's credit risk increases significantly when there is a breach of financial agreements by the counterparty, or when internal information or information obtained from external sources indicate that the debtor's payment is unlikely, without considering the guarantees maintained.

Non-compliance with agreements is generally measured when there are 2 overdue accounts, however, if there are individual agreements or contracts that indicate non-compliance immediately, the obligation is no longer met.

The company determines that a financial asset presents credit deterioration when:

- There is evidence of client default in the payment of two (2) or more collection accounts.
- It is known or there is evidence that the client is undergoing business restructuring processes or insolvency or liquidation.
- Social disturbances, public order or natural disasters occur, which according to experience are directly correlated with non-payment of collection accounts.

Credit risk is affected when there are changes in financial assets. The company's policy to reassess the recognition of credit losses is basically based on the payment behavior of the client or counterparty. When there is evidence of an improvement in the client's historical payment behavior, a decrease in risk is recorded, and in the event of an increase in the portfolio's default age, an increase in asset impairment is recorded.

[2] The effective interest rate method is a method of calculating the amortized cost of a financial asset and allocating income over the relevant period. The effective interest rate is the discount rate that exactly matches the future cash flows of a financial asset (including all fees, commissions, and points paid or received that are an integral part of the effective interest rate, transaction costs, and other premiums and discounts) through the expected life of the instrument, or if appropriate, a shorter period, to it carrying amount on initial recognition.

Impaired financial assets may continue to be subject to collection enforcement activities under the company's recovery procedures, considering legal collection where appropriate. The recoveries made are recognized in the result of the period.

Derecognition of financial assets

A financial asset or part of it is derecognized from the statement of financial position when it is sold, transferred, expires or the company loses control over the contractual rights or cash flows of the instrument.

The company derecognizes a financial asset when:

- There is information indicating that the counterparty is in severe financial difficulties and there are no realistic prospects for recovery.
- The counterparty has been placed in liquidation or has initiated bankruptcy proceedings or, in the case of accounts receivable.
- The amounts exceed two years past due, whichever occurs earlier.

If the company does not transfer or retain substantially all the risks and rewards of ownership and continues to retain control of the transferred asset, the company recognizes its interest in the asset and the associated obligation for the amounts it would have to pay, likewise, if the company retains substantially all the risks and rewards of ownership of a transferred financial asset, the company continues to recognize the financial asset and also recognizes a collateralized loan for proceeds received.

In the total derecognition of a financial asset measured at fair value through profit or loss, the difference between the carrying amount of the asset and the sum of the consideration received and receivable is recognized in the result of the period. For financial assets measured at fair value through other comprehensive income, the difference between the carrying amount of the asset and the sum of the consideration received and receivable is recognized in profit or loss for the period, and the gain or loss that would have been recognized in other comprehensive income is reclassified to retained earnings.

Credit refinancing

When the contractual cash flows of a financial asset are renegotiated or otherwise modified and the renegotiation or modification does not give rise to derecognition of that financial asset in accordance with IFRS 9 adopted in Colombia, the Company recalculates the value gross carrying amount of the financial asset and recognizes a change gain or loss in profit or loss for the period. The gross carrying amount of the financial asset is recalculated as the present value of the modified or renegotiated contractual cash flows that are discounted at the original effective interest rate of the financial asset (or effective interest rate adjusted for credit quality for financial assets with purchased or originated credit-impaired rates) or, when applicable, the revised effective interest rate. Any cost or fee incurred adjusts the carrying amount of the modified financial asset and is amortized over its remaining life.

2.16.2 Financial liabilities

At initial recognition, the company measures financial liabilities at their fair value. The transaction costs directly attributable to the acquisition or obtaining of the financial liability are deducted from their fair value if these are subsequently measured at amortized cost or are recognized in the result of the period if the liabilities are measured at their fair value. Subsequently, financial liabilities are measured as follows:

- **At fair value through profit or loss**, include liabilities held for trading, financial liabilities designated at the time of initial recognition as at fair value through profit or loss, and derivatives. Gains or losses from liabilities held for trading are recognized in profit or loss for the period. On initial recognition, the company designated financial liabilities as at fair value through profit or loss.
- **At amortized cost**, they are measured using the effective interest rate. Gains and losses are recognized in the result of the period.

Compound instruments

Financial instruments that contain both a liability and an equity component (compound financial instruments) are recognized and accounted for separately. Therefore, for the initial measurement, the liability component is determined by the fair value of future cash flows and the residual value is assigned to the equity component.

For subsequent measurement, the liability component is measured at amortized cost including the effect of amortization costs, interest, and dividends. The equity component retains the initial recognition measurement.

Financial guarantee contracts

Financial guarantee contracts issued by the company are those that require a specific payment to be made to reimburse the holder for the loss incurred when a specified debtor defaults on its payment obligation, in accordance with the terms of a security instrument. debt. Financial guarantee contracts are initially recognized as a liability at fair value, adjusted for transaction costs directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the greater of (i) the amount of the value correction for expected losses and (ii) the initially recognized value less the accumulated value of the recognized income.

Derecognition of financial liabilities

A financial liability or a part of it is derecognized from the statement of financial position when the contractual obligation has been settled or has expired.

When an existing financial liability is replaced by another from the same lender under substantially different terms, or if the terms of an existing liability are substantially modified, such exchange or modification is treated as derecognition of the original liability and recognition of a new one. liabilities and the difference in the respective carrying amounts are recognized in the result of the period.

The conditions will be materially different if the present value of the cash flows under the new conditions, including any commission paid net of any commission received, discounted at the original effective interest rate, differs by at least 10% from the present value of the cash flows that still remain from the original financial liability.

In determining commissions paid net of commissions received, Company includes only commissions paid or received between Company and the lender, including those paid or received by one on behalf of the other or vice versa.

If the changes are not substantial, the company recalculates the gross carrying amount of the financial liability and recognizes a gain or loss due to changes in the result of the period. The gross carrying amount of the financial liability is recalculated as the present value of the modified or renegotiated contractual cash flows that are discounted at the original effective interest rate of the financial liability or, when applicable, the revised effective interest rate. Any cost or commission incurred adjusts the carrying amount of the modified financial liability and is amortized over its remaining term.

2.16.3 Equity Instruments

An equity instrument consists of any contract that evidences a residual interest in the assets of an entity, after deducting all its liabilities. Equity instruments issued by the company are recognized by income received, net of direct issuance costs.

The repurchase of the company's own equity instruments is recognized and deducted directly from equity. No gain or loss is recognized in the results from the purchase, sale, insurance, or cancellation of the company's own equity instruments.

2.16.4 Derivative financial instruments

A financial derivative is an instrument whose value varies in response to changes in a variable such as an interest rate, exchange rate, the price of a financial instrument, a credit rating or index. This instrument does not require an initial investment or is lower than other financial instruments with a similar response to changes in market conditions and is generally settled at a future date.

The company uses derivative financial instruments, such as forward contracts, futures contracts, swaps, and options to hedge various financial risks, mainly interest rate, exchange rate, and commodity price risks). Such derivative financial instruments are initially recognized at their fair value on the date the derivative contract is entered into and are subsequently remeasured at their fair value. Derivatives are accounted for as financial assets when their fair value is positive, and as financial liabilities when their fair value is negative, in the statement of financial position.

Commodity contracts that meet the definition of a derivative but are entered into in accordance with the company's expected purchase requirements, are recognized in profit or loss for the period as cost of sales.

Any gain or loss arising from changes in the fair value of derivatives is recognized directly in the result of the period, except those that are under hedge accounting.

In general, derivatives embedded in host contracts are treated as separate derivatives if they meet the definition of a derivative and when their risks and characteristics are not closely related to those host contracts and the contracts are not measured at fair value through profit or loss. However, derivatives embedded in contracts where the host is a financial asset within the scope of IFRS 9 adopted in Colombia are never separated. Instead, the hybrid financial instrument as a whole is evaluated for the classification of financial assets.

Hedge accounting

At the inception of a hedging relationship, EPM formally designates and documents the hedging relationship to which it wishes to apply hedge accounting, and the risk management objective and strategy for undertaking the hedging. The documentation includes the identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged, and how the company will assess the effectiveness of changes in the fair value of the hedging instrument in offsetting the exposure to changes in the fair value of the hedged item or in the cash flows attributable to the hedged risk. Hedges are expected to be highly effective in compensating for changes in fair value or cash flows, and for this purpose they are permanently evaluated throughout the reporting periods for which they were designated.

For hedge accounting purposes, hedges are classified and accounted for as follows, once the strict criteria for their accounting are met:

- **Fair value hedges**, when they cover exposure to changes in the fair value of recognized assets or liabilities or unrecognized firm commitments.

  The change in the fair value of a derivative that is a hedging instrument is recognized in the result of the period as financial cost or income. The change in fair value of the hedged item attributable to the hedged risk is recorded as part of the carrying amount of the hedged item and is also recognized in profit or loss for the period as finance cost or income.

  For fair value hedges that relate to items carried at amortized cost, carrying amount adjustments are amortized through profit or loss for the period remaining to maturity. Amortization of the effective interest rate may begin as soon as there is an adjustment to the carrying amount of the hedged item but must begin no later than when the hedged item is no longer adjusted for changes in its fair value attributable to the risk being covering. Amortization of carrying amount adjustments is based on the recalculated effective interest rate on the amortization start date. If the hedged item is derecognized, the unamortized fair value is recognized immediately in profit or loss for the period.

  When an unrecognized firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognized as an asset or liability with a corresponding gain or loss recognized in profit or loss.

- **Cash flow hedges,** when they cover the exposure to the variation in cash flows attributed either to a particular risk associated with a recognized asset or liability or to a highly probable forecast transaction, or to the exchange rate risk in a commitment unrecognized sign.

The purpose of cash flow hedge accounting is to recognize changes in the fair value of the hedging instrument in other comprehensive income in order to apply them to the income statements when and at the rate that the hedged item affects them.

The part of the gain or loss of the hedging instrument that is determined to be an effective hedge will be recognized in equity within other comprehensive income.

The effective part will be equal (in absolute terms) to the value that is less between:

- The difference between the fair value at the time of valuation and at the start date of the hedging instrument; and
- The difference between the fair value (present value) of the expected future cash flows of the hedged item at the valuation date and at the inception date

The ineffective part of the gain or loss of the hedging instrument will be recognized in the result of the period.

The ineffective part shall be the difference between:

- The difference between the fair value at the time of valuation and at the start date of the hedging instrument; and
- The effective part of the hedge.

The measurement of the effectiveness of the hedges is carried out on a monthly basis.

Values recognized in other comprehensive income are reclassified to profit or loss for the period when the hedged transaction affects the result, as well as when the hedged financial income or expense is recognized, or when the forecast transaction takes place. When the hedged item constitutes the cost of a non-financial asset or liability, the values recognized in other comprehensive income are reclassified to the initial carrying amount of the non-financial asset or liability. If the forecast transaction or firm commitment is no longer expected to occur, the cumulative gain or loss previously recognized in other comprehensive income is reclassified to profit or loss for the period.

If the hedging instrument expires or is sold, terminated, or exercised without successive replacement or renewal of one hedging instrument with another hedging instrument, or if its designation as a hedge is revoked, any cumulative gain or loss previously recognized in Other comprehensive income remains in other comprehensive income until the planned operation or firm commitment affects the result.

- **Hedges of net investments in foreign businesses,** when they cover the exposure to variations in the conversion of foreign businesses to the company's presentation currency associated with exchange rate risk.

The objective of the hedge of net investment in foreign currency is to cover the exchange rate risks that a Main or Intermediate Parent that has business abroad may have on the impact on the conversion of financial statements from functional currency to currency of presentation. The net foreign currency investment hedge is a hedge of foreign currency exposure, not a fair value hedge of changes in the value of the investment.

Effectiveness and ineffectiveness are accounted for similarly to cash flow hedges.

The gains or losses of the hedging instrument that relate to the effective portion of the hedge are recognized in other comprehensive income, while any gain or loss related to the ineffective portion is recognized in profit or loss for the period. Upon disposal of the business abroad, the accumulated value of the gains or losses recorded in the other comprehensive income is reclassified to the result of the period.

2.16.5 Offset of financial instruments

Financial assets and liabilities are offset in such a way that the net value is reported in the statement of financial position, only if (i) there is, at present, a legally enforceable right to offset the recognized values, and (ii) there is an intention to liquidate them for net value, or to realize the assets and cancel the liabilities simultaneously.

2.17 Inventories

Goods acquired with the intention of selling them in the ordinary course of business or consuming them in the process of rendering services are classified as inventories.

Inventories are valued at cost or net realizable value, whichever is lower. Net realizable value is the estimated sales price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to effect the sale.

Inventories include goods in stock that do not require transformation, such as energy, gas and water meters and supply goods. They include materials such as minor spare parts and accessories for the provision of services and goods in transit and held by third parties.

Inventories are valued using the weighted average method and their cost includes the costs directly related to the acquisition and those incurred to give them their current condition and location.

2.18 Impairment of non-financial assets

At each reporting date, the company assesses whether there is any indication that a tangible or intangible asset may be impaired in value. The company estimates the recoverable value of the asset or CGU, at the moment it detects an indication of impairment, or annually (as of November 30, and it is reviewed if there are relevant or significant events presented in December that merit analysis and inclusion in the calculation of the impairment) for intangible assets with an indefinite useful life and those that are not yet in use.

The recoverable value of an asset is the higher of the fair value less costs to sell, either of an asset or of a CGU, and its value-in-use is determined for an individual asset, unless the asset does not generate cash flows. cash that are substantially independent from those of other assets or groups of assets, in this case the asset must be grouped into a CGU. When a reasonable and consistent allocation base is identified, common/corporate assets are also allocated to individual CGUs, or allocated to the smallest group of CGUs for which a reasonable and consistent allocation base can be identified. When the carrying amount of an asset or a CGU exceeds its recoverable value, the asset is considered impaired, and the value is reduced to its recoverable amount.

In calculating value-in-use, estimated cash flows, whether from an asset or from a CGU, are discounted to their present value using a pre-tax discount rate that reflects market considerations of the time value of cash and the asset-specific risks. An appropriate valuation model is used to determine fair value less costs to sell.

Impairment losses from continuing operations are recognized in the statement of comprehensive income in the section result for the period in those categories of expenses that correspond to the function of the impaired asset. Impairment losses attributable to a CGU are assigned proportionally based on the carrying amount of each asset to the non-current assets of the CGU after exhausting goodwill. The CGU is the smallest identifiable group of assets, which generates cash inflows in favor of the company, which are largely independent of the cash flows derived from other assets or groups of assets. In the company, the CGUs were defined considering: 1) the existence of income and costs for each group of assets, 2) the existence of an active market for the generation of cash flows and 3) the way in which they are managed and monitored. the operations. For the purpose of evaluating losses due to value impairment, the assets are grouped into the following CGUs: Generation, Distribution, Sanitation, Water Supply, Gas and Transmission.

The value impairment for goodwill is determined by evaluating the recoverable value of each CGU (or group of CGUs) to which the goodwill relates. Impairment losses related to goodwill cannot be reversed in future periods.

For assets in general, excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses no longer exist or have diminished. If such an indication exists, the company makes an estimate of the recoverable value of the asset or of the CGU. A previously recognized impairment loss is only reversed if there has been a change in the assumptions used to determine the recoverable amount of an asset since the last impairment loss was recognized. The reversal is limited in such a way that the carrying amount of the asset does not exceed its recoverable amount, nor does it exceed the carrying amount that would have been determined, net of depreciation, if an impairment loss had not been recognized for the asset. in the previous years. Such reversal is recognized in the statement of comprehensive income in the section result of the period.

2.19 Provisions

Provisions are recorded when the company has a present obligation, legal or implicit, as a result of a past event. It is likely that the company will have to part with resources embodying economic benefits to settle the obligation, and a reliable estimate of the value of the obligation can be made. In cases where the company expects the provision to be repaid in whole or in part, the repayment is recognized as a separate asset, but only in cases where such repayment is practically certain and the amount of the asset can be measured with reliability. In the company each provision is used only to face the disbursements for which it was originally recognized.

Provisions are measured by management's best estimate of the disbursements required to settle the present obligation, at the end of the reporting period, considering the corresponding risks and uncertainties. When a provision is measured using the estimated cash flow to settle the present obligation, its carrying amount corresponds to the present value of said cash flow, using for the discount a rate calculated with reference to the market yields of the bonds issued by the National Government. In Colombia, the yield of the TES Bonds (public debt securities issued by the General Treasury of the Nation) at the end of the reporting period must be used.

The expense corresponding to any provision is presented in the statement of comprehensive income in the section result of the period net of any reimbursement. The increase in the provision due to the passage of time is recognized as a financial expense.

Dismantling provision

The company recognizes as part of the cost of a particular fixed asset, whenever there is a legal or implicit obligation to dismantle or restore, the estimate of future costs that the company expects to incur to carry out the dismantling or restoration and its counterpart the recognized as a provision for dismantling or restoration costs. The dismantling cost is depreciated over the estimated useful life of the fixed asset.

Dismantling or restoration costs are recognized at the present value of the expected costs to settle the obligation using estimated cash flows. Cash flows are discounted at a pre-tax rate, which must be determined by taking as reference the market yields of bonds issued by the National Government. In Colombia, in terms of risk-free rates, the yield of the TES Bonds (Public debt securities issued by the General Treasury of the Nation) must be used.

Estimated future costs for decommissioning or restoration are reviewed annually. Changes in estimated future costs, estimated disbursement dates, or the discount rate applied are added to or deducted from the cost of the asset, not to exceed the asset's carrying amount. Any excess is recognized immediately in the result of the period. The change in the value of the provision associated with the passage of time is recognized as a financial expense in the statement of comprehensive income in the section result of the period.

Onerous contracts

EPM recognizes the present obligations that derive from an onerous contract, as provisions and their counterpart is in the statement of comprehensive income in the section result of the period. An onerous contract is one in which the unavoidable costs of fulfilling the obligations that it entails exceed the economic benefits that are expected to be received from it. The unavoidable costs are those that reflect the lower net costs of fulfilling the contract, that is, the lower value between the net cost of complying with its clauses and the value of the offset or fines derived from its non-compliance.

Contingent liabilities

Possible obligations arising from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not entirely under the control of the Company or present obligations arising from past events but not it is probable, if not possible, that an outflow of resources that includes economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability, they are not recognized in the statement of financial position and, instead, are disclosed as contingent liabilities. Contingent liabilities arising from a business combination are recognized at fair value at the acquisition date.

Contingent assets

Assets of a possible nature, arising as a result of past events, whose existence has to be confirmed only by the occurrence, or in its case by the non-occurrence, of one or more uncertain events in the future, which are not entirely under the control of the Company, are not recognized in the statement of financial position, instead they are disclosed as contingent assets when their occurrence is probable. When the contingent event is true, the asset and the associated income are recognized in income for the period. Contingent assets acquired in a business combination are initially measured at their fair values on the acquisition date. At the end of subsequent reporting periods, such contingent assets are measured at the higher of the amount that would have been recognized and the amount initially recognized less recognized accumulated amortization.

2. 20 Employee benefits

2.20.1. Post-employment benefits

Defined contribution plans

Las contribuciones a los planes de aportaciones definidas se reconocen como gastos en el estado del resultado integral en la sección resultado del periodo al momento en que el empleado ha prestado el servicio que le otorga el derecho a hacer las aportaciones.

Defined benefit plans

Post-employment benefit plans are those in which the company has the legal or implicit obligation to respond for the benefit payments that were left under its responsibility.

For defined benefit plans, the difference between the fair value of plan assets and the present value of the plan obligation is recognized as an asset or liability in the statement of financial position. The cost of providing benefits under the defined benefit plans is determined separately for each plan, through the actuarial valuation method of the projected credit unit, using actuarial assumptions at the date of the reporting period. Plan assets are measured at fair value, which is based on market price information and, in the case of listed securities, is the published purchase price.

Actuarial gains or losses, return on plan assets and changes in the effect of the asset ceiling, excluding values included in net interest on the net defined benefit liability (asset), are recognized in other comprehensive income. Actuarial gains or losses comprise the effects of changes in actuarial assumptions as well as experience adjustments.

Net interest on the net defined benefit liability (asset) comprises interest income from plan assets, interest costs from the defined benefit obligation and interest from the effect of the asset ceiling and are recognized in profit or loss. of the period.

The current service cost, the past service cost, any settlement, or reduction of the plan are recognized immediately in the statement of comprehensive income in the section result of the period in the period in which they arise.

2.20.2. Short-term benefits

The company classifies as short-term employee benefits those obligations with employees, which it expects to settle within twelve months following the end of the accounting period in which the obligation was generated, or the service provided. Some of these benefits are generated by current labor regulations, by collective agreements or by informal practices that generate implicit obligations.

The company recognizes the short-term benefits at the time the employee has rendered his services as:

A liability, for the value that will be remunerated to the employee, deducting the values already paid previously, and its counterpart as an expense of the period, unless another chapter requires or allows including the payments in the cost of an asset or inventory, for example, if the payment corresponds to employees whose services are directly related to the construction of a work, they will be capitalized to that asset.

The amounts already paid in advance correspond, for example, to salary advances and advance travel expenses, among others, which in the event that they exceed the corresponding liability, the company must recognize the difference as an asset in the account of expenses paid by in advance, to the extent that the advance payment results in a reduction in future payments or a cash refund.

In accordance with the foregoing, the accounting recognition of short-term benefits is made at the time the transactions occur, regardless of when they are paid to the employee or third parties to whom the company has entrusted the provision of certain services.

2.20.3. Long-term benefits

EPM classifies as long-term employee benefits those obligations that it expects to settle after the twelve months following the end of the accounting year or the period in which the employees provide the related services, that is, from the thirteenth month onwards; they are different from short-term benefits, post-employment benefits, and termination benefits.

Post-employment defined benefit plans. Although its measurement is not subject to the same degree of uncertainty, the same methodology will be applied for its measurement as follows:

- Post-employment benefits, both for the estimation of the obligation and for the assets of the plan.
- EPM must determine the value of the net long-term employee benefits (liability or asset) by finding the deficit or surplus of the obligation and comparing the asset ceiling.

The benefits that employees receive year after year throughout their working lives should not be considered "long-term" if at the end of the accounting year of each year the company has delivered them in full.

2.20.4. Termination benefits

EPM recognizes as termination benefits, the considerations granted to employees, payable as a result of the company's decision to terminate the employment contract of an employee before the normal retirement date or the decision of an employee to accept the voluntary resignation in exchange for those benefits.

2.21 Service concession arrangements

EPM recognizes service concession arrangements in accordance with the requirements of IFRIC 12 Service Concession Arrangement.

This interpretation is applicable to concessions in which:

- The grantor controls or regulates what services the operator must provide with the infrastructure, to whom it must provide them and at what price.
- The grantor controls, through ownership, right-of-use or otherwise, any significant residual interest in the infrastructure at the end of the agreement term.

The company does not recognize these infrastructures as property, plant and equipment, it recognizes the consideration received in the contracts that meet the above conditions at their fair value, as an intangible asset to the extent that the company receives a right to charge users of the service, as long as these rights are conditional on the degree of use of the service, or as a financial asset, to the extent that there is an unconditional contractual right to receive cash or another financial asset, either directly from the assignor or from a third party. In cases where the company is paid for construction services partly through a financial asset and partly through an intangible asset, each component of the consideration is accounted for separately.

Financial assets from service concession agreements are recognized in the separate statement of financial position as operating financial assets and are subsequently measured at amortized cost, using the effective interest rate. The evaluation of the impairment of value of these financial assets is carried out in accordance with the policy of impairment of value of financial assets.

Intangible assets from service concession agreements are recognized in the separate statement of financial position as intangible assets called "intangible assets from service concession agreements" and are amortized on a straight-line basis over the term thereof.

Revenue from ordinary activities and costs related to operating services are recognized in accordance with the accounting policy for ordinary income and services related to construction or improvement services in accordance with the accounting policy for construction contracts. The contractual obligations assumed by the company for the maintenance of the infrastructure during its operation, or for its return to the assignor at the end of the concession agreement under the conditions specified therein, to the extent that it does not involve an activity that generates income, It is recognized following the accounting policy for provisions.

2.22 Fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

To determine fair value, the company considers the characteristics of the asset or liability in the same way that market participants would take them into account when setting the price of said asset or liability on the measurement date. Fair value for measurement and disclosure purposes in the financial statements is determined on that basis, except for share-based payment transactions, lease transactions, and measurements that have some similarity to fair value but are not fair value. such as net realizable value or value-in-use.

The fair value of all financial assets and liabilities is determined at the date of presentation of the financial statements, for recognition and disclosure in the notes to the financial statements.

The fair value is determined:

- Based on quoted prices in active markets for identical assets or liabilities that the company can access on the measurement date (level 1).
- Based on inputs applied on valuation methodologies commonly used by market participants, which are different from the quoted prices that are observable for the assets or liabilities, directly or indirectly (level 2).
- Based on internal discounted cash flow valuation techniques or other valuation models, using unobservable variables estimated by the company for the asset or liability, in the absence of variables observed in the market (level 3).

Note 43 Measurement of fair value on a recurring and non-recurring basis provides an analysis of the fair values of financial instruments and non-financial assets and liabilities and more detail on their measurement.

2.23 Surplus cash distributed to owner of the Company

The business recognizes a liability to make distributions to the owner of the company in cash when the distribution is authorized and is no longer at the discretion of the business. The corresponding amount is recognized directly in equity.

2.24 Changes in estimates, accounting policies and errors

2.24.1 New and revised standards applied

2.24.1.1 Changes in accounting policies

As of December 31, 2023, the accounting practices applied in the company's separate Financial Statements are consistent with the year 2022, except for the following changes:

<u>**New standard implemented**</u>

During 2023, the company implemented changes to IFRS (new standards, amendments or interpretations), issued by the International Accounting Standards Board (IASB), which are mandatory for the annual period beginning on January 1, 2023.

IAS 1 - Presentation of Financial Statements—Classification of Liabilities as Current or Non-current
This amendment issued in January 2020, clarifies that the classification of liabilities as current or non-current is based on the rights that existed at the end of the reporting period, it specifies that the classification as current or non-current liabilities is not affected by the expectations about whether or not the entity will exercise the right to defer settlement of the liability, specifies that the rights exist if payment arrangements have been met at the end of the reporting period; Additionally, the amendment clarifies that the settlement of a liability refers to the transfer to the counterparty of cash, equity instruments or other economic resources.

The modification to IAS 1 will be mandatory for annual periods beginning on or after January 1, 2023, retroactively. Permit your anticipate app.

The company did not identify any impacts from the adoption of this amendment.

IAS 1 - Disclosure of accounting policies and IFRS Practice Statement 2
This amendment issued in February 2021, requires companies to disclose significant accounting policy information rather than a description of their accounting policies. The amendment also makes an adjustment to Practice Statement 2 Making Materiality Judgments regarding how to apply the concept of materiality to disclosures of accounting policies and adjusts paragraph 21 of IFRS 7 Disclosures of Financial Instruments, specifying the disclosure of significant accounting policies.

The amendment will be mandatory to apply prospectively for annual periods beginning on or after January 1, 2023. Early application is permitted.

The company did not identify any impacts from the adoption of this amendment.

IFRS 4 - Extension of the Temporary Exemption from the Application of IFRS 9
This amendment issued in June 2020, aims to achieve the alignment of the expiration date of the temporary exemption by delaying the application of IFRS 9 and the effective date of IFRS 17 that replaces IFRS 4, given that the IASB concluded that the benefit of expanding the availability of the exemption to continue allowing some insurers to apply IFRS 17 and IFRS 9 for the first time at the same time outweighs the disadvantages of the additional delay of the application of IFRS 9.

The amendment to IFRS 4 adds paragraphs 20A, 20J and 20O, and also made modifications to the Basis for Conclusions of said IFRS by adding footnotes at the end of paragraphs BC267, BC275 and BC276 and adding paragraphs BC277A to BC277C.

The modification to the aforementioned paragraphs allows further extension of the temporary exemption from not applying IFRS 9 for periods beginning before January 1, 2023, the date on which IFRS 17 comes into effect replacing IFRS 4, and in its default may temporarily apply, before said date, IAS 39 Financial Instruments: Recognition and Measurement.

The company did not identify any impacts from the adoption of this amendment.

IAS 8 - Definition of accounting estimates

This amendment issued in February 2021, updates the definition of accounting estimates in order to differentiate changes in estimates from changes in accounting policies, given their prospective or retroactive effect, respectively. To do this, it indicates that accounting estimates are monetary amounts in the financial statements that are subject to measurement uncertainty. Sometimes the application of accounting policy will require the application of estimates.

The amendment is mandatory to apply prospectively for annual periods beginning on or after January 1, 2023. Early application was permitted.

The company is not impacted by this modification because it has been applying the definition of accounting estimates under the same criteria that was specified in the amendment.

IAS 12 - Deferred tax related to assets and liabilities arising from a single transaction.

This amendment issued in April 2021, clarifies that the exception brought by IAS 12 of not applying deferred tax when an asset or liability is initially and simultaneously recognized, which generates equal temporary differences, would not apply in the case of leases. (IFRS 16) and in the dismantling (IAS 37 and IAS 16), cases in which, if IAS 12 must be applied for deferred tax. The added paragraph 22A provides that, depending on the applicable tax legislation, equal taxable and deductible temporary differences may arise on the initial recognition of the asset and liability in such a transaction. The exemption provided by paragraphs 15 and 24 does not apply to such temporary differences and an entity recognizes any resulting deferred tax liabilities and assets.

This amendment is mandatory for annual reporting periods beginning on or after January 1, 2023. Early application was permitted.

The company did not identify any impacts from the adoption of this amendment.

2.24.1.2 Application of new and revised standards

The changes to the IFRS (new standards, modifications, and interpretations), which have been published in the period, but which have not yet been implemented by the company, are detailed below:

Standard	Mandatory Application Date by IASB	Type of change
IFRS 17 - Insurance Contract	January 1, 2023 Not incorporated in Colombia by the public sector	Law
IFRS 17 - Insurance Contract - Initial application with IFRS 9 and comparative information	January 1, 2023 Not incorporated in Colombia by the public sector	Amendment
IAS 12 - International Tax Reform—Pillar Two Model Rules	January 1, 2023 Not incorporated in Colombia by the public sector	Amendment
IFRS 16 - Leases - Lease liability on a sale-lease	January 1, 2024	Amendment
IAS 1 - Presentation of Financial Statements - Non-current liabilities with agreed terms	January 1, 2024	Amendment
IAS 7 and IFRS 7 - Supplier financing agreements	January 1, 2024	Amendment
IAS 21 - Effects of Changes in Foreign Currency Exchange Rates - Lack of Interchangeability	January 1, 2025	Amendment

IFRS 17 Insurance Contract

Issued in May 2017, replacing IFRS 4 which was addressed as an interim standard, which was being developed in phases.

IFRS 17 solves the comparison drawbacks generated by the application of IFRS 4, since it was allowed to apply local standards and historical values in insurance contracts, now with this new standard, all insurance contracts will be recorded in a consistent manner and at current values, generating more useful information for stakeholders. This will allow a better understanding of the financial position and profitability of insurance companies, providing a more uniform approach to presentation and measurement for all insurance contracts.

Initially, IFRS 17 was defined as mandatory for annual periods beginning on or after January 1, 2021 but, at the request of international insurers, the IFRS Foundation, through the amendment issued in June 2020, extended its application for two additional years, to be enforceable for annual periods beginning on or after January 1, 2023. Early application was allowed if IFRS 9 is applied. It has not been incorporated in Colombia for public sector companies.

The company is evaluating the impacts that could be generated by the application of this amendment, although it is estimated that the future adoption will not have an impact on the financial statements since this type of transaction is not presented.

IFRS 17 - Insurance Contract - Initial application with IFRS 9 and comparative information

Issued in December 2021, in order to reduce temporary accounting mismatches between financial assets and insurance contract liabilities that may arise in the comparative information presented by the initial application of IFRS 17, when IFRS 9 also applies to the entity, overlapping classification of the financial asset is permitted, in order to improve the usefulness of comparative information for investors.

This will allow insurers to have an option for the presentation of comparative information on financial assets. The classification overlay allows the entity to align the classification and measurement of a financial asset in the comparative information with what the entity expects the classification and measurement of that financial asset to be performed in the initial application of IFRS 9, considering the business model and the characteristics of the cash flow it generates. Any difference for this application would go to retained earnings.

If, for example, using classification overlap, an entity presented a financial asset previously measured at amortized cost rather than measured at fair value through profit or loss, the carrying amount of that asset on the date of transition to IFRS 17 would be its fair value measured on that date. Applying paragraph C28D of IFRS 17, any difference in the carrying amount of the financial asset at the transition date resulting from the application of the classification overlap would be recognized at the opening of retained earnings.

This amendment adds paragraphs C28A to C28E and C33A; and became effective on the initial implementation date of IFRS 17, which is January 1, 2023. It has not been incorporated in Colombia for public sector companies.

The company is evaluating the impacts that could be generated by the application of this amendment, although it is estimated that the future adoption will not have an impact on the financial statements since this type of transaction is not presented.

IAS 12 - International Tax Reform—Pillar Two Model Rules
This amendment was issued in May 2023 with the purpose of aligning the content of IAS 12 with the implementation of rules of Pillar Two Model Rules published by the Organization for Economic Co-operation and Development (OECD), which establishes at the global level the creation of an "additional and complementary minimum national tax" that will be applied to profits in any jurisdiction as long as the effective tax rate, determined on a jurisdictional basis, is lower than the minimum rate of 15% required by Pillar Two thus avoiding the erosion of the tax base in international transactions operating in a digitalized economy. Each jurisdiction will determine its second pillar legislation for tax purposes.

This amendment aims to improve the usefulness of the information to the investor through the realization of three key disclosures and in turn, while evolving and knowing the effects of this pillar worldwide on organizations and the market, an exception to recognize and disclose deferred tax assets and liabilities generated by Pillar Two can be temporarily applied. The disclosures set forth in the paragraphs of the standard are: 88A – The entity must disclose whether it applied the Pillar Two exception in the deferred tax (assets and liabilities); 88B – The entity must separately disclose the income and expenses of Pillar Two in the current tax; 88C and 88D – The entity shall disclose the possible impacts or exposure of the entity to the Pillar Two in case there are standards (firm drafts or standards) but are not yet in force, providing qualitative and quantitative information according to the example given in the standard.

The amendments are effective as per the paragraphs, for paragraphs 4A and 88A immediately with retroactive application under IAS 8 and paragraphs 88B to 88D retroactively as of January 1, 2023. It has not been incorporated in Colombia for public sector companies.
The company is evaluating the impacts that could be generated by the application of this amendment, although it is estimated that the future adoption will not have an impact on the financial statements since this type of transaction is not presented.

IFRS 16 - Leases - Lease liability on a sale-lease
It is intended to establish the accounting for a sale of a leaseback asset after the transaction date of the sale.

The amendment specifies the requirements that a seller-lessee must use to quantify the lease liability that arises on the sale and subsequent lease so that the seller-lessee does not recognize any gains or losses related to the right of use that it retains. The amendment is intended to improve the recording requirements for sale and lease under IFRS 16, as IFRS 16 did not specify the measurement of liabilities arising in a sale-lease transaction.

This change will not change the posting of leases that do not arise in a sale transaction with a subsequent lease.

The amendment adds paragraphs 102A, C1D and C20E and amends paragraph C2. A new heading is added before paragraph C20E. New text is underlined, and deleted text is crossed out.

The company is evaluating the impacts that could be generated by the application of this amendment, although it is estimated that the future adoption will not have an impact on the financial statements since this type of transaction is not presented.

The amendment will be mandatory prospectively for annual periods beginning on or after January 1, 2024. Early application is permitted.

IAS 1 - Presentation of Financial Statements - Non-current liabilities with agreed terms
This amendment was issued in October 2022 with the purpose of improving the information that companies provide on long-term debt with financial conditions, also known as "covenants", so that the investor can understand the risk they face when a company has liabilities with agreed conditions and that are classified as non-current, but that due to non-compliance with the covenants, the debt must be repaid within twelve months, for which a company is required to disclose information about these agreements in the notes to the financial statements, improving the information provided on long-term debt with agreed terms, allowing investors to understand the risk that such debt may become repayable early. Accordingly, this amendment requires an entity to review its loan agreements in order to determine whether the classification of the loan agreements will change on the cut-off date, based on the circumstances, data and contexts available at that time, under an informed judgment, and not on management's expectations as set out in paragraphs 74 and 75A.

The amendment adds paragraphs 72B, 76ZA and 139W and amends paragraphs 60, 71, 72A, 74 and 139U. It makes adjustments to the previous amendment to IAS 1 published in January 2020 entitled "Classification of Liabilities as Current or Non-Current" and requires a simultaneous application of these last two amendments in the same period.

If an entity applies such modifications for a prior period after the issuance of Non-Current Covenanted Liabilities (see paragraph 139W), it shall also apply Non-Current Covenanted Liabilities for that period. If an entity applies the classification of Liabilities as Current or Non-Current for a prior period, it will disclose that fact.

The amendments are effective for annual periods beginning on or after 1 January 2024 retroactively in accordance with IAS 8, with early adoption permitted.

The company is evaluating the impacts that could be generated by the application of this amendment, although it is estimated that the future adoption will not have an impact on the financial statements since the event is not expected to occur.

IAS 7 and IFRS 7 - Supplier Financing Agreements
Amendment published in May 2023 to enable users to obtain from financial statements the information they need to understand the effects of supplier financing arrangements on an entity's financial statements and compare entities with others.

The disclosures are intended to provide users with information that allows them to assess how supplier financing arrangements affect an entity's liabilities and cash flows and to understand the effect of supplier financing arrangements on an entity's exposure to liquidity risk and how the entity might be affected if the arrangements were no longer available to it.

The amendment states that arrangements that are solely credit enhancements to the entity (e.g., financial guarantees, including letters of credit used as collateral) or instruments used by the entity to settle amounts owed directly with a supplier (e.g., an entity uses a credit card to settle the amount owed to a supplier and, instead, you will have an obligation to pay the issuing bank) are not supplier financing arrangements.

This amendment requires entities to provide information on these financial obligations arising from specific supplier agreements, including details such as expected settlement timelines, important contractual terms, and any other relevant elements related to these agreements.
The company is evaluating the impacts that could be generated by the application of this modification.

IAS 21 - Effects of Changes in Foreign Currency Exchange Rates - Lack of Interchangeability
This amendment, issued in August 2023, aims to establish a consistent approach when assessing whether a currency is convertible to another currency and if not, what procedure to apply when the conversion does not occur and what type of disclosures must be provided in order to provide useful financial information.

The amendment establishes that a currency is convertible to another currency if there is an exchange for another currency in an administratively normal delay, under a market or exchange mechanism that allows for the generation of enforceable rights or obligations and its amount is not negligible.

The conversion of the currency is given at the time of measurement or for a specific purpose, for which two steps are applied: evaluating whether the currency is convertible and estimating the spot exchange rate. This is given through an assessment question whether the currency is convertible, which, if so, applies the requirements set out in IAS 21 and if not, a spot exchange rate estimate is applied, which represents the exchange rate used in an immediate delivery transaction and between market participants.

The amendment to IAS 21 is mandatory for annual periods beginning on or after January 1, 2025, it does not apply to the restatement of comparative information that rather guidelines are given in its replacement and its early application is allowed.

The company is evaluating the impacts that could be generated by the application of this amendment, although it is estimated that future adoption will not have an impact on the financial statements.

2.25 Presentation Changes
At the end of the 2023 period, changes were made to the presentation of some items in the Statement of Financial Position and, for comparative purposes, 2022 is also adjusted. These changes do not affect decision-making since they basically consist of reclassifications between items in the same financial statement and are intended to make them easier for users to read.

The items reclassified were as follows:

Concept	Previous presentation	Current presentation	2023	2022
Statement of financial position Non-Current				
Amounts received in advance	Creditors and others accounts payable	Other liabilities		
Resources received in administration	Creditors and others accounts payable	Other liabilities	253	998
Revenue received in advance	Creditors and others accounts payable	Other liabilities	57	57
Statement of financial position Current				
Amounts received in advance	Creditors and others accounts payable	Other liabilities	507	507
Resources received in administration	Creditors and others accounts payable	Other liabilities	4,455	15,369
Revenue received in advance	Creditors and others accounts payable	Other liabilities	1,225	587

- *Amounts stated in millions of Colombian pesos* -

Note 3. Significant accounting judgments, estimates and causes of uncertainty in the preparation of the financial statements.

The following are the significant judgments and assumptions, including those that involve accounting estimates, that the company's management used in applying the accounting policies under IFRS adopted in Colombia, and that have a significant effect on the values recognized in the financial statements. separated.

The estimates are based on historical experience and based on the best information available on the facts analyzed as of the cut-off date. These estimates are used to determine the value of assets and liabilities in the separate financial statements, when it is not possible to obtain such value from other sources. The company evaluates its estimates regularly. Actual results may differ from these estimates.

The significant estimates and judgments made by the company are described below:

Evaluation of the existence of impairment indicators for assets, goodwill and asset valuation to determine the existence of impairment losses.

On each reporting date, the status of the assets is reviewed to determine if there are indications that any have suffered an impairment loss. If there is a loss due to impairment, the recoverable amount of the asset is affected; if the estimated recoverable amount is lower, it is reduced to its recoverable value and the loss due to impairment is recognized immediately in the result of the period.

The evaluation of the existence of indicators of value impairment is based on external and internal factors, and in turn on quantitative and qualitative factors. The evaluations are based on financial results, the legal, social and environmental environment and market conditions; significant changes in the scope or manner in which the asset or CGU is used or is expected to be used and evidence of the obsolescence or physical deterioration of an asset or CGU, among others.

Determining whether goodwill has suffered impairment involves calculating the value-in-use of the CGUs to which it has been assigned. The calculation of value-in-use requires the entity to determine the future cash flows that should arise from the CGUs and an appropriate discount rate to calculate the present value. When actual future cash flows are less than expected, an impairment loss may arise. (See note 11 Impairment of assets).

Post-employment obligations to employees.

The assumptions and hypotheses used in actuarial studies include: demographic assumptions and financial assumptions, the former refer to the characteristics of current and former employees, they are related to the mortality rate and turnover rates among employees, the latter they are related to the discount rate, future salary increases, and changes in future benefits. (See note 25 Employee benefits).

The useful life and residual values of property, plant and equipment and intangibles assets.

In the assumptions and hypotheses used to determine useful lives, technical aspects are considered such as: periodic maintenance and inspections carried out on assets, failure statistics, environmental conditions and operating environment, protection systems, replacement processes, factors of obsolescence, manufacturers' recommendations, weather and geographic conditions, and the experience of technicians who know the assets. To determine the residual value, aspects such as: market values, reference magazines and historical sales data are considered. (See note 5 Property, plant and equipment, net; note 7 Goodwill and other intangible assets).

The assumptions used to calculate the fair value of financial instruments, including credit risk.

The company discloses the fair value corresponding to each class of financial instrument in the way the comparison with carrying amounts is allowed. The macroeconomic projections calculated within the company are used. The investment portfolio is valued at market price. When there is an absence of this, a similar one is sought in the market and if the following assumptions are not used:

- Derivatives are estimated at fair value. (See note 24 Derivatives and hedges)
- Accounts receivable are estimated at the prevailing market rate for similar loans. (See note 12 Trade and other receivables).
- Accounts receivable from employees are valued similarly to mass debtors, except for housing loans. (See note 12 Trade and other receivable).
- For equity investments, the methodology is cash flow; It is estimated at market price for those listed on the stock market. (See note 13 Other financial assets).

The probability of occurrence and the value of liabilities of uncertain or contingent value.

The assumptions used for uncertain or contingent liabilities include the qualification of the legal process by the "Expert Judgment" of professionals in the areas, the type of contingent liability, possible legislative changes and the existence of jurisprudence of high courts that apply to the specific case, the existence within the company of similar cases, the study and analysis of the merits of the matter, the existing guarantees at the time of the occurrence of the facts. The company discloses and does not recognize in the financial statements those obligations classified as possible; Obligations classified as remote are not disclosed or recognized. (See note 27 Provisions, contingent assets and liabilities).

Future disbursements for decommissioning and asset removal obligations.

In the assumptions and hypotheses that are used to determine future disbursements for dismantling and asset removal obligations, aspects such as: estimate of future expenditures that the company must incur for the execution of activities associated with dismantling of the assets for which legal or constructive obligations have been identified, the initial date of dismantling or restoration, the estimated date of completion and the discount rates. (See note 27 Provisions, contingent assets and liabilities).

Determination of the existence of financial or operating leases based on the transfer of risks and benefits of the leased assets.

The significant assumptions that are considered to determine the existence of a lease include the evaluation of the conditions if the right to control the use of the asset is transferred for a period of time in exchange for a consideration, that is, the existence of a lease is evaluated. an identified asset; the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use; the right to direct how and for what purpose the asset is used throughout the period of use; right to operate the asset throughout the use period without any changes to the operating instructions. (See note 14 Leases).

The recoverability of deferred tax assets.

The deferred tax asset has been generated by the temporary differences, which generate future tax consequences in the financial situation of the company. These differences are mainly represented in tax assets that exceed the assets under IFRS adopted in Colombia, and in tax liabilities, which are lower than the liabilities under IFRS adopted in Colombia, as is the case of the pension liability components, amortized cost of bonds, finance leases and other miscellaneous provisions and for contingencies.

The deferred tax asset of the company is recovered in the liquid income taxed on the current income tax generated. (See note 39 Income tax).

Determination of impairment of trade receivables

To calculate the expected credit loss, each obligation is assigned an individual probability of non-payment that is calculated from a probability model that includes sociodemographic, product, and behavioral variables.

The model will be applied based on the table of scores (*Scorecard*) developed considering the information of the company. The models are defined according to the information available and the characteristics of the population groups for each one. Although the methodology is applied to all accounts with a balance, some exclusions must be considered, such as: written-off accounts; self-consumption; contributions; public lighting and third-party collections in general. For its calculation, the moment from which it is considered that an obligation was breached and will not be recovered is previously defined.

To calculate the credit loss of trade and other receivables (except accounts receivable between related parties) the following formula is used:

PE = SE x PI x PDI, where:

Where, Exposed Balance of the Asset (SE): corresponds to the principal balance, interest balance, and other current charges of the obligations. Probability of Default (PI): corresponds to the result of a statistical model that provides the probability that each account defaults in the following twelve months. This individual probability is located within a range found to smooth out fluctuations in the value of the general provision from one month to the next and stabilize its behavior, resulting in a standard PI per range.

Loss given default (PDI): it is defined as the economic deterioration that the entity would incur in the event that any of the default situations materialize. It is a percentage obtained as a result of the historical analysis of the balances in default and their respective monthly collection, which is applied to the population according to their payment behavior. (See note 12 Trade and other receivable).

Revenue estimate

The company recognizes the income originated by the sale of goods and the provision of services to the extent that the performance obligations are satisfied by the company, regardless of the date on which the corresponding invoice is prepared. To make this estimate, It takes the information from the contracts or agreements with the clients and thus the value to be recognized in the income is established.

When there is uncertainty about the moment in which the income must be recognized, the company recognizes the income at the moment in which the performance obligation is fulfilled, for those performance obligations that are satisfied over time it is common to use the resource method calculated as executed costs compared to estimated costs.

For concepts other than the provision of home public services, the company estimates and recognizes the value of income from the sale of goods or provision of services based on the terms or conditions of interest rate, term, among others, of each contract. that causes the sale.

In the month after the estimated income is recorded, its value is adjusted by the difference between the value of the real income already known against the estimated income.

Risks and uncertainty arising from climate change

Considering that the largest participation in the energy market that EPM has in Colombia, is from hydraulic generation that can be affected by climate changes, currently in the business financial scheme we have a risk hedge called "Climate Derivative" whose objective is to count with the hedge of protection of the risk in income due to the occurrence of extreme climatic events that affect the rainfall and therefore the contractual commitments of energy generation. It also serves to protect exposure to risk from purchasing energy on the stock market in said periods, which consequently also increases.

It is important to highlight that under this hedge, all the impact that the company could receive due to non-generation and non-compliance with contractual commitments is transferred to the reinsurance market.

Note 4. Significant transactions carried out and other relevant aspects that occurred during the period

As of December 31, 2023, significant transactions and other relevant aspects that occurred during the period, other than those of EPM's normal course of business, are related to:

4.1 Expenses and others related to the contingency of the Ituango hydroelectric plant:

- The progress of the works for the commissioning of the Project continues according to the proposed schedules.
- Hidroituango is 92.56% complete (December 31, 2022: 90.35%).
- Cost and progress of the construction of the Ituango Hydroelectric Power Plant for $6,750,357 (see note 5).

Regarding the contingency, EPM has recognized the following items in its separate financial statements as of December 31, 2023:

- Balance of provision for $37,584 for the aid of those affected in Puerto Valdivia, for compensation for consequential damages, loss of profits and moral damages, due to the rising waters of the Cauca River as a result of the blockage of the project on April 28, 2018. During 2023, the provision was adjusted by $6,730 as a provision expense and financial expense, and payments have been made for $3,285. (see note 27.1.5).
- Balance of provision for $38,656 for environmental and social contingency, established by the specific action plan for the recovery of the parties affected by the events of the blockage of the Cauca River diversion tunnel that the project had on April 28, 2018 and by the closure of gates that decreased the flow of the river downstream of the project. During 2023, the provision was adjusted by $10,832 as a provision expense and financial expense and payments have been made for $28,373. (see note 27.1.1).
- Provision balance of $0 for the default from November 2021 to October 2023, to the transporter Intercolombia for the months following the entry into operation of the connection infrastructure of the Ituango hydroelectric plant. During 2023, the provision has been adjusted by $9,566 for recovery income and $6,119 for financial expenses, and payments have been made for $102,607. On the cut-off date, the obligation was fulfilled. (see note 27.1.4).
- Litigation provision balance of $447,576 corresponding to group actions of downstream communities affected by the contingency. During 2023, the provision has been adjusted by $81,821 for provisioning and financial expense and $317 as recovery income, no payments have been made.
- Balance of litigation provision - Penalty clause of Milestone 7, derived from the arbitration award Hidroituango - EPM, in which EPM is ordered to pay for the concept of "Penal Clauses of Enforcement for Breach of Milestones". In December 2023, provision for $781,829 was recognized.
- In addition, other expenses of $482 and $24 have been recognized in the comprehensive income statement during 2023 as recovery income for the care of the community affected by the contingency.

4.2 Arbitration court instituted by Sociedad Hidroeléctrica Ituango against EPM:

Within the framework of the Arbitration court instituted by Sociedad Hidroeléctrica Ituango S.A. E.S.P – Hidroituango – Hidroituango – against EPM, on December 7, 2023, the award was issued, in which it was declared that EPM had breached the BOOMT (Build, Own, Operate, Maintain and Transfer) Contract. As a result of the declaration of non-compliance, the Court ruled that EPM is obliged to assume the costs, increased costs and expenses of all kinds, including financial expenses due to the cause or occasion of the collapse of the diversion work called Auxiliary Diversion System - SAD - and its Auxiliary Diversion Gallery - GAD - (called Contingency Costs). until its complete overcoming and restitution. This means that EPM will not be able to transfer these costs to be incorporated into the actual cost of the project for the purposes of calculating the remuneration to Hidroituango; however, this did not imply any recording in the Financial Statements.

In addition, the arbitration court ordered EPM to pay Hidroituango $781,829 million pesos, for the concept of the "Penal Clauses of Enforcement for Breach of Milestones". Specifically, non-compliance with Milestone 7 of the BOOMT Contract, relating to the "closing of gates and beginning of the filling of the reservoir", was declared. The Court indicated that this sum of money could be paid, at EPM's option, in money or be discounted as a lower cost of the project for the purposes of calculating the remuneration. After a rigorous analysis, EPM decided and communicated to Hidroituango on December 22, 2023, that it chose to pay the sum, as a lower value of the project cost for the purposes of calculating the remuneration. This obligation was recognized in EPM's Financial Statements as of December 2023 as a provisioned expense in the comprehensive income statement and as a provisioning liability in the statement of financial position. In this way, with the information in force to date, there is no impact on the company's liquidity in the medium term and no additional sources of financing are required.

4.3 Construction of the final civil works of Hidroituango (generation units from 5 to 8):

On December 20, 2023, the order was given to start the CYS Consortium (made up of: Yellow River CO., LTD Sucursal Colombia and Schrader Camargo S.A.S.), which was selected through the CW 276532 process and awarded on October 11, for an approximate value of 1 trillion seventy-five billion pesos and will have an execution period of 1,125 calendar days.

Note 5. Property, plant and equipment, net

The following is the detail of the carrying amount of property, plant and equipment:

Property, plant and equipment	2023	2022
Cost	40,477,209	37,145,450
Accumulated depreciation and impairment loss	(6,443,125)	(5,705,815)
Total	34,034,084	**31,439,635**

-Amounts stated in millions of Colombian pesos-

The following is the detail of the carrying amount of property, plant and equipment that is temporarily out of service:

Property, plant and equipment temporarily out of service	2023	2022
Networks, lines and cables	2,057	1,285
Plants, ducts and tunnels	34,766	44,774
Land and buildings	17,279	17,524
Machinery and equipment	201	160
Communication and computer equipment	4	5
Other properties, plant and equipment	1	1
Total property, plant and equipment temporarily out of service	**54,308**	**63,749**

-Amounts stated in millions of Colombian pesos-

The main variation is due to the entry into operation of the plants, ducts and tunnels, specifically assets associated with the Regional and National Transmission System, which for 2022 had a book value of $9,422.

The company owns property, plant and equipment that have been withdrawn from use and that have not been classified as non-current assets held for sale corresponding to: the Sonson1 and Sonson2 plants that are projected to come into operation on February 27, 2025, the Rio Piedras plant that went from Generation to Water Supply, which has as a business strategy to recover the mini plant, the Cucarachos Los Naranjos pumping station that is expected to be modernized, the land of the Porce IV and Espíritu Santo projects that has not yet been commissioned and assets of different substations that are temporarily out of service waiting to be used; The carrying amount of these assets is as follows: for 2023 the cost amounts to $195,945 (2022: $117,233), the accumulated depreciation is $141,618 (2022: $53,469), the accumulated impairment is $41 (2022: $23) and the impairment depreciation is $22 (2022: $8).

The movement of cost, depreciation, and impairment of property, plant and equipment is detailed below:

2023	Networks, lines and cables	Plants, ducts and tunnels	Construction in progress [3]	Land and buildings	Machinery and equipment	Communication and computer equipment	Furniture and fixtures and office equipment	Other property plant and equipment [3]	Total
Initial balance cost	7,723,392	10,888,321	8,961,819	8,631,519	247,571	259,525	117,650	315,653	37,145,450
Additions3	34,843	36,212	3,305,194	3,553	11,964	30,485	272	64,532	3,487,055
Advances delivered (amortized) to third parties	-	-	58,886	-	-	-	-	-	58,886
Transfers (-/+) [4]	858,295	1,872,449	(3,053,031)	234,338	10,801	2,877	30	(39,464)	(113,705)
Disposals (-) (sales)	-	-	-	(728)	-	-	-	(331)	(1,059)
Derecognition	(26,993)	(15,686)	(514)	(590)	(11,327)	(27,219)	(257)	(2,153)	(84,739)
Other changes	70,524	(64,850)	(17,765)	(5,158)	3,184	(215)	-	(399)	(14,679)
Final balance cost	**8,660,061**	**12,716,446**	**9,254,589**	**8,862,934**	**262,193**	**265,453**	**117,695**	**337,838**	**40,477,209**
Initial balance, accumulated depreciation and impairment loss									
Initial balance, accumulated depreciation and impairment loss	(2,167,487)	(2,339,579)	-	(760,267)	(131,400)	(160,232)	(62,914)	(83,936)	(5,705,815)
Charge depreciation for the period	(252,819)	(322,256)	-	(150,187)	(18,486)	(32,526)	(3,455)	(7,374)	(787,103)
Disposals (-) (sales)	-	-	-	217	-	-	-	287	504
Derecognition	17,388	13,107	-	329	11,055	26,995	256	1,851	70,981
Other changes	(10)	1,667	-	(20,876)	(2,239)	208	(42)	(400)	(21,692)
Final balance, accumulated depreciation and impairment loss	**(2,402,928)**	**(2,647,061)**	**-**	**(930,784)**	**(141,070)**	**(165,555)**	**(66,155)**	**(89,572)**	**(6,443,125)**
Total final balance property, plant and equipment, net	**6,257,133**	**10,069,385**	**9,254,589**	**7,932,150**	**121,123**	**99,898**	**51,540**	**248,266**	**34,034,084**
Advances delivered to third parties									
Initial balance	-	-	48,393	-	-	-	-	497	48,890
Movement (+)	-	-	80,620	-	-	-	-	-	80,620
Movement (-)	-	-	(21,734)	-	-	-	-	-	(21,734)
Final balance	**-**	**-**	**107,279**	**-**	**-**	**-**	**-**	**497**	**107,776**

2022	Networks, lines and cables	Plants, ducts and tunnels	Construction in progress [3]	Land and buildings	Machinery and equipment	Communication and computer equipment	Furniture and fixtures and office equipment	Other property, plant and equipment [3]	Total
Initial balance cost	7,075,105	8,294,893	12,048,255	5,029,689	240,592	236,368	98,544	297,171	33,320,617
Additions3	29,976	31,034	3,736,447	5,040	8,601	32,634	1,972	68,665	3,914,369
Advances delivered (amortized) to third parties	-	-	(10,494)	-	-	-	-	-	(10,494)
Transfers (-/+) [4]	624,068	2,556,401	(6,814,507)	3,617,059	22,667	782	8,270	(32,679)	(17,939)
Disposals (-) (sales)	-	-	-	(227)	-	-	-	(1,257)	(1,484)
Derecognition	(13,649)	(14,214)	(34)	(1,708)	(5,511)	(10,549)	(466)	(1,954)	(48,085)
Other changes	7,892	20,207	2,152	(18,334)	(18,778)	290	9,330	(14,293)	(11,534)
Final balance cost	**7,723,392**	**10,888,321**	**8,961,819**	**8,631,519**	**247,571**	**259,525**	**117,650**	**315,653**	**37,145,450**
Initial balance, accumulated depreciation and impairment loss									
Initial balance, accumulated depreciation and impairment loss	(1,955,494)	(2,124,808)	-	(704,372)	(119,335)	(140,281)	(60,539)	(79,266)	(5,184,095)
Charge depreciation for the period	(220,318)	(224,411)	-	(54,872)	(17,884)	(30,118)	(2,705)	(6,363)	(556,671)
Disposals (-) (sales)	-	-	-	-	-	-	-	1,083	1,083
Derecognition	8,955	9,355	-	887	5,290	10,349	368	1,468	36,672
Other changes	(630)	285	-	(1,910)	529	(182)	(38)	(858)	(2,804)
Final balance, accumulated depreciation and impairment loss	**(2,167,487)**	**(2,339,579)**	**-**	**(760,267)**	**(131,400)**	**(160,232)**	**(62,914)**	**(83,936)**	**(5,705,815)**
Total final balance property, plant and equipment, net	**5,555,905**	**8,548,742**	**8,961,819**	**7,871,252**	**116,171**	**99,293**	**54,736**	**231,717**	**31,439,635**
Advances delivered to third parties									
Initial balance									
Movement (+)	-	-	58,887	-	-	-	-	497	59,384
Movement (-)	-	-	26,185	-	-	-	-	-	26,185
Final balance	**-**	**-**	**(36,679)**	**-**	**-**	**-**	**-**	**-**	**(36,679)**
Final balance	**0**	**0**	**48,393**	**0**	**0**	**0**	**0**	**497**	**48,890**

-Amounts stated in millions of Colombian pesos-

[1] Includes capitalization of borrowing costs of $188,615 (2022: $380,066), the weighted average rate used to determine the amount of borrowing costs was 9.84% (2022: 10.72%) in pesos and the rate in dollars was 4.51% (2022: 4.50%). Additionally, it includes right-of-use assets associated with ongoing construction amounting to $2,611 (2022: $3,889). The main projects under construction are the following:

Project	2023	2022
Future Ituango Hydroelectric Power Plant (1.1)	6,751,530	6,853,978
Project Merchandise	286,068	227,013
TEPUY Photovoltaic Solar Park	262,450	33,939
Replacement of posts and traps	164,157	120,119
Expansion and Reinforcement of the Eastern Machado Pipeline	151,981	96,797
Primary Distribution in the Western Sector of Medellín Cadena Occidente	139,664	132,868
Adaptation of the drinking water plant	131,050	88,867
Caldas - La Estrella Interconnection	99,602	36,677
Medium Voltage Quality Improvement	66,463	37,159
Guatapé Modernization	58,286	23,806
Yulimar Manantiales Circuit Expansion	55,733	31,493
Modernization of the Manantial Plant	46,727	38,578
Residential Water Network System Modeling	31,591	23,837
Expansion Quality Service	31,123	1,511
Interventions Quality Services	29,239	10,183
Client Connection	28,186	18,716
Santo Domingo Project	27,643	27,635
Pipelines-Infrastructure	27,056	26,717
WWTP Girardota	23,584	12,827
Copacabana WWTP	23,179	55
Measurement Code	22,340	23,888
Caldas Substation	21,554	6,883
Removal of PSMV Downloads	19,030	9,813
Biogas Technology WWTP San Fernando	18,545	8,676
High Loadability Solution In Eastern Antioquia Substation Grids	17,923	2,329
SDL Expansion E.R Coverage	16,779	20,323
Urabá Nueva Colina Apartado Substation Connection	15,530	67,733
Replacement of secondary networks asbestos cement	15,362	17,775
Caracolí Minipower Plant	14,066	42,676
Trafos Projects	13,740	11,186
North Iguaná Basin	13,409	9,895
Loss Management	12,990	12,985
Castilla Bello Circuit	12,947	10,522
Coverage Expansion Plans	12,537	22,642
Modernization of the Tasajera Transmission System	11,736	9,850
Ayurá Plant Modernization	11,268	42,928
Pumping Construction Infrastructure Optimization	10,969	7,897
Miraflores Substation Modernization	10,777	1,888
High Load ability Solution In Eastern Antioquia Networks Lines	10,150	982
Medium Voltage Insulated Cables	10,100	1,075
Collector and Replacement of La Estrella Networks	9,996	5,149
Four Corners Tank	9,953	9,953
Porvenir Circuit	9,212	3,037
Public Lighting Expansion	9,037	3,563
Modernization of the Niquía Hydroelectric Power Plant	8,853	3,174
South Interceptor	8,821	40,296
Cordoba Substation Modernization	8,753	98
Primary Networks and Pumping Aqueduct Orphanage Tank to Villa Hermosa Plant	8,715	6,666
La García Basin	7,344	18,124
Access to Distribution Networks Water Supply in Difficult to Manage Areas	7,313	12,063
Construction of the San Nicolas Rionegro Valley	6,830	10,969
Sewer Gap Closing	6,042	14,400
Access Distribution Networks Wastewater Management in Difficult to Manage Areas	5,924	11,738
Switching from luminaires to LED	5,154	15,260
Envigado Sector Capiro Expansion	3,432	58,925
Miraflores Dam Update	2,149	78,177
Chigorodó Substation Modernization	1,710	8,994
Modernization of the El Buey-Piedras-Pantanillo catchment	1,195	22,150
Quebradona Mine Connection (MCQ)	455	12,493
Rodeo Substation Catchment Expansion	105	30,814
Other projects (1.2)	406,532	421,055
Total	**9,254,589**	**8,961,819**

-Amounts stated in millions of Colombian pesos-

[1.1] As of December 31, 2023, the Hidroituango plant had a physical progress of 92.56% complete (2022: 90.35%), the physical progress presented as of the date of the period on which the separate financial statements are reported corresponds to the January 2023 version of the schedule, which includes the effects that the Project has suffered due to the health emergency caused by COVID-19, in addition, to the extent that inspections are carried out on the missing and post-contingency work fronts, the requirements for additional work are defined to guarantee the stability of the Project, a situation that forced to reconfigure longer terms and include additional work activities in the schedule.

In January 2023, the contractor Schrader Camargo continued with the civil works necessary for the entry into operation of units 3 and 4, advanced with the following activities: The construction of the lower elbow of pipeline No.4 was completed, the concrete of the straight section of pipeline No.3 was completed, and unit 3 was delivered to the contractor GE. The assembly of the elevator in the north services building was 88% complete.

In February 2023, the pouring of slab 217.45 of unit No. 4 was carried out, the concrete of the straight section of pipeline No.3 was completed, the civil works of unit 4 were handed over to the contractor GE to continue the equipment assembly works, the assembly of the elevator in the north services building was completed, in the turbine of the U3 ¬ progress was made with the assembly of the upper deck, the cylindrical valve and its servo motors and in the U4 turbine, ¬ positioning of the hydraulic unit level 211.90 was carried out, as well as the descent to level 199 of the 4 segments of the lower deck.

In March 2023, the connecting gantry of the bar gallery 3 with powerhouse was delivered to the contractor GE, the assembly of ferrule 24 in the lower conduction of unit 4 began, in unit 4, concrete pouring was carried out at the bases of the equipment and stator No.1, 2, 7 and 8, work was resumed to remove material from the Cauca River in the area of discharges 3 and 4, the area of ferrule 24 was freed to give continuity to the civil works, the concrete of embedding ferrules 1 to 4 of the upper pipeline No.3 was completed, in the lower branch 4 concrete pouring of layer 1 for the definitive plug for subsequent assembly of armor of the lower driving elbow, in unit 3 verticality control and leveling of the turbine shaft was carried out, in unit 4 the upper cover with the cylindrical valve was assembled.

In April 2023, the assembly of the armor in pipeline No.3 was completed, positioning of the support cone and operations ring in the shaft of unit 3 was carried out, the concrete pouring in the plug of the upper elbow 3 was completed, assembly of the armor in shaft 3 (lower elbow, vertical shaft, upper elbow) was completed, The rotor unit 3 was ready to descend into the generator enclosure, the machining of the upper deck of unit 4 and the pouring of concrete for embedding ferrule 24 of unit 4 was completed, bathymetry was carried out against discharges 1 and 2, preparations for the heating of the rotor of unit 4 were advanced, Compressed air cleaning was carried out on the stator of unit 4 and electrical tests were carried out on the transformers of bank No.7 and No.8.

In May 2023, in the turbine dismantling covers units 3 and 4, the installation and presentation of turbine dismantling covers in the opening area was carried out, in U3 and Y4, self-compacting concrete of 35 Mpa was poured into the EL.217, 45 slab. In the covers of the U4 generator, the installation of mesh and concrete pouring was carried out for 8 modules of the generator covers, EL.217, 45. In pipeline 4, the shielding of the lower elbow and the straight section was completed, as well as the embedded concrete, in bar galleries 3, 35 Mpa self-leveling concrete was poured for restitution of supports, for anchoring insulated phase bar ducts. In unit 3, the installation of the distributor servo motor on the north side, in Rotor-Stator U3, in addition to the lowering of the rotor to unit 3, as well as the positioning of the upper bracket and the anchor pins and bolts, in addition, the installation of the upper cover of the unit, mechanical rotation of the assembly (RUN OUT) was carried out for linear verification and concentricity to the rotor assembly, U4 shaft and impeller and turbine shaft and impeller assembly.

In June 2023, the cutting of slabs 424.5 and 435 in gate shaft 3 was completed, for the entry of demolition teams concrete plug, the cutting of slabs 424.5 and 435 in gate shaft 4 was completed, for the entry of demolition teams concrete plug, the concrete pouring of the plug in the upper elbow No.3 is completed, the arrival at the site of the mechanical bulkhead for the upper conduction No.3 is recorded, the assembly of the mechanical bulkhead for catchment 3 began, in unit 3, the definitive positioning of the external tank and thrust bearing was carried out, in addition to the pouring of tertiary concrete in corbels and thrust bearing, in unit 3, was completed, The leveling and alignment of servo motors of the distributor was completed, on the north and south side, insulation resistance tests and electrical tests were carried out on the rotor of unit 4, descent of the rotor assembly of unit 4 from the assembly room to the generator enclosure (definitive site).

In July 2023, the mechanical bulkhead for catchment 3 was assembled, the immersion of the mechanical bulkhead of catchment 3 was carried out, its leveling and final alignment was completed and the fixing of the ring platens began, the arrival at work of the mechanical bulkhead for upper conduction No.4 was recorded, the assembly of the mechanical bulkhead for catchment 4 began, completed the lowering and coupling of the generator rotor of unit 4, completed the hot-tapping drilling in upper conduit 3, completed the run-out of generation unit 4, completed the assembly of the generator and the assembly of the turbine of unit 3,

In August 2023, in unit 3, the activities corresponding to the assembly stage (100%) were completed, which includes: embedded equipment, turbine, generator, electrical systems and instrumentation, mechanical systems and insulated phase pipes and ducts, in unit 4, the assembly of the embedded equipment was completed, the remaining parts are 96.4% complete (turbine, generator, electrical and mechanical systems), the isolated phase ducts an advance of 95.2%, the assembly of the shielding and concretes in conduits 3 and 4 (lower elbow, vertical shaft and upper elbow) was completed, the pouring of the definitive concrete plugs located in upper bends 3 and 4 was completed, the "hot tapping" perforations for the demolition of the temporary concrete plugs of upper conduits 3 and 4 were completed, The construction of the system for the management of infiltration water was completed, in addition, the entry and installation of equipment for the demolition of the temporary plug in pipes 3 was carried out, the fixing in the rock of the bulkheads of catchments 3 and 4 was carried out, by means of the fixed stops with the installed bolts.

In September, units 3 and 4 completed the activities corresponding to the assembly stage that includes: embedded equipment, turbine, generator, electrical systems and instrumentation, mechanical systems and insulated phase pipes and ducts, in units 3 and 4 the dry tests were completed, in upper pipes 3 and 4 the installation of the mechanical bulkheads as well as the injection of grouting was completed, In addition, underwater activities were freed to proceed with the depressurization in the upper conduits 3 and 4, the depressurization process was carried out in the upper conduit 3, the demolition of the temporary concrete plug in the upper conduit 4 was completed, the demolition of the temporary concrete plug began, presenting an advance of 71% (231 m^3), in the upper pipeline 3, the concrete repairs were completed, the removal of industrial networks is in process, the contracting process for "Slope stabilization works of km 0+900 left bank substitute road of the Ituango Hydroelectric Project" was awarded to the firm Estyma Estudios y Manejo S.A, the contracting process for civil works for the plugging of the right diversion tunnel and closure of the diversion of the Ituango Hydroelectric Project" to the firm Schrader Camargo S.A.S.

In October, the civil works inside the upper conduits 3 and 4 were completed, with which the removal of the mechanical bulkheads began, the demolition of the temporary concrete plugs in conduits 3 and 4 was completed, then the filling of upper conduits 3 and 4 began, Water tests were carried out in generation units 3 and 4, successfully completing the synchronization of both units. After performing the sequence tests in automatic start and load rejection, 1200 MW were generated with the 4 synchronized units. Unit 3 began commercial operation on October 28, 2023 at 0:00 a.m. and Unit 4 began commercial operation on October 31, 2023 at 6:00 p.m. Subsequently, they were registered in the National Interconnected System, for which the operator XM Compañía de Expertos en Mercados S.A. E.S.P. approved their commissioning since they complied with the regulatory requirements of the country. In addition, on October 23, 2023, the contract for the plugging of the right diversion tunnel – TDD with the firm Schrader Camargo S.A.S. began.

For the construction of the final civil works for the entry into operation of units 5 to 8, EPM accepted the offer of the CYS Consortium (made up of: Yellow River Co., Ltd. Sucursal Colombia, and Schrader Camargo S.A.S.) on October 11, 2023, whose final value was $1,075,895.

In November, the contractor Schrader Camargo S.A. carried out the provisional installations of equipment and supplies for the execution of works in the Capitanes sector associated with the contract for the plugging of the right diversion tunnel – TDD, the launch of spheres in pre-plug 2 was restarted and the pumping tests of plastic filter material for the definitive plugging of the TDD were completed. The contract for the stabilization of the slope at km 0 + 900 on the dam-Ituango substitute road was initiated with the firm Estyma Estudios y Manejos S.A., carrying out the mobilization and installation of the contractor and progress was made in the assembly of the cooling system of generating units 5 to 8.

In December, the civil works activities for the assembly of units 3 and 4 were completed, therefore, the contract with the firm Schrader Camargo S.A.S. was terminated, subsequently on December 20, 2023, the order was given to start the CYS Consortium for the construction of the final civil works for the entry into operation of units 5 to 8. Currently, activities are being carried out to mobilize equipment and adapt facilities, in the contract for the plugging of the right diversion tunnel – TDD continued with the mobilization of equipment, adaptations of facilities in the Capitanes square and concrete plant. In pre-plug 2, the filling of the annular space in the micropiles began, in micropile N°50 water tests were carried out and the assembly of the platform of the primary pumping system continued. In addition, a topographic survey of the state of the infiltration channel on the left bank of the TDI was carried out. In the stabilization of the slope at km 0 + 900, a substitute road on the left bank of the Ituango project, the contractor's mobilization, adaptation, cleaning, loading and removal of material in the drainage gallery and zones A and D of the slope continued.

Due to the entry into operation of units 3 and 4 of the Ituango Power Plant, the accounting transfer of the assets that came into operation for a value of $1,597,981 was carried out.

[1.2] Other projects: it is due to the other projects that the company has, of which the most significant are Robledo WWTP Modernization for $8,605, Chorodo Line - Rubber 110 k for $8,265, among others.

[2] Includes equipment and vehicles from the automotive fleet, medical and scientific equipment, properties, plant and equipment in assembly, properties, plant and equipment in transit, replacement assets, transportation, traction and lifting equipment, dining room, kitchen, pantry and hotel equipment.

[3] It includes purchases, capitalizable disbursements that meet the recognition criteria, goods received from third parties and costs for dismantling and removing elements of property, plant and equipment. At the end of December 2023 and December 2022, no subsidies were received from the Government.

[4] Corresponds to the transfers to operation among which the most representative is due to the Ituango project for a value of $1,597,981.

The additions of property, plant and equipment for $3,487,055 (2022: $3,914,369) lees the movement of advances of $58,886 (2022: -$10,494), capitalized interest on debt of $188,615 (2022: $380,066), environmental and decommissioning provisions of $227,966 (2022: $102,333), as of 2023, capitalizable depreciation is included $16,287 and compensation for damage assets -$94.

The assets subject to operating leases are the following: networks, lines and cables, electrical infrastructure for the installation of networks by telecommunications operators, specifically poles. Plants, pipelines, tunnels, contract for the connection of Ecopetrol to the STN (Medio Magdalena Substation) with a net carrying amount of $49,682.

At the end of the period, an impairment test was carried out on the assets that are linked to the Generation, Distribution, Transmission, Gas, Water Supply and Wastewater Management CGU and that have registered intangible assets with an indefinite useful life, which did not show impairment of value.

As of December 31, 2023, there are restrictions on the realization of property, plant and equipment, associated with some equipment of the vehicle fleet for a net carrying amount of $1 (2022: $2). These restrictions are due to theft and have been affected as a guarantee for the fulfillment of obligations.

The most significant commitments for the acquisition of property, plant and equipment of the company as of December 31, 2023 amount to $3,974,530 (2022: $3,163,360).

The following is the historical cost of fully depreciated property, plant and equipment that continues in operation as of December 31, 2023 and 2022:

Group	2023	2022
Networks, lines and cables	3,179	7,579
Plants, ducts and tunnels	42,146	26,818
Buildings	4,264	4,762
Machinery and equipment	8,638	14,156
Communication and computer equipment	17,847	25,736
Furniture, Fixtures and Office Equipment	3,757	5,291
Other property, plant and equipment	5,588	4,047
Total	**85,419**	**88,389**

-Amounts stated in millions of Colombian pesos-

Note 6. Investment property

The fair value of investment properties is based on an appraisal carried out by experts who have recognized professional capacity and recent experience on the category of real estate investments object of the valuation; This value has been determined by appraisers from EPM's Real Estate Asset Negotiation and Administration Unit, who have the certificate of registration in the Open Registry of Appraisers, this activity is carried out at least once a year. To determine the fair value of investment properties, the comparative or market method is used, which consists of deducting the price by comparing transactions, supply and demand, and appraisals of similar or comparable properties, prior time adjustments, conformation, and location; the residual method, which is applied only to buildings and is based on the determination of the updated construction cost less depreciation due to age and state of conservation; and the rental method, which is used to determine the possible value of an asset according to its ability to generate income, taking into account the probable value of the monthly fee that tenants would be willing to pay in the rental market. (See note 43 Fair value measurement on a recurring and non-recurring basis).

Investment properties	2023	2022
Initial balance	169,286	152,339
Net gain or loss on fair value adjustment	9,863	17,124
Disposals - sales (-)	-	(175)
Final balance	**179,149**	**169,288**

-Amounts stated in millions of Colombian pesos-

The valuation obtained has been adjusted for the purpose of being used in the financial statements, as shown in the following reconciliation:

Concept	2023	2022
Market amount estimated by independent appraiser	179,149	169,288
Fair value for financial reporting purposes	**179,149**	**169,288**

-Amounts stated in millions of Colombian pesos-

As of December 31, 2023, investment property lease income for the period was $590 (2022: $494) and direct investment property expenses for the period were $315 (2022: $264).

As of December 31, 2023, there are restrictions on the property located in the Mamatoco sector of the municipality of Santa Marta, a direct reparation process is currently underway against said municipality, due to the fact that due to omission of the municipal administration, a process of massive invasion of the property, which makes it difficult to recover it through police protection processes; the fair value is $1,392 (2022: $1,392).

Note 7. Goodwill and other intangible assets

The following is the detail of the carrying amount of intangible assets:

Intangibles	2023	2022
Cost	**1,649,734**	**1,464,889**
Goodwill	260,950	260,950
Concessions and franchises	505,233	496,384
Rights	98,675	8,488
Licenses	127,143	122,699
Software	367,921	334,232
Easements	193,182	181,611
Disbursements Development Phases	95,245	59,140
Other intangible assets	1,385	1,385
Accumulated amortization and impairment loss	**(660,300)**	**(586,139)**
Concessions and franchises	(342,815)	(328,576)
Rights	(3,745)	(2,936)
Licenses	(77,681)	(69,142)
Software	(234,035)	(183,568)
Easements	(1,259)	(1,244)
Other intangibles	(765)	(673)
Total	**989,434**	**878,750**

-Amounts stated in millions of Colombian pesos-

The movement of cost, amortization and impairment of intangible assets is detailed below:

2023	Goodwill	Concessions and similar rights	Capitalized development disbursements	Software and computer applications	Licenses	Rights	Other intangible assets [1]	Total
Initial balance cost	260,950	496,384	59,140	334,232	122,699	8,488	182,996	1,464,889
Additions [2]	-	437	42,292	28,469	5,937	-	34	77,169
Transfers (-/+)	-	8,619	(6,187)	6,588	1,877	90,187	12,621	113,705
Derecognition	-	-	-	(1,368)	(2,384)	-	-	(3,752)
Other changes	-	(207)	-	-	(986)	-	(1,084)	(2,277)
Final balance cost	**260,950**	**505,233**	**95,245**	**367,921**	**127,143**	**98,675**	**194,567**	**1,649,734**
Initial balance accumulated depreciation and impairment	-	(328,576)	-	(183,568)	(69,143)	(2,936)	(1,916)	(586,139)
Charge amortization for the period [3]	-	(14,239)	-	(51,830)	(11,511)	(809)	(1,000)	(79,389)
Derecognition	-	-	-	1,367	2,381	-	-	3,748
Other changes	-	-	-	(4)	592	-	892	1,480
Final balance accumulated depreciation and impairment	**-**	**(342,815)**	**-**	**(234,035)**	**(77,681)**	**(3,745)**	**(2,024)**	**(660,300)**
Final balance intangible assets, net	**260,950**	**162,418**	**95,245**	**133,886**	**49,462**	**94,930**	**192,543**	**989,434**

-Amounts stated in millions of Colombian pesos-

2022	Goodwill	Concessions and similar rights	Capitalized development disbursements	Software and computer applications	Licenses	Rights	Other intangible assets [1]	Total
Initial balance cost	260,950	483,507	30,150	285,640	118,628	8,488	177,602	1,364,965
Additions [2]	-	733	29,280	46,042	4,086	-	1,804	81,945
Transfers (-/+)	-	12,144	-	2,550	-	-	3,244	17,938
Derecognition	-	-	-	-	(4)	-	-	(4)
Other changes	-	-	(290)	-	(11)	-	346	45
Final balance cost	**260,950**	**496,384**	**59,140**	**334,232**	**122,699**	**8,488**	**182,996**	**1,464,889**
Initial balance accumulated depreciation and impairment	-	(304,733)	-	(147,420)	(58,230)	(2,528)	(1,860)	(514,771)
Charge amortization for the period [3]	-	(23,843)	-	(36,110)	(10,900)	(408)	(983)	(72,244)
Derecognition	-	-	-	-	3	-	-	3
Other changes	-	-	-	(38)	(16)	-	927	873
Final balance accumulated depreciation and impairment	**-**	**(328,576)**	**-**	**(183,568)**	**(69,143)**	**(2,936)**	**(1,916)**	**(586,139)**
Final balance intangible assets, net	**260,950**	**167,808**	**59,140**	**150,664**	**53,556**	**5,552**	**181,080**	**878,750**

-Amounts stated in millions of Colombian pesos-

[1] Includes easements, intangibles related to clients and other intangibles corresponding to premiums at Gas Service Stations.

[2] Includes purchases, capitalizable disbursements that meet the recognition criteria, and concessions. In 2021, the purchases associated with capitalized development disbursements were allocated to IT projects: Sentinel Project, Treasury Project and New ERP project.

[3] See note 33 Costs for provision of services and note 34 Administrative expenses.

At the end of the periods, an impairment test was carried out on the assets for those intangibles with an indefinite useful life, which did not show evidence of impairment.

The amortization of intangibles is recognized as costs and expenses in the statement of comprehensive income, section result of the period, in the lines costs for rendering services and administration expenses.

The company's commitments for the acquisition of intangible assets as of the cut-off date amount to $81,605 (2022: $85,247).

Disbursements from research and development projects recognized as expenses in the result of the period during the period amounted to $4,320 (2022: $11,476).

The carrying amount at the cut-off date and the remaining amortization period for significant intangible assets is:

Significant intangible assets	Useful life	Remaining amortization period	2023	2022
Ituango Generation Power Plant Project	Indefinite	-	177,666	177,666
Espiritu Santo	Indefinite	-	82,980	82,980
Corridor 53 Line Easement	Indefinite	-	63,040	63,040
Bello circuit distribution network	Defined	468	37,923	38,671
Easement on Corridor N°12 line	Indefinite	-	30,912	30,912
Easement for Corridor line N°52	Indefinite	-	29,439	29,439
Maximum EAM Software	Defined	168	12,658	13,653
Piedras B Basin Secondary Network	Defined	82	12,177	13,960
Red Dist Itagüí Circuit	Defined	924	11,823	7,628
Easement Lines Corridor 86	Indefinite	-	9,728	9,698

-Amounts stated in millions of Colombian pesos-

The following intangible assets have an indefinite useful life: goodwill and easements, the latter are agreed in perpetuity and as of December 31, 2023 have a book value of $450,909 (2022: $441,317). By definition, an easement is a perpetual or temporary right, perpetual or temporary on a foreign property, by virtue of which it can be used, or certain rights of disposition can be exercised, or the owner may be prevented from exercising some of his property rights. In the company, easements are not treated individually, since they are constituted for public service projects, where the general interest prevails over the particular, considering that the objective is to improve the quality of life of the community; the aforementioned projects do not have a defined temporality, so they are constituted in perpetuity supported in their use. However, there are some easements with a defined useful life, because they are tied to the useful life of the main asset that the easement requires.

Intangible assets with indefinite useful life	2023	2022
Goodwill		
Ituango Central Generation Project	177,667	177,667
Espiritu Santo	82,980	82,980
Surtigás Necoclí	303	303
Sub-total goodwill	**260,950**	**260,950**
Other intangible assets		
Easements	189,959	180,367
Sub-total other intangible assets	**189,959**	**180,367**
Total intangible assets with indefinite useful life	**450,909**	**441,317**

-Amounts stated in millions of Colombian pesos-

Note 8. Investments in subsidiaries

The detail of EPM's subsidiaries at the date of the reporting period is as follows:

Name of subsidiary	Location (country)	Main activity	Percentage of ownership and voting rights		Date of creation
			2023	2022	
Empresa de energía del Quindío S.A. E.S.P. EDEQ	Colombia	It provides electric power utilities, purchases, sells, and distributes electric power.	19.26%	19.26%	22/12/1988
Central Hidroeléctrica de Caldas S.A. E.S.P. CHEC	Colombia	It provides public energy services, operating electric power generation plants, transmission and subtransmission lines, and distribution networks, as well as the marketing, importing, distribution and sale of electric energy.	24.44%	24.44%	09/09/1950
Electrificadora de Santander S.A. E.S.P. ESSA	Colombia	It provides public electric energy services, purchase, sale, commercialization and distribution of electric energy.	0.28%	0.28%	16/09/1950
Centrales Eléctricas del Norte de Santander S.A. E.S.P. CENS	Colombia	It provides public electric power services, purchase, export, import, distribution and sale of electric power, construction and operation of generating plants, substations, transmission lines and distribution networks.	12.54%	12.54%	16/10/1952
Caribemar de la Costa S.A.S. ESP AFINIA [1]	Colombia	It provides public services for the distribution and commercialization of electricity, as well as the performance of all related activities, works, services and products.	87.44%	85.00%	1/10/2020
Hidroecológica del Teribe S.A. HET	Panamá	It finances the construction of the Bonyic hydroelectric project, required to meet the growth in energy demand on the Isthmus of Panama.	99.68%	99.68%	11/11/1994
Gestión de Empresas Eléctricas S.A. GESA	Guatemala	It provides advice and consulting to electricity distribution, generation and transportation companies.	99.98%	99.98%	17/12/2004
Aguas Nacionales EPM S.A. E.S.P.	Colombia	It provides domestic public services such as aqueduct, sewerage and sanitation, waste treatment and use, complementary activities, and engineering services typical of these public services.	99.97%	99.97%	29/11/2002
Aguas Regionales EPM S.A. E.S.P.	Colombia	It guarantees the provision of domestic public services such as aqueduct, sewerage and sanitation, and compensates for the lag in the infrastructure of these services in the partner municipalities.	72.45%	72.45%	18/01/2006
Empresa de Aguas del Oriente Antioqueño S.A. E.S.P.	Colombia	It provides domestic public water and sewerage services, as well as other complementary activities specific to each of these public services.	56.01%	56.01%	22/11/1999
Aguas de Malambo S.A. E.S.P. [2]	Colombia	Dedicated to guaranteeing the provision of domestic public services of aqueduct, sewerage and sanitation in the jurisdiction of the municipality of Malambo, department of Atlántico.	98.31%	98.25%	20/11/2010
Empresas Públicas de Rionegro S.A. E.S.P. - EP RIO	Colombia	Provision of domestic public services, including aqueduct and sewerage, as well as complementary and related activities; specifically, the administration, operation, maintenance and investments of the aqueduct and sewerage systems of the Municipality of Rionegro, the execution of programs and projects on the environment and renewable and non-renewable natural resources; to promote their sustainable development. Additionally, the company will provide the maintenance service of the public lighting network of the Municipality of Rionegro.	0.00%	0.00%	9/12/1996
Empresas Varias de Medellín S.A. E.S.P.	Colombia	Subsidiary dedicated to the provision of public sanitation services within the framework of comprehensive solid waste management.	64.98%	64.98%	11/01/1964

Name of subsidiary	Location (country)	Main activity	Percentage of ownership and voting rights		Date of creation
			2023	2022	
EPM Inversiones S.A.	Colombia	Dedicated to the investment of capital in domestic or foreign companies organized as public service companies.	99.99%	99.99%	25/08/2003
Maxseguros EPM Ltd	Bermuda	Negotiation, contracting and management of reinsurance for the policies that cover the assets.	100.00%	100.00%	23/04/2008
Panamá Distribution Group S.A. PDG	Panamá	Capital investment in companies.	100.00%	100.00%	30/10/1998
Distribución Eléctrica Centroamericana DOS S.A. DECA II	Guatemala	It makes capital investments in companies that are dedicated to the distribution and commercialization of electric energy, and provides telecommunications services.	99.99%	99.99%	12/03/1999
EPM Capital México S.A. de CV [3]	México	It develops infrastructure projects related to energy, lighting, gas, telecommunications, sanitation, water treatment plants, sewerage, wastewater treatment, buildings, as well as their operation and services.	48.98%	51,28%	04/05/2012
EPM Chile S.A.	Chile	It develops energy, lighting, gas, telecommunications, sanitation, water treatment plants, sewerage and wastewater treatment projects, as well as the provision of these services and participation in all types of tenders.	99.99%	99.99%	22/02/2013
Patrimonio Autónomo Financiación Social [4]	Colombia	It manages the resources and payments of the social financing program created to make it easier for users to purchase household appliances, gas appliances and products related to information technology.	0.00%	100.00%	14/04/2008
EPM Renovables S.A.[5]	Panamá	Carry out administration, planning, strategic activities, participation in investments and businesses of renewable electricity generation and in the production of new sources of green fuels.	100.00%	0.00%	1/08/2023

[1] In September and December 2023, EPM capitalized Caribemar de la costa S.A. E.S.P. for $350,000 and $250,000, respectively.
[2] In March, July and August 2023, EPM capitalized Aguas de Malambo S.A. E.S.P. for $1,000, $600 and $443 respectively.
[3] In November 2023, EPM Capital México S.A. de CV returned contributions of $13,792.
[4] In November 2023, the sale of the Patrimonio Autónomo Financiación Social was made to the company SOMOS servicios integrado S.A. for $280,645.
[5] In December 2023, EPM capitalized EPM Renovables S.A.

The above items are disclosed as part of the acquisition and capitalization of subsidiaries or businesses for $602,043 and include the provision of subsidiaries or businesses for $294,437 that are part of the statement of cash flows.

In subsidiaries in which there is less than a 50% direct stake, control is obtained through the indirect participation held by the other companies of the EPM Group.

The value of investments in subsidiaries at the cut-off date was:

Subsidiary	2023					2022				
	Investment amount					Investment amount				
	Cost	Equity method	Impairment	Dividends [1]	Total	Cost	Equity method	Impairment	Dividends [1]	Total
Caribemar de la costa S.A.S. E.S.P.	2,316,561	958,426	(879,062)	-	2,395,925	1,716,561	740,121	(879,062)	-	1,577,620
Aguas Nacionales EPM S.A. E.S.P.	1,665,513	687,254	-	(61,966)	2,290,801	1,665,513	505,703	-	(26,289)	2,144,927
EPM Inversiones S.A.	1,561,331	762,186	-	(269,322)	2,054,195	1,561,331	691,579	-	(221,498)	2,031,412
Distribución Eléctrica Centroamericana DOS S.A. DECA II	1,009,257	1,093,690	-	(63,645)	2,039,302	1,009,257	1,725,937	-	(135,473)	2,599,721
EPM Chile S.A.	1,044,935	375,528	-	-	1,420,463	1,044,935	652,120	-	-	1,697,055
Panama Distribution Group S.A. PDG	238,116	500,167	-	-	738,283	238,116	621,393	-	(44,118)	815,391
Maxseguros EPM Ltd.	63,784	202,827	-	-	266,611	63,784	243,317	-	-	307,101
Hidroecológica del Teribe S.A. HET	524,536	(187,768)	(86,963)	-	249,805	524,536	(145,951)	(86,963)	-	291,622
Central Hidroeléctrica de Caldas S.A. E.S.P. CHEC	140,663	63,552	-	(38,932)	165,283	140,663	59,405	-	(37,198)	162,870
Aguas Regionales EPM S.A. E.S.P.	60,816	44,302	-	-	105,118	60,816	38,074	-	-	98,890
Empresas Varias de Medellín S.A. E.S.P.	32,967	50,467	-	-	83,434	32,967	81,809	-	(4,328)	110,448
Centrales Eléctricas del Norte de Santander S.A. E.S.P. CENS	57,052	20,129	-	(11,658)	65,523	57,052	26,098	-	(10,429)	72,721
Gestión de Empresas Eléctricas S.A. GESA	25,782	21,797	-	-	47,579	25,782	35,368	-	(7,297)	53,853
Empresa de Energía del Quindío S.A. E.S.P. EDEQ	28,878	21,120	-	(6,681)	43,317	28,878	17,998	-	(7,717)	39,159
Aguas de Malambo S.A. E.S.P.	79,518	(47,135)	(1,641)	-	30,742	77,474	(45,211)	(1,641)	-	30,622
Empresa de Aguas del Oriente Antioqueño S.A. E.S.P.	2,774	5,198	-	-	7,972	2,774	3,837	-	-	6,611
Electrificadora de Santander S.A. E.S.P. ESSA	2,514	1,314	-	(323)	3,505	2,514	1,099	-	(325)	3,288
Patrimonio Autónomo Financiación Social	-	-	-	-	-	61,914	158,739	-	-	220,653
EPM Capital México S.A. de C.V.	163,643	(163,643)	-	-	-	177,436	(176,985)	-	-	451
Total	**9,018,640**	**4,409,411**	**(967,666)**	**(452,527)**	**12,007,858**	**8,492,303**	**5,234,450**	**(967,666)**	**(494,672)**	**12,264,415**

-Amounts stated in millions of Colombian pesos-

[1] Dividends for $452,527 (2022: $494,672), were declared, and paid in full.

The detail of the equity method recognized in profit or loss for the period and in other comprehensive income for the period is as follows:

Subsidiary	2023			2022		
	Equity method for the period			Equity method for the period		
	Profit for the period	Other comprehensive income	Total	Profit for the period	Other comprehensive income	Total
Distribución Eléctrica Centroamericana DOS S.A. DECA II	414,455	(889,291)	(474,836)	419,166	300,230	719,396
EPM Inversiones S.A.	344,860	(52,757)	292,103	419,732	38,020	457,752
Aguas Nacionales EPM S.A. E.S.P.	231,525	(8,187)	223,338	526,258	(2,074)	524,184
EPM Chile S.A.	207,840	-	207,840	141,766	-	141,766
Panamá Distribution Group S.A. PDG	158,034	(434,625)	(276,591)	(48,065)	311,225	263,160
Maxseguros EPM Ltd	95,210	(172,365)	(77,155)	61,570	127,860	189,430
Hidroecológica del Teribe S.A. HET	41,967	(622)	41,345	49,172	752	49,924
EPM Capital México S.A. de CV	39,384	-	39,384	26,945	-	26,945
Central Hidroeléctrica de Caldas S.A. E.S.P. CHEC	27,011	(67,502)	(40,491)	10,460	54,601	65,061
Patrimonio Autónomo Financiación Social	11,711	(53,528)	(41,817)	(26,795)	47,562	20,767
Empresas Varias de Medellín S.A. E.S.P.	11,535	(697)	10,838	9,409	357	9,766
Centrales Eléctricas del Norte de Santander S.A. E.S.P. CENS	8,600	(4,139)	4,461	16,448	2,487	18,935
Aguas Regionales EPM S.A. E.S.P.	6,228	-	6,228	1,695	-	1,695
Gestión de Empresas Eléctricas S.A. GESA	1,361	-	1,361	719	(3)	716
Empresa de Energía del Quindío S.A. E.S.P. EDEQ	609	(69)	540	646	45	691
Aguas de Malambo S.A. E.S.P.	100	(6,374)	(6,274)	11,557	3,808	15,365
Empresa de Aguas del Oriente Antioqueño S.A. E.S.P.	(1,910)	-	(1,910)	(1,353)	-	(1,353)
Electrificadora de Santander S.A. E.S.P. ESSA	(20,084)	(25,547)	(45,631)	(10,436)	51,519	41,083
Caribemar de la costa S.A.S. E.S.P.	(22,657)	(4,356)	(27,013)	(7,959)	6,856	(1,103)
Total	**1,555,779**	**(1,720,059)**	**(164,280)**	**1,600,935**	**943,245**	**2,544,180**

-Amounts stated in millions of Colombian pesos-

The financial information of the company's subsidiaries as of the reporting period is as follows. All subsidiaries are accounted for by the equity method in the separate financial statements:

2023	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Revenue from ordinary activities	Profit or loss for the period	Other comprehensive income	Total comprehensive income
						Continued Operations		
Empresa de energía del Quindío S.A. E.S.P. EDEQ	183,549	343,790	126,069	189,444	430,333	59,853	(3,618)	56,235
Central Hidroeléctrica de Caldas S.A. E.S.P. CHEC	348,049	1,212,362	361,885	582,635	1,319,904	171,702	(2,546)	169,156
Electrificadora de Santander S.A. E.S.P. ESSA	595,698	2,063,687	500,532	1,075,600	2,101,180	220,933	(24,912)	196,021
Centrales Eléctricas del Norte de Santander S.A. E.S.P.	415,567	1,257,102	394,876	786,582	1,418,418	68,595	(33,018)	35,577
Hidroecológica del Teribe S.A. HET	52,499	381,949	22,223	138,304	73,603	10,711	(68,968)	(58,257)
Gestión de Empresas Eléctricas S.A. GESA	33,255	40	304	8,147	15,347	100	(6,376)	(6,276)
Caribemar de la Costa S.A.S. ESP AFINIA	2,347,825	3,886,251	1,566,271	922,387	5,960,456	264,782	(9,363)	255,419
Aguas Nacionales EPM S.A. E.S.P.	304,579	2,630,498	58,456	432,738	503,628	276,486	-	276,486
Aguas Regionales EPM S.A. E.S.P.	33,212	250,937	43,727	89,840	89,211	8,558	-	8,558
Empresa de Aguas del Oriente Antioqueño S.A. E.S.P.	8,206	8,687	2,092	565	7,408	2,430	(1)	2,429
Aguas de Malambo S.A. E.S.P.	5,816	40,551	6,155	5,073	19,541	(1,956)	-	(1,956)
Empresas Varias de Medellín S.A. E.S.P.	144,422	308,994	209,419	232,356	326,330	(34,691)	(6,704)	(41,395)
EPM Inversiones S.A.	55,739	1,929,820	3,024	8,282	8	358,106	(39,250)	318,856
Maxseguros EPM Ltd	540,066	187,436	173,111	287,780	58,466	27,011	(67,502)	(40,491)
Panamá Distribution Group S.A. PDG	1,167,853	2,803,752	1,719,622	1,166,372	3,096,493	210,736	(137,072)	73,664
Distribución Eléctrica Centroamericana DOS S.A. DECA II	1,614,346	4,323,387	1,232,257	1,826,997	5,606,301	490,801	(415,094)	75,707
EPM Capital México S.A. de CV	654,752	577,520	467,430	295,527	586,194	10,547	(52,324)	(41,777)
EPM Chile S.A.	412,293	3,855,814	417,119	2,430,806	1,094,607	157,586	(434,655)	(277,069)

-Amounts stated in millions of Colombian pesos-

2022	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Revenue from ordinary activities	Profit or loss for the period Continued Operations	Other comprehensive income	Total comprehensive income
Empresa de energía del Quindío S.A. E.S.P. EDEQ	155,964	251,885	108,131	109,432	355,542	48,817	1,854	50,671
Central Hidroeléctrica de Caldas S.A. E.S.P. CHEC	389,736	1,007,295	280,329	510,668	1,107,980	201,461	3,075	204,536
Electrificadora de Santander S.A. E.S.P. ESSA	579,411	1,981,949	561,300	995,654	1,713,053	234,348	16,477	250,825
Centrales Eléctricas del Norte de Santander S.A. E.S.P.	428,564	1,047,214	326,672	600,475	1,232,159	131,200	19,838	151,038
Hidroecológica del Teribe S.A. HET	56,544	499,941	29,124	195,184	76,506	(27,900)	60,781	32,881
Gestión de Empresas Eléctricas S.A. GESA	31,432	53	316	51	13,119	11,559	3,809	15,368
Caribemar de la Costa S.A.S. ESP AFINIA	1,714,362	2,873,442	1,156,302	541,287	5,414,021	619,127	(2,440)	616,687
Aguas Nacionales EPM S.A. E.S.P.	252,742	2,374,296	61,625	336,033	430,447	232,880	-	232,880
Aguas Regionales EPM S.A. E.S.P.	46,019	216,253	38,006	82,243	84,204	2,305	-	2,305
Empresa de Aguas del Oriente Antioqueño S.A. E.S.P.	6,433	7,515	1,556	586	5,363	1,286	(5)	1,281
Aguas de Malambo S.A. E.S.P.	6,154	40,227	6,202	5,129	17,394	(1,390)	-	(1,390)
Empresas Varias de Medellín S.A. E.S.P.	135,792	313,720	175,966	220,511	287,690	(11,570)	10,550	(1,020)
EPM Inversiones S.A.	48,048	1,884,147	1,304	6,172	-	424,436	(15,025)	409,411
Maxseguros EPM Ltd	548,926	205,874	109,289	338,410	51,274	10,460	54,601	65,061
Panamá Distribution Group S.A. PDG	1,036,747	3,229,804	1,867,434	1,200,692	2,862,249	142,029	115,733	257,762
Distribución Eléctrica Centroamericana DOS S.A. DECA II	1,832,943	5,143,524	1,436,153	2,497,523	5,168,639	414,827	314,749	729,576
EPM Capital México S.A. de CV	598,923	697,824	397,309	369,966	416,618	31,929	100,531	132,460
EPM Chile S.A.	779,868	4,688,262	465,829	3,305,052	842,828	(48,071)	311,261	263,190

-Amounts stated in millions of Colombian pesos-

8.1 Changes in interest in subsidiaries that did not result in a loss of control

During 2023, the following changes were made to the participation of subsidiaries:

Caribemar de la costa S.A. E.S.P. increased to 87.44% due to EPM's capitalization. This variation had an effect on the application of the equity method, decreasing the investment by $4,843 recognized directly in equity.

Aguas de Malambo S.A. E.S.P. increased to 98.31% due to the capitalization of EPM. This variation had an effect on the application of the participation method, decreasing the investment by $14 recognized directly in equity.

Note 9. Investments in associates

EPM Capital México S.A. de CV decreased to 48.98%, due to the return of contributions to EPM. This variation had an effect on the application of the participation method.

The detail of the investments in associates of EPM at the date of the reporting period is as follows:

Name of the associate	Location (country)	Main activity	Percentage of ownership and voting rights		Date of creation
			2023	2022	
Hidroeléctrica Ituango S.A. E.S.P.	Colombia	Promotion, design, construction, operation, maintenance and commercialization of energy at national and international level of the Ituango hydroelectric plant.	46.33%	46.33%	29/12/1997
Hidroeléctrica del Río Aures S.A. E.S.P. [1]	Colombia	Generation and commercialization of electricity through a hydroelectric power plant, located in the jurisdiction of the municipalities of Abejorral and Sonsón, in the department of Antioquia.	8.43%	11.81%	14/05/1997
UNE EPM Telecomunicaciones S.A.	Colombia	Provision of telecommunications services, information and communication technologies, information services and ancillary activities.	50.00%	50.00%	29/06/2006
Inversiones Telco S.A.S.	Colombia	Invest in companies whose corporate purpose is the provision of telecommunications, information and communication technology services, information services and complementary activities, as well as in companies that are based on the provision of business process outsourcing services.	50.00%	50.00%	5/11/2013

[1] As of January 31, 2023, the percentage of ownership in favor of EPM decreased due to capitalizations made by other shareholders. In June 2023, it was reclassified from associated investment to non-controlled investment.

The value of investments in associates at the cut-off date was:

Associate	2023			2022			
	Investment amount			Investment amount			Dividends
	Cost (1)	Impairment	Total	Cost (1)	Impairment (2)	Total	
Hidroeléctrica Ituango S.A.	34,227	(16,946)	17,281	34,227	(16,946)	17,281	-
Hidroeléctrica del Río Aures S.A.	-	-	-	2,478	-	2,478	-
UNE EPM Telecomunicaciones	2,642,488	(1,044,022)	1,598,466	2,342,488	(1,044,022)	1,298,466	-
Inversiones Telco S.A.S.	55,224	-	55,224	55,224	-	55,224	8,167
Total inversiones en asociadas	**2,731,939**	**(1,060,968)**	**1,670,971**	**2,434,417**	**(1,060,968)**	**1,373,449**	**8,167**

- Amounts stated in millions of Colombian pesos -

[1] In October and December 2023, EPM capitalized UNE EPM telecomunicaciones S.A. for $150,000 and $150,000, respectively.

Note 10. Investments in joint ventures

The detail of EPM's joint ventures at the cut-off date is as follows:

Name of joint venture	Location (country)	Main activity	Percentage of ownership and voting rights		Date of creation
			2023	2022	
Parques del Río S.A.S. (1)	Medellín	Construction, operation, administration and maintenance of the Parques del Río Medellín project, as well as acting as the project's urban manager.	33%	33%	26/12/2015

[1] Joint venture established on November 26, 2015, in which the Municipality of Medellín, Interconexión Eléctrica S.A. E.S.P. (ISA), Empresa de Transporte Masivo del Valle de Aburrá Ltda. (Metro) and EPM participate. The Entity seeks to be the manager of the next urban developments of the city, the department and the country, taking advantage of the synergies in infrastructure, mobility, environmental and social issues, among others.

The value of the investments in joint ventures at the cut-off date was:

Name of joint venture	2023		2022	
	Investment amount		Investment amount	
	Cost	Total	Cost	Total
Parques del Río S.A.S.	99	99	99	99
Total investments in joint ventures	**99**	**99**	**99**	**99**

-Amounts stated in millions of Colombian pesos-

Note 11. Impairment of non-financial assets

11.1 Impairment of investments in subsidiaries, associates and joint ventures

The following table shows the cumulative effect of recognized impairment losses:

Investment	Carrying amount	
	2023	2022
Subsidiary		
Hidroecológica del Teribe S.A. HET	86,963	86,963
Aguas de Malambo S.A. E.S.P.	1,641	1,641
Caribemar de la Costa S.A.S. E.S.P.	879,062	879,062
Total subsidiaries	**967,666**	**967,666**
Associate		
Hidroeléctrica Ituango S.A. E.S.P.	16,946	16,946
UNE EPM Telecomunicaciones S.A.	1,044,022	1,044,022
Total associates	**1,060,968**	**1,060,968**

-Amounts stated in millions of Colombian pesos-

11.2 Impairment of Cash Generating Units

The carrying amount of goodwill and intangible assets with an indefinite useful life associated with each CGU are detailed below:

Cash Generating Unit	Carrying amount	
	2023	2022
Energy Generation Segment		
Goodwill	260,647	260,647
Easements	444	444
CGU - Energy Generation	**261,091**	**261,091**
Energy Transmission Segment		
Easements	129,189	129,189
CGU - Energy Transmission	**129,189**	**129,189**
Energy Distribution Segment		
Easements	46,897	38,611
CGU - Energy Distribution	**46,897**	**38,611**
Gas Segment		
Goodwill	303	302
Easements	3,698	3,692
UGE - Gas-	**4,001**	**3,994**
Segment Water Supply		
Easements	9,075	7,413
CGU - Water Supply	**9,075**	**7,413**
Sanitation Segment		
Easements	656	1,018
CGU - Sanitation	**656**	**1,018**

-Amounts stated in millions of Colombian pesos-

The description of CGUs is detailed below:

- CGU Electricity Generation, whose activity consists of the production of energy and commercialization of large blocks of electrical energy, from the acquisition or development of a portfolio of energy proposals for the market.
- UGE Distribución y Comercializacion Energía, whose activity consists of transporting electrical energy through a set of lines and substations, with their associated equipment, operating at voltages below 220 KV, the commercialization of energy to the end user of the regulated market and the development of related and complementary activities. It includes the Regional Transmission System (STR), the Local Distribution System (SDL), the street lighting service and the provision of associated services.
- CGU Energy Transmission, whose activity consists of transporting energy in the National Transmission System -STN-, established of the set of lines, with their corresponding connection equipment, which operate at voltages equal to or greater than 220 KV. The National Transmitter (TN) is the legal person that operates and transports electricity in the STN or has set up a company whose purpose is the development of said activity.
- CGU Distribution and Commercialization of Natural Gas, whose activity consists of conducting gas from the city gate to the end user, through medium and low-pressure pipes. Includes the sale of gas through different systems, including network distribution, vehicular natural gas, compressed natural gas, and service stations.
- CGU Provision Agua, whose activity consists of conceptualizing, structuring, developing and operating systems to provide water. It includes carrying out the commercial management of the service portfolio related to the supply of water for different uses, in addition to the use of the productive chain, specifically in the production of energy, and the supply of raw water.

- CGU Wastewater Management includes the activities of conceptualizing, structuring, developing and operating wastewater systems and solid waste management, in addition to the use of the productive chain, specifically in the production of energy and gas.

Goodwill is mainly allocated to the Generation segment for $260,647 (2022: $260,647) generated as a result of the liquidation of the subsidiary EPM Ituango S.A E.S.P. and Espíritu Santo, whose assets were transferred to EPM, and to the Gas segment for $303 (2022: $302) as a result of the business combination with the Surtidora de Gas del Caribe S.A. E.S.P. in the Municipality of Necoclí.

The intangible easement is mainly assigned to the Generation, Transmission, Distribution, Gas, Water Supply and Sanitation segments for $189,959 (2022: $180,367).

At the end of the periods, an impairment test was carried out on the CGUs that had associated intangible assets with an indefinite useful life, but no impairment was evidenced.

To calculate the recoverable amount of assets, the value in use is the criterion used by the company.

To estimate the value in use of the cash-generating units that have assigned goodwill and intangible assets with an indefinite useful life, the company is based on future cash flow projections considering expectations regarding the market, legal, economic and technological. The latest financial projection approved by the Board of Directors of the subsidiary with a 20-year projection is used and the discount rate used corresponds to the cost of capital of the business.

Note 12. Trade and other receivables

The detail of trade and other receivable for the reporting period is as follows:

Trade and other receivables	2023	2022
Non-current		
Public services debtors (1)	1,089,132	490,679
Impairment of public services	(278,355)	(165,100)
Related parties	1,071,406	934,362
Employee loans(2)	111,019	132,216
Impairment of employee loans	(245)	(13)
Other trade receivable (3)	71,922	73,947
Impairment other trade receivables	(3,748)	(3,599)
Total non-current	**2,061,131**	**1,462,492**
Current		
Public services debtors (1)	4,127,509	3,380,608
Impairment of public services	(374,088)	(364,031)
Related Parties (4)	18,261	-
Loans receivables from employee (2)	77,012	32,305
Impairment of employee loans	(94)	(79)
Other trade receivables (3)	780,698	435,660
Impairment other trade receivables	(217,821)	(204,686)
Dividends and participations receivable	1	17
Indemnities	6,540	6,674
Other services	15,678	13,698
Total current	**4,433,696**	**3,300,166**
Total	**6,494,827**	**4,762,658**

-Amounts stated in millions of Colombian pesos-

The total portfolio presented an increase of $1,732,169, equivalent to 36.37%, mainly due to the following items:

[1] The public services debtors presented an increase of $1,345,354 909 which is mainly due to the increase in the following items:

- New accounts receivable, corresponding to the sale of long-term energy to large clients due to the entry into operation of Hidroituango's turbines 1, 2, 3 and 4.
- Subsidies for EGA (Energy, Gas and Water) services
- Massive billing of the residential public service and its estimates.
- Recognition of the fare option that has not yet been passed on to users.

Note: The fare option allows you to moderate abrupt increases in the fare by accumulating balances that are paid by the user later, over a longer period of time. The behavior of this account receivable is as follows:

Period	Capital Balance	Interest Balance	Total Accrued
December 2022	530,706	39,155	569,861
December 2023	52,190	108,750	160,940
Total	**582,896**	**147,905**	**730,801**

-Amounts stated in millions of Colombian pesos-

[2] The employee loan showed an increase of $23,510, mainly explained by the housing loans approved for them.

[3] Other debtors receivable increased by $343,013, mainly due to the invoice made in December 2023 corresponding to the sale of EPM's Somos program to Somos Servicios Integrado Sucursal Colombia and due to the higher balances in accounts receivable related to collections in favor of third parties and agreements.

[4] Related Parties loans increased by $155,305, explained by the combined effect between the amortizations made to Hidrosur's loan and the disbursements made to the subsidiary Afinia.

Accounts receivable from debtors of public services do not generate interest and the term for its collection depends on the type of use of it. In residential use, the collection of invoices is projected to be 10 days after the invoice is generated. Individual contracts with large clients or those in the energy sector contemplate terms agreed upon in private negotiations; in the latter case, the term is generally 30 days.

Long-term accounts receivable are measured at amortized cost under the effective interest rate method and short-term accounts receivable are presented at their nominal amount, except for accounts receivable that are measured at fair value of: i) the account receivable associated with the contract for the firm supply of liquid fuel (ACPM) for the Termoeléctrica La Sierra and Termodorada plants , which is updated according to the value of the fuel unit stipulated in the contract. (See note 43. Fair value measurement on a recurring and non-recurring basis).

Portfolio impairment

The Company measures the impairment of expected losses on the portfolio using the simplified approach, which consists of taking the present value of credit losses arising from all possible default events at any time during the life of the operation.

This alternative is taken given that the volume of clients that the Company manages is very high and the measurement and control of risk in stages can lead to errors and an underestimation of impairment.

The expected loss model corresponds to a forecasting tool that projects the probability of default or non-payment of the portfolio within the next twelve months. Each obligation is assigned an individual probability of non-payment that is calculated from a probability model that includes sociodemographic, product, and behavioral variables.

Although the impairment forecast for the annual term is obtained based on the client's payment behavior data contained during the period in question; The same does not occur when the impairment of the monthly periods comprising the annual term is recorded. In the latter case, the deterioration recorded for the month evaluated is that obtained with the payment behavior data of the previous month.

At the cut-off date, the age analysis of accounts receivable at the end of the reporting period and that are impaired is:

	2023		2022	
	Gross carrying amount	Amount of credit losses	Gross carrying amount	Amount of credit losses
Public services debtors				
Without default interest	4,123,378	(331,263)	3,394,632	(295,232)
Less than 30 days	707,435	(24,266)	211,776	(23,987)
30-60 days	52,631	(15,296)	45,067	(14,528)
61-90 days	38,372	(20,932)	18,755	(12,328)
91-120 days	23,003	(14,205)	14,636	(11,408)
121-180 days	35,025	(27,849)	17,784	(13,966)
181-360 days	64,436	(52,368)	32,505	(26,055)
More than 360 days	172,361	(166,264)	136,132	(131,627)
Total Public services debtors	**5,216,641**	**(652,443)**	**3,871,287**	**(529,131)**
Other debtors				
Without default interest	1,854,083	(8,270)	1,334,652	(5,534)
Less than 30 days	24,288	(4,277)	33,611	(5,315)
30-60 days	4,081	(956)	22,881	(5,441)
61-90 days	11,751	(5,066)	11,710	(2,654)
91-120 days	4,829	(2,319)	8,437	(1,152)
121-180 days	10,571	(2,355)	13,826	(2,917)
181-360 days	24,952	(5,038)	3,706	(3,071)
Over 360 days	217,985	(193,627)	200,056	(182,293)
Total other debtors	**2,152,540**	**(221,908)**	**1,628,879**	**(208,377)**
Total debtors	**7,369,181**	**(874,351)**	**5,500,166**	**(737,508)**

-Amounts stated in millions of Colombian pesos-

Regarding the age of non-performing loans, it can be observed that the portfolio is concentrated in the range with no arrears and less than 30 days.

In the public services receivables account, there was an increase due to the account receivable from large clients due to the entry into operation of Hidroituango's turbines 1, 2, 3 and 4, tariff option and estimates, also resulting in an increase in impairment.

The other debtors account showed an increase, mainly due to the account receivable made in December 2023 corresponding to the sale of EPM's SOMOS program to Somos Servicios Integrado Sucursal Colombia.

The reconciliation of the expected credit losses of the portfolio is as follows:

Expected credit losses over the life of the asset	2023	2022
Value correction at the beginning of the period	(737,508)	(574,958)
Impairment changes to the trade receivable held at the beginning of the period	(582,245)	(457,217)
Write-off	1,193	53,787
Derecognition	444,093	241,339
Other movements	114	(459)
Final balance	**(874,353)**	**(737,508)**

-Amounts stated in millions of Colombian pesos-

The value of accumulated impairment increased by $136,843, mainly due to the impairment of accounts receivable from the sale of energy, subsidies for Water Provision and Wastewater Management, and the Tariff Option.

Period	Impairment
December 2022	(102,193)
December 2023	(32,193)
Total	**(134,386)**

-Amounts stated in millions of Colombian pesos-

In the item Write-off of portfolio so far this year $1,193 were derecognized, mainly due to the penalty of the account receivable corresponding to EGA services (Energy, Gas and Water).

The net portfolio reconciliation is as follows:

Trade receivables balance	2023	2022
Financial assets initial balance	5,500,166	6,808,368
New financial assets originated or purchased (1)	23,897,821	18,248,430
Financial assets that have been derecognized (2)	(22,195,597)	(19,358,255)
Financial asset write-offs	(1,193)	(53,787)
Valuation at amortized cost	(27,013)	85,397
Difference in exchange attributable	194,995	(229,987)
Final balance	**7,369,179**	**5,500,166**

-Amounts stated in millions of Colombian pesos-

[1] The balance of new assets originated or purchased is mainly due to the accumulated billing of public services, subsidies, estimates and rate option.

[2] The financial assets that have been derecognized is mainly due to the payment of accounts receivable from EGA (Energy, Gas and Water) services.

The company penalizes, against value impairment recognized in an allowance account, the values of impaired financial assets, when it is evidenced that there are obligations that cannot be recovered by enforcement, coercive collection or ordinary means, actions of which must be attach the supports in the files where the request for punishment is documented.

The grounds for requesting the approval of the portfolio write-off in EPM are the following:

- The registered accounts receivable do not represent certain rights, assets or obligations for EPM.
- The rights or obligations lack documents and suitable support that allow the pertinent procedures for their collection or payment to be carried out.
- It is not possible to collect the right or obligation, by coercive or judicial collection, once the pre-legal collection stage has been exhausted.

- When it is impossible to identify and individualize the natural or legal person, to collect the portfolio.
- When the cost-benefit relationship is evaluated and established, it is more onerous to advance the collection process than the value of the obligation.
- When there is prescription of the security title and executive title or the expiration of the right.
- When the executive process has been advanced, there are no assets to make the payment of the obligation effective.
- When the liquidation process of the natural or legal person has been advanced in terms of the law, and the assets received as payment are not enough to cover the entire debt; in this case the unpaid balance is penalized.

Institutions responsible for write-off

The write-off in EPM is approved by the Portfolio Write-Off Committee, which is chaired by the Accounting and Financial Services Manager, assisted by the Director of Financial Transactions and the head of the Credit and Portfolio Management Unit. The Committee meets periodically or when a particular situation warrants it.

Note 13. Other financial assets

The detail of other financial assets at the end of the period is:

Other Financial Assets	2023	2022
Non-current		
Derivatives designated as hedging instruments under hedge accounting		
Swap Contracts	-	464,000
Futures Contracts	69	-
Total derivatives designated as hedging instruments under hedge accounting	**69**	**464,000**
Financial assets measured at fair value through profit or loss for the period		
Equity securities [(1)]	464,642	167,992
Trust rights[(1)]	314,019	299,482
Total financial assets measured at fair value through profit or loss for the period	**778,661**	**467,474**
Financial assets designated at fair value through other comprehensive income		
Equity instruments[(2)]	1,522,014	2,059,062
Total financial assets designated at fair value through other comprehensive income	**1,522,014**	**2,059,062**
Total other non-current financial assets	**2,300,744**	**2,990,535**
Current		
Derivatives designated as hedging instruments under hedge accounting		
Futures Contracts	19	-
Total derivatives designated as hedging instruments under hedge accounting	**19**	**-**
Financial assets measured at fair value through profit or loss for the period		
Derivatives not under hedge accounting [(3)]	31,453	67,870
Fixed income securities [(1) - (4)]	78,008	63,803
Pledged investments	808	233,004
fiduciary rights	317	17,719
Total financial assets measured at fair value through profit or loss for the period	**110,586**	**382,396**
Total other current assets	**110,605**	**382,396**
Total other assets	**2,411,349**	**3,372,931**

- Amounts stated in millions of Colombian pesos -

1 It includes the result from valuation of financial instruments and hedge accounting of $253,078; reflected in the statement of cash flows.

2 The decrease was caused by the fall in the share price of Interconexión Eléctrica S.A. E.S.P., since their fair value is determined by the market price.

3 It corresponds to the weather derivative contracted to cover the existing risk of dry seasons that imply a decrease in hydraulic generation and the rise in energy prices on the stock market. This financial instrument

is intended to provide protection to parent EPM when events materialize that may prevent the fulfillment of contractual commitments that imply buying energy on the stock market at market prices that may be unfavorable. With the weather derivative, part of this impact is transferred to the market, which would reduce the effect on the company's financial results.

4 It includes the following items: acquisition of investments in financial instruments for $212,600, disposition of investments in financial instruments for $487,126 reflected in the statement of cash flows.

Conventional purchases and sales of financial assets are accounted for by applying the trade date.

13.1 Financial assets measured at fair value through other comprehensive income

13.1.1 Other financial assets measured at fair value through other comprehensive income

The detail of financial assets measured at fair value through other comprehensive income, other than equity investments, is:

Equity investment	2023	2022
Interconexión Eléctrica S.A. E.S.P [(1)]	1,512,774	2,052,213
Other investments	9,240	6,849
Total	**1,522,014**	**2,059,062**
Dividends recognized during the period related to investments that remain recognized at the end of the period [(2)]	178,160	76,989
Dividends recognized during the period	**178,160**	**76,989**

- Amounts stated in millions of Colombian pesos-

[1] As of December 31, 2022, the market price of Interconexión Eléctrica S.A. E.S.P. closed at $15,480 (2022: $21,000) pesos, respectively.

[2] Dividends from financial instruments were accrued for $178,160 (2022: $76,989) which are disclosed in the investment dividends caption in the statement of cash flows.

The equity investments indicated in the above table are not held for trading purposes, instead, they are held for strategic purposes in the medium and long term. The company's management considers that the classification for these strategic investments provides more reliable financial information, which reflects the changes in their fair value immediately in the result of the period.

13.2 Reclassifications of financial assets

EPM has not made changes to the business model for the management and administration of financial assets, therefore no financial assets have been reclassified.

Note 14. Right-of-use assets

14.1 Lease that originates right-of-use assets as lessee

As of the cut-off date, the carrying amount of the right-of-use assets is as follows (does not include right-of-use assets associated with construction in progress, these are included in note 5. Property, plant and equipment):

2023	Right-of-use land	Right-of-use buildings	Right-of-use plants, pipelines and tunnels	Right-of-use networks, lines and cables	Right-of-use Machinery and equipment	Right-of-use communication and computing equipment	Right of use Traction and lifting transport equipment	Total
Beginning Cost Balance	6,092	662,383	1,996,580	20,659	8,894	4,289	21,158	2,720,055
Additions[1]	1,075	43,326	170,432	3,394	1,274	253	65	219,819
Disposals (-)	(173)	(3,779)	-	(2,471)	(5,716)	-	(1,128)	(13,267)
Ending balance of cost	**6,994**	**701,930**	**2,167,012**	**21,582**	**4,452**	**4,542**	**20,095**	**2,926,607**
Accumulated amortization and value impairment								
Initial balance of accumulated amortization and value impairment	(1,515)	(193,935)	(179,032)	(3,766)	(4,701)	(2,691)	(14,201)	(399,841)
Amortization of the period	(483)	(24,431)	(53,441)	(1,220)	(1,330)	(337)	(3,285)	(84,527)
Disposals (-)	48	2,020	-	796	3,855	-	817	7,536
Other changes		(325)	-	-	(5)	(5)	(8)	(343)
Final balance accumulated amortization and value impairment	**(1,950)**	**(216,671)**	**(232,473)**	**(4,190)**	**(2,181)**	**(3,033)**	**(16,677)**	**(477,175)**
Total final balance of net right-of-use assets	**5,044**	**485,259**	**1,934,539**	**17,392**	**2,271**	**1,509**	**3,418**	**2,449,432**

- Amounts stated in millions of Colombian pesos -

2022	Right-of-use land	Right-of-use buildings	Right-of-use plants, pipelines and tunnels	Right-of-use networks, lines and cables	Right-of-use Machinery and equipment	Right-of-use communication and computing equipment	Right of use Traction and lifting transport equipment	Total
Beginning Cost Balance	5,946	645,424	1,863,979	18,207	9,362	4,200	11,998	2,559,116
Additions[1]	325	17,675	132,601	2,453	-468	-	9,161	161,747
Disposals (-)	-	-805	-	-	-	-	-	-805
Other changes	-179	89	-	-	-	90	-	-
Ending balance of cost	**6,092**	**662,383**	**1,996,580**	**20,660**	**8,894**	**4,290**	**21,159**	**2,720,058**
Accumulated amortization and value impairment								
Initial balance of accumulated amortization and value impairment	-1,112	-171,390	-130,463	-2,660	-3,431	-2,384	-10,996	-322,436
Amortization of the period	-437	-23,030	-48,569	-1,107	-1,270	-307	-3,198	-77,918
Disposals (-)	-	518	-	-	-	-	-	518
Other changes	34	-34	-	-	-	-	-9	-9
Final balance accumulated amortization and value impairment	**-1,515**	**-193,936**	**-179,032**	**-3,767**	**-4,701**	**-2,691**	**-14,203**	**-399,845**
Total final balance of net right-of-use assets	**4,577**	**468,447**	**1,817,548**	**16,893**	**4,193**	**1,599**	**6,956**	**2,320,213**

- Amounts stated in millions of Colombian pesos -

[1] It corresponds to the subsequent measurement of the lease liability, which generates increases each time there are changes in the rate in its Average Investment Cost (CMI) component in pesos per cubic meter charged by Aguas Nacionales to EPM, this increase is given by regulations each time the CPI accumulates 3% and additional on the dates on which the increases by rate path are applied.

At the cut-off date, the minimum future payments and the present value of the minimum payments of the lease liability are distributed as follows:

Finance lease	2023		2022	
	Minimum payments	Present value of minimum payments	Minimum payments	Present value of minimum payments
To one year	252,395	240,477	229,737	218,937
More than one year and up to five years	938,689	703,758	850,875	639,156
More than five years	17,331,230	2,087,271	16,936,810	1,906,220
Total leases	**18,522,314**	**3,031,506**	**18,017,422**	**2,764,313**
Less - value of unearned interest	15,490,808	0	15,253,109	0
Present value of minimum lease payments	**3,031,506**	**3,031,506**	**2,764,313**	**2,764,313**

- Amounts stated in millions of Colombian pesos -

The most significant lease agreements are:

Sewerage Interconnection Contract CT- 2013-002297-A421 of November 26, 2018, entered between EPM (THE BENEFICIARY) and Aguas Nacionales EPM (THE SUPPLIER), regulates the interconnection conditions to the wastewater transportation and treatment subsystems owned by Aguas Nacionales, for the provision of the service by EPM of the public sewerage service to the users of the interconnected system of the Aburrá Valley. This interconnection will also allow the drying and final disposal of the biosolids resulting from the treatment of wastewater from the entire interconnected system.

The termination of the contract is July 1, 2021, the date on which the validity of the tariff formula ends, in accordance with the provisions of Article 113 of Resolution CRA 688 of 2014, modified by Article 41 of the Resolution CRA 735 of 2015. If, in accordance with the provisions of the last paragraph of Article 126 of Law 142 of 1994, the validity of the tariff formula is extended, the contract shall be understood to be in force while the Potable Water and Basic Sanitation Regulation Commission do not determine a new formula.

The contract was renewed from July 1, 2021 for 5 years.

Before the expiration of the term of the contract, the parties by mutual agreement may extend or extend the term of the contract by means of a written document, so it is understood that there will be no automatic extension of the term of the contract.

EPM does not intend to financially acquire the Aguas Claras wastewater treatment plant or PTAR or enter into any purchase option for said asset.

The lease payments of the contract that EPM pays to Aguas Nacionales EPM are by Average Investment Cost (CMI), determined in pesos per cubic meter of treated residual water and are updated as indicated in the following paragraph and in Annex No. 4 of the Contract:

First paragraph. THE SUPPLIER will apply a CPI update factor to the reference costs each time the Consumer Price Index, reported by DANE, accumulates a variation of at least three percent (3%).

According to annex No. 4 of the contract: the increases by rate path are the following:
January 2019: 5.75%
January 2020: 2.40%
January 2021: 2.16%
January 2022: 1.63%

The Leasing Contract for the Edificio Empresas Públicas de Medellín CT-085 of February 12, 2002, entered into between EPM (THE COMPANIES) and the MUNICIPALITY OF MEDELLIN (MUNICIPALITY), the MUNICIPALITY undertakes to deliver as a lease to THE COMPANIES and these They oblige to receive the same title, the use and enjoyment of the real estate of their property called "Edificio Empresas Públicas de Medellín", with all its constructions and improvements.

The duration of the contract is 50 years from December 21, 2001, the date on which the MUNICIPALITY OF MEDELLIN began to appear as the owner of the property.

The lease payments of the contract are readjusted each year by a percentage equal to the Consumer Price Index (CPI) at the national level, certified by DANE for the immediately previous year.

Lease liabilities are found under Other financial liabilities in the statement of financial position.

The interest originated from the lease liability amounts to $286,770 (2022: $258,632) (see note 36 Financial income and expenses).

Total lease cash outflows during the period are $232,935 (2022: $211,125).

14.2 Operating lease as lessor

The most significant operating lease agreements are:

Connection Contract MA-0021450 dated January 24, 2013, entered between ECOPETROL (THE BENEFICIARY) and EPM (THE SUPPLIER), which regulates the connection of Ecopetrol to the STN at the Comuneros 230 kV substation.

The term is 30 years for the operation and provision of the connection service from the date of entry into operation of the project, which was February 1, 2016.

Total annual payments are indexed to the IPP, based on the IPP of the month prior to the signing of the connection contract.

Electrical infrastructure for the installation of networks by telecommunications operators. These can be renewed in a period not exceeding five years. The contract lease payments are updated according to the pole support rates that are regulated by the CRC (resolution 5890/2020) and multiplied by the number of supports that each client uses; this charge is made monthly, and the rate is updated annually according to the IPP.

The value of operating lease income is:

Operating lease	2023	2022
Year one	104,014	74,852
Year two	29,464	31,659
Year three	24,940	29,331
Year four	19,851	24,119
Year five	19,293	24,119
More than five years	299,828	312,672
Total leases	**497,390**	**496,752**

- Amounts stated in millions of Colombian pesos -

14.3 Leases that do not give rise to right-of-use assets as a lessee

The lease agreements that do not give rise to the most significant right-of-use assets are: spaces for the installations and operation of antennas at weather stations, shift management system, user printing infrastructure, among others, which have no restrictions.

As of the cut-off date, future short-term lease commitments are $9,139 (2022: $6,855).

Total future non-cancellable sublease minimum payments for assets acquired under operating leases is $1,782.

The lease payments recognized as expenses for the period are $7,219 (2022: $6,581)

Total lease cash outflows during the period are $6,747 (2022: $6,098).

Note 15. Guarantee

The company has not provided guarantees in which the third party is authorized to sell or pledge without a breach by the company.

The company has not received any collateral that it is authorized to sell or pledge without a breach by the collateral owner.

Note 16. Other assets

The detail of other assets at the end of the reporting periods is as follows:

Concept	2023	2022
Non-current		
Employee Benefits	58,946	49,798
Prepayments (1)	60,448	35,712
Deferred loss on leaseback transaction	18,907	19,582
Advances delivered to suppliers (2)	-	2,147
Assets received as payment	1,286	1,286
Total other non-current assets	**139,587**	**108,525**
Current		
Prepayments (1)	133,927	108,260
Advances to suppliers (2)	53,910	49,848
Other credit balances due to other taxes	360	284
Other advances or credit balances due to taxes and contributions	470	94
Total other current assets	**188,667**	**158,486**
Total other assets	**328,254**	**267,011**

- Amounts stated in millions of Colombian pesos -

[1] The non-current portion includes comprehensive policies for $56,658 (2022: $31,030), and the premium on legal stability contracts for $3,790 (2022: $4,682).

The current portion includes insurance for $102,385 (2022: $71,101), mainly made up of comprehensive policies for $80,308 (2022: $53,089), and other insurance for $22,077 (2022: $18,012); goods and services for $13,252 (2022: $20,120); leases and maintenance for $18,290 (2022: $17,038).

[2] It corresponds to advances and resources delivered in administration, mainly in the current portion: XM advances for $25,027 (2022: $24,372); advances for goods and services for $16,166 (2022: $16,054), Ruta N agreement advance for $5,396 (2022: $6,227), other advances for $6,029 (2022: $3,058) and Corporación Cuencaverde for $1,293 (2022: $136).

Note 17. Inventories

Inventories at the end of the period were represented as follows:

Inventories	2023	2022
Materials for the rendering of service (1)	185,875	177,333
In-stock merchandise	17,294	17,109
Goods in transit	1,153	1,175
Total inventories at cost or net realizable value, whichever is lower	**204,322**	**195,617**

- Amounts stated in millions of Colombian pesos -

[1] It includes materials for rendering of services held by third parties, which are those delivered to contractors that carry out activities related to the provision of services.

The company has not generated losses in value when comparing the net realizable value with the average cost of inventories.

The company has not committed its inventories as collateral for liabilities.

Note 18. Cash and cash equivalents

The composition of cash and cash equivalents at the end of the period is as follows:

Cash and cash equivalents	2023	2022
Cash on hand and banks	1,220,306	1,637,265
Other cash equivalents	250,524	447,184
Total cash and cash equivalents presented in the statement of financial position	**1,470,830**	**2,084,449**
Cash and cash equivalents presented in the statement of cash flows	**1,470,830**	**2,084,449**
Restricted cash and cash equivalents (1)	**120,893**	**97,542**

- Amounts stated in millions of Colombian pesos -

[1] Of these, $40,591 (2022: $56,615) corresponds to non-current restricted cash and $80,302 (2022: $40,927) to current.

For cross-reference purposes with the separate cash flow statement, the Restricted Resources line includes the restricted resources of the portfolio for $808.

Treasury investments mature in a period equal to or less than three months from the date of acquisition and accrue market interest rates for this type of investment.

The business has restrictions on cash and cash equivalents detailed below. As of December 31, 2023, the fair value of restricted cash equivalents is $120,893 (2022: $97,542).

Fund or agreement	Destination	2023	2022
Sintraemdes Housing Fund	Contribute to the acquisition and improvement of housing for the public servants who are beneficiaries of the collective agreement signed between EPM and the trade unions.	34,199	10,246
Sinpro Housing Fund	Contribute to the acquisition and improvement of housing for the public servants who are beneficiaries of the collective agreement signed between EPM and the trade unions.	31,889	9,927
Income Corpb. 6972005469	Address possible contingencies following EPM's acquisition of EPRIO	8,067	7,133
Agreement Account	Inter-administrative agreement CT-2022-000918, Indigenous Schools Government	5,628	-
Agreements on public lighting and sanitation fees with municipalities	Agreement to manage the resources of the territorial entities for the payment to the municipalities with agreements for the collection of public lighting and sanitation fees, are resources exempt from the 4x1000.	5,570	544
Agreement Account	2020-2023 Development Plan of the Government of Antioquia, and EPM's Energy Service Coverage Goals	5,100	-
Ministry of Mines and Energy - Special Development Quota Fund	Co-financing agreement for the construction, distribution infrastructure and connection to low-income users in the municipalities of Amagá, Santafé de Antioquia, Sopetrán, San Jerónimo and Ciudad Bolívar. Compressed Natural Gas and connection to users in Don Matías, Entrerríos, San Pedro, Santa Rosa and Yarumal. Agreement No. 106: construction of the infrastructure to connect users of the Aburrá Valley, La Ceja, La Unión and El Retiro. Agreement 179: includes the municipality of Sonsón.	3,591	3,250
Contract No. CT-2019-001105	Contract for the supply of energy and electrical power for the non-regulated market and support of contracts of the energy distributor and marketer S.A. E.S.P, DICEL S.A. E.S.P.	3,373	3,058
Sintraemdes Education Fund	Promote the well-being of public servants in order to meet the needs of paying tuition, textbooks and endowments that are required to carry out their own studies and those of the family group.	2,398	1,808
Sinpro Education Fund	Promote the well-being of public servants in order to meet the needs of paying tuition, textbooks and endowments that are required to carry out their own studies and those of the family group.	2,387	2,505
Adapted Health Entity Fund and Fosyga Fund	Mechanism for control and monitoring of the collection of contributions from the Contributory Regime of the General Social Security System in Health.	2,188	1,894
SOMOS Points Agreement	Provision of services for the operation of the key capabilities associated with the Points element of the Large-Scale Loyalty Program for the EPM Group.	2,126	1,928
Sintraemdes Calamity Fund	Promote the well-being of their servants to attend to their urgent and unforeseen needs or those of their primary family group.	1,839	1,565

Fund or agreement	Destination	2023	2022
Ministry of Mines and Energy - Special Development Quota Fund	Co-financing agreement for the construction, distribution infrastructure and connection to low-income users in the municipalities of Amagá, Santafé de Antioquia, Sopetrán, San Jerónimo and Ciudad Bolívar. Compressed Natural Gas and connection to users in Don Matías, Entrerríos, San Pedro, Santa Rosa and Yarumal. Agreement No. 106: construction of the infrastructure to connect users of the Aburrá Valley, La Ceja, La Unión and El Retiro. Agreement 179: includes the municipality of Sonsón.	1,552	1,538
Agreement Account	Seizure due to judicial proceedings	1,478	1,163
Agreement Account	inter-administrative cooperation agreement with the Government of Antioquia for the construction of 13 indigenous schools in different municipalities of Antioquia with the Villages Programme	1,458	-
Agreement Account	Implementation of solar photovoltaic systems through the "Linked by Rural Schools" network	1,396	-
Sinpro Calamity Fund	Promote the well-being of their servants to attend to their urgent and unforeseen needs or those of their primary family group.	1,354	1,312
Adapted Health Entity Fund and Fosyga Fund	Mechanism for control and monitoring of the collection of contributions from the Contributory Regime of the General Social Security System in Health.	710	2,424
Medellín Municipality Framework Agreement No. 4600049285	Construction by EPM of platforms and other road elements in the city center, taking advantage of the Centro Parrilla project, that is, the renovation of aqueduct and sewer networks.	653	592
Villages Program	Take advantage of the wood that completes its maturation cycle in the forests planted by EPM around its reservoirs, to build social housing in the municipalities of Antioquia outside the Aburrá Valley and deliver them to low-income families, preferably in situations of forced or voluntary displacement.	630	571
EAS CTAS COPAYS	Receipt of resources corresponding to moderator fees and co-payments in the EAS	462	315
Ministry of Mines and Energy - Special Development Quota Fund	Co-financing agreement for the construction, distribution infrastructure and connection to low-income users in the municipalities of Amagá, Santafé de Antioquia, Sopetrán, San Jerónimo and Ciudad Bolívar. Compressed Natural Gas and connection to users in Don Matías, Entrerríos, San Pedro, Santa Rosa and Yarumal. Agreement No. 106: construction of the infrastructure to connect users of the Aburrá Valley, La Ceja, La Unión and El Retiro. Agreement 179: includes the municipality of Sonsón.	440	436
Sinpro Education Fund	Promote the well-being of public servants in order to meet the needs of paying tuition, textbooks and endowments that are required to carry out their own studies and those of the family group.	358	116
Ministry of Mines and Energy - Special Development Quota Fund	Co-financing agreement for the construction, distribution infrastructure and connection to low-income users in the municipalities of Amagá, Santafé de Antioquia, Sopetrán, San Jerónimo and Ciudad Bolívar. Compressed Natural Gas and connection to users in Don Matías, Entrerríos, San Pedro, Santa Rosa and Yarumal. Agreement No. 106: construction of the infrastructure to connect users of the Aburrá Valley, La Ceja, La Unión and El Retiro. Agreement 179: includes the municipality of Sonsón.	345	341
Payment of CO Solidarity Contributions	The purpose of the account is to receive the transfer of solidarity contributions paid by other marketers, as well as the resources paid by the Ministry of Mines and Energy as subsidies for lower tariffs applied to users of the energy service of strata 1, 2 and 3.	254	1
Sinpro Calamity Fund	Promote the well-being of their servants to attend to their urgent and unforeseen needs or those of their primary family group.	251	164
Agreement Account	Hedge contemplated in the 2020 - 2023 Development Plan of the Government of Antioquia, EPM and the Department, the connection of approximately 186 electrical installations with alternative energy related to individual photovoltaic systems - SISFV, in different subregions of the Department of Antioquia, contributing to the increase in hedge in rural electrification and improving the quality of life of the most vulnerable population.	230	-
Motorcycle Repair Fund	Promote the well-being of official workers who work in the regional market and use motorcycles they own to carry out their work.	362	164
Sintraemdes Education Fund	Promote the well-being of public servants in order to meet the needs of paying tuition, textbooks and endowments that are required to carry out their own studies and those of the family group.	160	255
Management of resources for the construction of infrastructure in Madera para Emvarias in the La Pradera landfill.	Management of resources for the construction of infrastructure in Madera para Emvarias in the La Pradera landfill.	98	87

Fund or agreement	Destination	2023	2022
Law 820 Deposits	Guarantee required by the landlord from the tenant, for the payment of utilities. According to Article 15 of Law 820 of 2003 and Regulatory Decree 3130 of 2003.	93	87
Municipality of Medellín - Land	Acquisition of identified and characterized properties within the protection zones of watersheds supplying aqueduct systems in the municipality of Medellín.	79	70
Espíritu Santo	EPM - Liquidation of the Espíritu Santo	65	64
Sintraemdes Calamity Fund	Promote the well-being of their servants to attend to their urgent and unforeseen needs or those of their primary family group.	55	118
Municipality of Medellín - Aguas	Integrated management of water for human consumption by the inhabitants of the municipality of Medellín.	30	26
Motorcycle Repair Fund	Promote the well-being of official workers who work in the regional market and use motorcycles they own to carry out their work.	18	204
Motorcycle Repair Fund	Promote the well-being of official workers who work in the regional market and use motorcycles they own to carry out their work.	7	-
Sinpro Housing Fund	Contribute to the acquisition and improvement of housing for the public servants who are beneficiaries of the collective agreement signed between EPM and the trade unions.	-	21,529
Sintraemdes Housing Fund	Contribute to the acquisition and improvement of housing for the public servants who are beneficiaries of the collective agreement signed between EPM and the trade unions.	-	20,395
Agreement Account	Inter-administrative agreement CT-2020-000916, connection of household electricity networks to increase hedge in rural electrification	-	1,450
Resources of the future Ituango hydroelectric power plant	Receipt of the resources paid by the insurance companies MAPFRE, AXA, SBS and SURA, which will be used exclusively for the future Ituango hydroelectric power plant	-	122
Agreement 5 Indigenous Esc. 2019-20	Co-financing the development of indigenous educational centres within the framework of the villages programme, for the improvement of the quality of life of indigenous communities in the department of Antioquia	-	112
Inter-administrative agreement CT-2017-001388 (460007009)	Agreement for the construction of 7 indigenous schools in 5 municipalities	-	28
Total		**120,893**	**97,542**

- Amounts stated in millions of Colombian pesos -

Note 19. Equity

19.1 Issued capital

The company does not have its capital divided into parts/shares and has not had increases or decreases in capital in the period reported.

19.2 Reserves

Of the accounts that compound the equity, the reserves at the cut-off date were constituted of:

Reserves	2023	2022
Legal reserve		
Initial balance	878,307	971,393
Release	(389,261)	(93,086)
Final balance Legal reserves	**489,046**	**878,307**
Occasional reserves		
Initial balance	574,008	574,008
Final balance occasional reserves	**574,008**	**574,008**
Other reserves		
Initial balance	7,591	7,591
Final balance other reserves	**7,591**	**7,591**
Total reserves	**1,070,645**	**1,459,906**

- Amounts stated in millions of Colombian pesos -

The nature and purpose of the company's equity reserves are described below:

Legal reserve
In compliance with the Colombian tax provisions contained in article 130 of the Tax Statute, repealed by article 376 of Law 1819 of 2016 and in Decree 2336 of 1995, the company duly constituted the legal reserves. The reserves constituted by excesses in depreciation quotas referred to in article 130 of the Tax Statute may be released at the moment in which the depreciation requested for fiscal purposes is less than that recorded in the income statement.

Occasional reserves
In compliance with article 211 of the Tax Statute, the company has constituted the required reserves in order to enjoy special tax treatment and obtain rationalization in the payment of income and complementary taxes.

Other reserves
Includes equity funds (resources appropriated prior to 1999 to grant housing loans to workers, Financing Plan, self-insurance fund, housing fund).

The Board of Directors, in its sessions on March 23, 2022 and March 23, 2021, approved:

- Release reserves for $389,261 (2022: $93,086) appropriated in prior periods by authorization of the Board of Directors.

19.3 Retained earnings

The movement of accumulated results during the period was:

Retained earnings	2023	2022
Initial balance	23,850,348	22,576,829
Movement of reserves	389,261	93,086
Decreed surpluses	(1,748,005)	(1,850,776)
Equity method for equity variations	(3,831)	(4,747)
Total accumulated earnings	**22,487,773**	**20,814,392**
Net result for the period	**3,765,281**	**3,035,956**
Total retained earnings	**26,253,054**	**23,850,348**

- Amounts stated in millions of Colombian pesos -

Surpluses paid during the year were $1,748,005 (2022: $1,850,776), ordinary was $910,787 (2022: $1,009,514) and extraordinary was $837,218 (2022: $841,262).

Note 20. Accumulated other comprehensive income

The detail of each component of other comprehensive income in the separate statement of financial position and the corresponding tax effect is as follows:

Accumulated other comprehensive income	2023			2022		
	Gross	Tax effect	Net	Gross	Tax effect	Net
Reclassification of property, plant and equipment and other assets reclassified to investment property	13,439	(1,360)	12,079	13,439	(1,360)	12,079
New measurements of defined benefit plans	(46,682)	17,377	(29,305)	52,800	(18,465)	34,335
Equity investments measured at fair value through equity	2,361,666	(187,815)	2,173,851	2,901,116	(270,475)	2,630,641
Participation in the other comprehensive income of subsidiaries	469,477	(104,921)	364,556	2,187,083	(84,224)	2,102,859
Cash flow hedges	(202,637)	(251,333)	(453,970)	(1,129,928)	478,898	(651,030)
Hedges of net investments in foreign businesses	6,098	-	6,098	(277,654)	-	(277,654)
Total	**2,601,361**	**(528,052)**	**2,073,309**	**3,746,856**	**104,374**	**3,851,230**

During the period, net earnings of $2,543,485 (2022: $925,269 net loss) previously recognized in other comprehensive income were reclassified to results for the period, as a cash flow hedge.

For each component of comprehensive income, a reconciliation of the beginning and ending balances as of the cut-off date is presented below:

20.1 Component: reclassification of property, plant and equipment to investment property

The component of reclassification of property, plant and equipment to investment properties of other comprehensive income corresponds to transfers from property, plant and equipment to investment properties, which are measured at fair value. Changes in fair value do not reclassify to profit or loss for the period.

Reclassification of property, plant and equipment to investment properties	2023	2022
Initial balance	12,079	12,079
Total	**12,079**	**12,079**

- Amounts stated in millions of Colombian pesos -

20.2 Component: new measurements of defined benefit plans

The component of remeasurements of defined benefit plans represents the cumulative value of actuarial gains or losses, the return on plan assets and changes in the effect of the asset ceiling, excluding values included in net interest on liabilities (asset) of net defined benefits. The net value of the new measurements is transferred to retained earnings and is not reclassified to results for the period.

Component new measurements of defined benefit plans	2023	2022
Initial balance	34,335	2,144
Result for the period from new measurements of defined benefit plans	(99,482)	52,230
Associated income tax (or equivalent)	35,842	(20,039)
Total	**(29,305)**	**34,335**

- Amounts stated in millions of Colombian pesos -

20.3 Component: equity investments measured at fair value through equity

The component of other comprehensive income from equity investments measured at fair value through equity represents the accumulated value of the gains or losses from the valuation at fair value less the values transferred to retained earnings when these investments have been sold. Changes in fair value do not reclassify to profit or loss for the period.

Equity investments measured at fair value through equity	2023	2022
Initial balance	2,630,641	3,037,953
Net gains (losses) from changes in the fair value of equity investments	(539,450)	(136,838)
Associated income tax (or equivalent)	82,660	(270,474)
Total	**2,173,851**	**2,630,641**

- Amounts stated in millions of Colombian pesos -

20.4 Component: share participation in the other comprehensive income of subsidiaries

The component of the other comprehensive income of participation in the other comprehensive income of subsidiaries represents the accumulated value of the application of the equity method to the gains and losses of the other comprehensive income of the subsidiaries. The accumulated value of the gains or losses will be reclassified to the results of the period or to retained earnings, depending on the items that originated the equity method, when these investments have been sold.

Share participation in the other comprehensive income of subsidiaries	2023	2022
Initial balance	2,102,859	1,215,372
New measurements of defined benefit plans	(100,609)	64,358
Equity investments measured at fair value through equity	(316,388)	(76,037)
Hedging	(1,480)	893
Result for conversion of foreign businesses	(1,300,398)	1,010,059
Associated income tax (or equivalent)	(1,184)	(56,029)
Total other comprehensive income for the period	**(1,720,059)**	**943,244**
Retained earnings (losses) transferred to retained earnings/loss for the period - Reclassification of property, plant and equipment and other assets	-	(138)
Earnings transferred to retained earnings for the period -Equity investments measured at fair value through equity	14	(1,953)
Accumulated gain (losses) transferred to accumulated profits/losses for the period - Hedging operations	(143)	(439)
Accumulated losses transferred to retained earnings for the period - Results from foreign business conversion	(18,184)	(3,430)
Associated income tax (or equivalent) - Accumulated gains (losses) transferred to accumulated profits/losses for the period	49	(49,797)
Total other accumulated comprehensive income	**(18,264)**	**(55,757)**
Total	**364,536**	**2,102,859**

- Amounts stated in millions of Colombian pesos -

20.5 Component: cash flow hedges

The component of other comprehensive income of cash flow hedges represents the cumulative value of the effective portion of the gains or losses that arise from changes in the fair value of items hedged in a cash flow hedge. Accumulated value of gains or losses will be reclassified to profit or loss only when the hedged transaction affects profit or loss, or the highly probable transaction is not expected to occur or is included as part of it carrying amount in an item non-financial cover.

Cash flow hedges	2023	2022
Initial balance	(651,030)	(343,034)
Gains (losses) from changes in the fair value of hedging instruments	(2,095,092)	328,945
Associated income tax (or equivalent)	467,075	(165,738)
Accumulated gains (losses) from changes in the fair value of hedging instruments reclassified to profit or loss for the period	2,543,485	(925,269)
Associated income tax (or equivalent)	(621,080)	379,908
Associated income tax (or equivalent)	(97,328)	74,158
Total	**(453,970)**	**(651,030)**

- Amounts stated in millions of Colombian pesos -

20.6 Component: Hedges of net investments in foreign businesses

The component of other comprehensive income from hedges of net investments in foreign operations represents the accumulated value of the effective portion of the gains or losses that arise from changes in the value of the hedging instrument. The accumulated value of the gains or losses will be reclassified to the results of the period only when the total or partial disposal of the covered foreign investment affects the result of the period.

Hedges of net investments in foreign businesses	2023	2022
Initial balance	(277,654)	(61,509)
Gains (losses) from changes in the value of the hedging instrument	283,752	(216,145)
Total	**6,098**	**(277,654)**

- Amounts stated in millions of Colombian pesos -

The income tax associated with the hedge of net investments in foreign businesses as of December 31, 2023 amounts to $97,328.

Note 21. Loans and borrowings

The following is the detail of the carrying amount of loans and borrowings measured at amortized cost:

Loans and borrowings	2023	2022
Non-current		
Commercial bank loans	3,306,049	2,475,741
Multilateral bank loans	651,359	761,044
Development bank loans	1,838,971	1,807,226
Bonds and titles issued	11,380,704	14,076,691
Total other credits and non-current loans	**17,177,083**	**19,120,702**
Current		
Commercial bank loans	1,193,105	188,942
Multilateral bank loans	125,588	402,199
Development bank loans	218,803	266,385
Bonds and titles issued	1,370,505	467,167
Total other current loans and borrowings	**2,908,001**	**1,324,693**
Total other loans and borrowings	**20,085,084**	**20,445,395**

- Amounts stated in millions of Colombian pesos -

The company's new loans were acquired in order to:

Entity	Destination
Club Deal	Resources destined to finance the general plan of investments in infrastructure, expansion, replacement and growth of the water, sanitation, transmission, energy and gas distribution businesses.
AFD	Partially finance the 2021-2025 investment plan in the water, sanitation, energy and photovoltaic power plant-Tepuy businesses
SANTANDER	Working Capital
BNP	Working Capital

During 2023, the following loan disbursements were received:

- March: BNDES long-term loan for USD 5.7 million, (equivalent in COP to 26,868).
- July: Club Deal long-term loan for USD 120 million, (equivalent in COP to 494,273).
- August: Club Deal long-term loan for USD 100 million, (equivalent in COP to 395,523).
- September: AFD long-term loan for USD 100 million, (equivalent in COP 392,828).
- November: AFD long-term loan for USD 51 million, (equivalent in COP to 210,003, BNP Treasury Credit for USD 170 million, equivalent in COP to 673,807, Club Deal long-term credit for USD 84 million, equivalent in COP to 334,376).
- December: BNP Treasury Credit for USD 30 million, (equivalent in COP to 118,291, Santander Treasury Credit for USD 100 million, equivalent in COP to 392,577).

The detail of loans and borrowings is as follows:

Entity or borrowing	Original currency	Initial date	Term	Nominal interest rate	2023				2022			
					IRR	Nominal value	Amortized cost value	Total amount	IRR	Nominal value	Amortized cost value	Total amount
BONDS CPI III TRAMO	COP	21/04/2009	15	CPI + 6.24%	17.09%	198,400	5,950	204,350	20.01%	198,400	5,929	204,329
BONDS CPI IV TRAM 3	COP	14/12/2010	20	CPI + 4.94%	15.78%	267,400	(473)	266,927	18.40%	267,400	(1,324)	266,076
BONDS CPI V TRAMO II	COP	4/12/2013	10	CPI + 4.52%	0.00%	-	-	-	18.44%	96,210	566	96,776
BONDS CPI V TRAM III	COP	4/12/2013	20	CPI + 5.03%	16.00%	229,190	(1,017)	228,173	18.58%	229,190	(1,142)	228,048
BONDS CPI VI TRAMO II	COP	29/07/2014	12	CPI + 4.17%	15.16%	125,000	1,954	126,954	17.71%	125,000	1,968	126,968
BONDS CPI VI TRAM III	COP	29/07/2014	20	CPI + 4.5%	15.43%	250,000	2,010	252,010	17.98%	250,000	2,584	252,584
BONDS CPI V TRAM IV	COP	20/03/2015	9	CPI + 3.65%	0.00%	-	-	-	18.26%	130,000	941	130,941
BONDS CPI VII TRAMO II	COP	20/03/2015	12	CPI + 3.92%	14.69%	120,000	(132)	119,868	17.32%	120,000	(638)	119,362
BONDS CPI VII TRAM III	COP	20/03/2015	20	CPI + 4.43%	15.13%	260,000	(409)	259,591	17.71%	260,000	(1,125)	258,875
BID-1664-1	COP	31/03/2016	10	7.8%	9.36%	94,923	138	95,061	9.16%	142,385	425	142,810
BID 2120-1	COP	27/05/2014	9	6.272%	0.00%	-	-	-	8.72%	190,295	1,760	192,055
BANK OF TOKYO-MITSUB	USD	29/09/2008	15	Libor 6M + 0.95%	0.00%	-	-	-	5.92%	80,099	1,371	81,470
GLOBAL 2024 COP	COP	10/09/2014	10	7.625%	7.73%	965,745	21,328	987,073	7.73%	965,745	20,425	986,170
AGRARIO	COP	24/06/2014	16	IBR + 2.4%	14.16%	73,073	936	74,009	14.45%	84,673	1,233	85,906
AFD	USD	10/08/2012	15	4.311%	4.39%	430,866	7,777	438,643	4.40%	677,827	12,051	689,878
BID 2120-2	COP	23/08/2016	18	7.5%	9.06%	262,903	539	263,442	9.10%	287,942	266	288,208
BNDES	USD	26/04/2016	24	4.887%	4.79%	373,618	3,929	377,547	4.76%	472,047	5,984	478,031
GLOBAL 2027 COP	COP	8/11/2017	10	8.375%	8.46%	4,165,519	51,394	4,216,913	8.46%	4,165,519	51,346	4,216,865
BID 2120-3	COP	8/12/2017	16	6.265%	7.61%	130,888	595	131,483	7.64%	143,354	627	143,981
CAF	USD	3/10/2016	18	SOFR 6M + 3.53%	8.76%	646,808	17,465	664,273	8.30%	888,037	17,767	905,804
1023 BONDS USD	USD	18/07/2019	10	4.25%	4.39%	3,822,050	56,098	3,878,148	4.39%	4,810,200	67,110	4,877,310
BID 2120-4	COP	17/06/2020	14	5%	6.07%	284,124	2,837	286,961	6.08%	311,184	3,534	314,718
BONDS USD 2030	USD	15/07/2020	11	4.375%	4.60%	2,197,679	13,520	2,211,199	4.60%	2,765,865	13,690	2,779,555
FINDETER	COP	28/01/2021	3	0%	0.00%	1,839	-	1,839	0.00%	23,903	-	23,903
BBVA	COP	18/05/2021	3	IBR 1M + 0.1%	12.53%	382	2	384	11.22%	763	7	770
BBVA	COP	18/05/2021	3	IBR 1M + 0.1%	12.53%	4,969	25	4,994	11.23%	9,938	85	10,023
BBVA	COP	18/05/2021	2	IBR 1M + 0.1%	0.00%	-	-	-	11.18%	8,568	55	8,623
JP MORGAN	COP	24/11/2021	5	IBR OIS + 2.477%	15.44%	979,250	9,848	989,098	14.09%	979,250	10,888	990,138
AFD	USD	18/09/2023	9	SOFR 6M + 2.12%	7.67%	577,130	182	577,312	0.00%	-	(102)	(102)
UMB BANK	USD	19/12/2022	5	SOFR 3M + 2.2%	8.23%	2,308,518	(29,832)	2,278,686	7.59%	1,443,060	(19,489)	1,423,571
BANCO POPULAR	COP	2/12/2022	1	IBR 3M + 6.62%	0.00%	-	-	-	17.74%	120,000	1,749	121,749
BNP TESORERIA	USD	15/11/2023	1	SOFR 1M + 2.25%	7.61%	649,749	2,335	652,084	0.00%	-	-	-
BNP TESORERIA	USD	22/12/2023	1	SOFR 1M + 2.25%	7.61%	114,662	242	114,904	0.00%	-	-	-
SANTANDER TESORERIA	USD	20/12/2023	1	SOFR 1M + 2.25%	7.61%	382,205	969	383,174	0.00%	-	-	-
Comisiones	USD	1/12/2023			0.00%	-	(16)	(16)	0.00%	-	-	-
						19,916,890	**168,194**	**20,085,084**		**20,246,854**	**198,541**	**20,445,395**

- Amounts stated in millions of Colombian pesos -

At the end of the period, the following movements were associated with credits and loans, and for the purposes of presentation in the statement of cash flows, they are disclosed in the following items: i) obtaining public loans and treasury for $3,038,546 (December 2022: $1,706,272); ii) public credit and treasury payments $980,928 (December 2022: $2,079,859); iii) transaction costs for issuance of debt instruments of $18,381 (December 2022: $26,657).

Interest paid for credit operations as of December 2023 was: $1,492,111 and (2022: $1,257,578).

Net income due to debt-related exchange difference recognized in profit or loss for the period was $380,597 (2022 $409,672 net loss) and the capitalized exchange difference in eligible assets was: $0 (2022 $4,962.)

As of the cut-off date, the loans used as hedging instruments for net investments in foreign businesses are those contracted with CAF and AFD and had designated USD 282 million (equivalent to COP 1,077,675) for 2023. Difference has been reclassified from the profit or loss for the period to other comprehensive income by $283,752 (2022: $216,145)

The information on the bonds issued is as follows:

Subseries	Original Currency	Initial Date	Term	Nomina Interest Rate	2023				2022				Amount awarded								
					IRR	Nominal amount	Amortizad Cost Amount	Total amount	IRR	Nominal amount	Amortizad Cost Amount	Total amount	Amount awarded to 2021	Amount awarded to 2020	Amount awarded to 2019	Amount awarded to 2018	Amount awarded to 2017	Amount awarded to 2016	Amount awarded to 2015	Amount awarded to 2014	Amount awarded to 2013
A10a	COP	4/12/2013	10	IPC + 4.52%	0.00%	0	0	0	18.44%	96,210	566	96,776	96,210	96,210	96,210	96,210	96,210	96,210	96,210	96,210	96,210
A10a	COP	20/03/2015	9	IPC + 3.65%	0.00%	0	0	0	18.26%	130,000	941	130,941	130,000	130,000	130,000	130,000	130,000	130,000	130,000		
A12a	COP	29/07/2014	12	IPC + 4.17%	15.16%	125,000	1,954	126,954	17.71%	125,000	1,968	126,968	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	0
A12a	COP	20/03/2015	12	IPC + 3.92%	14.69%	120,000	(132)	119,868	17.32%	120,000	(638)	119,362	120,000	120,000	120,000	120,000	120,000	120,000	120,000	0	0
A15a	COP	21/04/2009	15	IPC + 6.24%	17.09%	198,400	5,950	204,350	20.01%	198,400	5,929	204,329	198,400	198,400	198,400	198,400	198,400	198,400	198,400	198,400	198,400
A20a	COP	14/12/2010	20	IPC + 4.94%	15.78%	267,400	(473)	266,927	18.40%	267,400	(1,324)	266,076	267,400	267,400	267,400	267,400	267,400	267,400	267,400	267,400	267,400
A20a	COP	4/12/2013	20	IPC + 5.03%	16.00%	229,190	(1,017)	228,173	18.58%	229,190	(1,142)	228,048	229,190	229,190	229,190	229,190	229,190	229,190	229,190	229,190	229,190
A20a	COP	29/07/2014	20	IPC + 4.5%	15.43%	250,000	2,010	252,010	17.98%	250,000	2,584	252,584	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	0
A20a	COP	20/03/2015	20	IPC + 4.43%	15.13%	260,000	(409)	259,591	17.71%	260,000	(1,125)	258,875	260,000	260,000	260,000	260,000	260,000	260,000	260,000	0	0
International bonds	COP	10/09/2014	10	7.625%	7.73%	965,745	21,328	987,073	7.73%	965,745	20,425	986,170	965,745	965,745	965,745	965,745	965,745	965,745	965,745	965,745	0
International bonds	COP	8/11/2017	10	8.375%	8.46%	4,165,520	51,394	4,216,914	8.46%	4,165,519	51,346	4,216,865	4,165,519	4,165,519	3,530,000	2,300,000	2,300,000	0	0	0	0
International bonds	USD	18/07/2019	10	4.25%	4.39%	3,822,051	56,098	3,878,149	4.39%	4,810,200	67,110	4,877,310	3,981,160	3,432,500	3,277,140	0	0	0	0	0	0
International bonds	USD	15/07/2020	11	4.375%	4.60%	2,197,680	13,520	2,211,200	4.60%	2,765,865	13,689	2,779,554	2,289,167	1,973,688	0	0	0	0	0	0	0
TOTAL						12,600,986	150,223	12,751,209		14,383,529	160,329	14,543,858	13,077,791	12,213,652	9,449,085	4,941,945	4,941,945	2,641,945	2,641,945	2,131,945	791,200

- Amounts stated in millions of Colombian pesos, the exchange rate used was the closing TRM of each period -

Covenant debt / EBITDA

The EPM Group has different financial commitments (covenant), established in the loan contracts signed with the French Development Agency - AFD, Inter-American Development Bank, CAF - Development Bank of Latin America, National Bank for Economic and Social Development - BNDES, JPMorgan and the Deal Club (BNP Pariba, BBVA, Scotiabank and Sumitomo). These contracts include some of the following covenants: Net Debt/EBITDA LTM, EBITDA/Financial Expenses, EBITDA/Net Financial Expenses, and Long-Term Debt/Equity.

At the end of December 2023, EPM was in compliance with the agreed financial covenants.

Non-compliance

During the accounting period, the company has paid the principal and interest on its loans.

Note 22. Trade and other payables

Trade and other payables are measured at amortized cost and are established of:

Trade and other payable	2023	2022
Non-current		
Acquisition of goods and services	628	628
Deposits received in guarantee	8,717	7,465
Total non-current trade and other payables	**9,345**	**8,093**
Current		
Creditors [1]	1,128,962	806,877
Acquisition of goods and services	694,124	699,409
Allocated subsidies [2]	80,914	56,900
Commissions payable	2,110	2,110
Other accounts payable	316	331
Deposits received in guarantee	310	310
Total current trade and other payables	**1,906,736**	**1,565,937**
Total trade and other payables	**1,916,081**	**1,574,030**

-Amounts stated in millions of Colombian pesos-

[1] Increase in the registration of estimates for the commercial operation. It also includes insurance, the product of the all-risk policy for the construction and assembly of the second stage of the Ituango hydroelectric plant.

[2] It increased subsidies in the following items: aqueduct service $14,502, sewerage $7,048, energy $2,369, and gas service $95.

The term for payment to suppliers is generally 30 days with the exception of:

- Payments less than ten (10) current legal monthly minimum wages (SMMLV for its Spanish initials).
- Those destined to cover sanctions, fines and indemnities and taxes.
- And the others that apply according to the business rule 2019-RN-107.

Non-compliance

During the accounting period, the company has not defaulted on payments to trade and other payables.

Note 23. Other financial liabilities

Other financial liabilities are established of:

Other financial liabilities	2023	2022
Non-current		
Lease liability [3]	2,956,914	2,693,349
Pension bonds [2]	134,693	111,463
Financial liabilities measured at fair value through profit or loss for the period	14	-
Derivatives for cash flow hedging purposes [3] (see note 24)	906,328	4,065
Total other non-current financial liabilities	**3,997,949**	**2,808,877**
Current		
Lease liability [3]	74,592	70,966
Financial liabilities measured at fair value through profit or loss for the period [1]	-	49,090
Pension bonds [2]	487,284	416,760
Derivatives for cash flow hedging purposes	8	-
Total other current financial liabilities	**561,884**	**536,816**
Total other financial liabilities	**4,559,833**	**3,345,693**

- Amounts stated in millions of Colombian pesos -

[1] It includes the valuation of the premium of the climate derivative, the objective of which is to have the hedge of the risk in income due to the occurrence of extreme weather events that affect rainfall and, therefore, the contractual commitments of energy generation. The change in financial liabilities measured at fair value is due to the fact that the last instalment of the climate derivative premium was paid in 2023.

[2] It includes the following items: payment of pension bonds of $43,278 and payment of lease liabilities of $15,546 reflected in the statement of cash flows.

[3] The variation is due to the revaluation of 20.54% so far this year and the higher interest rates, specifically the IBR, due to the fact that the right is devalued considerably, increasing the obligation in the fair value account.

23.1 Financial liabilities designated at fair value through profit or loss

Financial liability for premiums payable for the weather derivative, which has been contracted to cover dry seasons that imply a decrease in hydraulic generation and the rise in energy prices on the stock market. It is measured at fair value through profit or loss, in order to achieve asymmetry or "match" the financial asset (derivative/option, valued at fair value through profit or loss) with the financial liability (premiums payable).

23.1.2 Financial liabilities designated at fair value through profit or loss, with the effects of the change in credit risk of the liability recognized in profit or loss for the period

Concept	2023	2022
Gain (loss) for the period from changes in fair value attributable to changes in credit risk recognized in profit or loss for the period		1,169
Difference between the carrying amount and the value to be paid at the time of liquidation:	-	**(8,391)**
Carrying amount of the liability(s)	-	49,090
Amount to pay at the time of settlement	-	57,481
Total	-	**49,090**

- Amounts stated in millions of Colombian pesos -

The company has determined that presenting the effects of changes in the credit risk of a liability in other comprehensive income would create or increase an accounting asymmetry in the result of the period, this asymmetry is generated given that EPM's rating is BB+ and the NewRe is AA. It should be noted that this liability comes from a contract that is linked to an option-type derivative instrument, which represents an asset for EPM. The derivative instrument (asset) is valued at fair value (including credit risk) with changes in results since it is not designated in hedge accounting.

Note 24. Derivatives and hedges

The company has the following types of hedge:

- Cash flow hedges, which consists of covering the variation in future cash flows attributable to certain risks, such as interest rate and exchange rate that can impact results, whose fair values at the end of the reporting period amount to:
- Swaps: A net obligation of $906,328 (see note 23. Other financial liabilities) (2022: Net obligation $459,935).

  The hedging relationship is effective taking into account that the fundamental financial conditions (such as nominal, interest rate, payment and maturity dates) of the hedging instrument and the hedged item match, in accordance with IFRS 9, on the basis from a qualitative assessment of such fundamental conditions, that the hedging instrument and the hedged item have values that will generally move in opposite directions due to the same risk and, therefore, that there is an economic relationship between the hedged item and the hedging instrument.
- Hedges of net investments in foreign operations, whose objective is to cover the equity for the exchange rate risks that EPM may have, by the equity method in the effect of conversion of financial statements in investments in subsidiaries with dollar functional currency for further details, (see note 21 Loans and borrowings and note 20 Accumulated other comprehensive income). The effectiveness tests of these hedges are carried out with the "less than" test, which consists of identifying the effectiveness as the lower accumulated value between the valuation of the hedging instrument and that of the hedged item, and any difference is considered ineffective recognized in the result of the period.

The risks that have been covered in these operations are presented below, for more detail (see note 42 Financial risk management objectives and policies):

Hedge Classification	Description	Hegde Risk	Section	Hedged item	Carrying amount hedged item	Carrying amount hedging instrument	Changes in the fair value of the hedging instrument in the period	Changes in the fair value of the hedged item in the period	Hedge Ineffectiveness recognized in profit or loss for the period	Hedge Effectiveness recognized in other comprehensive income	Reclassification of other comprehensive income to profit or loss for the period (1)
Cash Flow Hedging											
Swaps	Cross Currency Swap	USD/COP Exchange Rate and SOFR/Fixed Debt Service Interest Rate	International Bonds & Club Deal	Credit in Dollars	8,368,033	(906,328)	(1,366,262)	711,168	N.A	(1,366,262)	(2,205,381)
Hegde of net investment abroad	The hedging instrument is loans in USD that are not covered and do not capitalize, in this case they would be CAF and AFD.	USD/COP Exchange Rate	Investments in subsidiaries in HET, PDG and MaxSeguros.	Investments in subsidiaries with USD functional currency	1,280,299	1,077,675	(568,289)	(134,416)	(21,898)	(235,961)	-

- Amounts stated in millions of Colombian pesos -

[1] The reclassification of other comprehensive income to profit or loss for the period, for swap instruments, affected the interest item, exchange difference, interest exchange difference and the principal of the right. In addition, $45,091 was capitalized as borrowing costs mainly to the Ituango project.

Foreign exchange risk hedging operations are part of the public debt regulated in Decree 1068 of 2015, therefore, they require the general approval of the operation via resolution, as well as the official authorization of each of the confirmation letters that will be signed with the financial institutions with the potential to participate in the respective operations.

Decree 1575 of 2022, presented some modifications to Decree 1068 of 2015, in the sense of incorporating greater efficiency in the process of obtaining authorizations to manage the risks of the market of derivatives of financial liabilities in dollars, so that when it comes to public credit operations or similar subject to the approval of the Ministry of Finance and Public Credit, These operations may be authorized simultaneously in the same resolution together with the risk hedging operations. In any case, the authorized entity may only contract the risk hedging operation on the amounts effectively disbursed from the public credit operation or assimilated in whole or in part.

Cash flow hedge

The Company expects the cash flows that are under cash flow hedging accounting to be realized in the period between January 1, 2023 and February 15, 2031, for more details see note 42 Financial Risk Management Objectives and Policies, numeral 42.1 Market Risk.

The characteristics of the main cash flow hedging instruments that fall under hedge accounting are as follows:

Current Hedge								
Characteristisc								
Covered Underlying	Bonds 2029	Bonds 2029	Bonds 2029	Bonds 2029	Bonds 2029	Bonds 2029	Bonds 2029	Bonds 2029
Closing Date	8-jun-20	7-jul-20	10-jul-20	15-jul-20	15-jul-20	9-nov-20	12-nov-20	18-may-21
Derived Type	CCS	CCS	CCS	CCS	CCS	CCS	CCS	CCS
Counterpart	BNP Paribas	JP Morgan	JP Morgan	Scotia Bank	Goldman Sachs	Goldman Sachs.	BBVA	Merrill Lynch
Face (USD)	100,000,000	50,000,000	100,000,000	100,000,000	100,000,000	125,000,000	125,000,000	100,000,000
Spot exchange rate	3,597	3,627	3,617	3,606	3,608	3,657	3,642	3,649
Expiration Date	18-jul-29	18-jul-29	18-jul-29	18-jul-29	18-jul-29	18-jul-29	18-jul-29	18-jul-29

* CCS : Cross Currency Swap

Current Hedge Characteristics								
Covered Underlying	Bonds 2029	Bonds 2029	Bonds 2031	Bonds 2031	Bonds 2031	Bonds 2031	Bonds 2031	Bonds 2031
Closing Date	2-jun-21	3-jun-21	11-sep-20	16-sep-20	22-oct-20	23-oct-20	29-ene-21	11-mar-21
Derived Type	CCS	CCS	CCS	CCS	CCS	CCS	CCS	CCS
Counterpart	BANCO BILBAO VIZCAYA ARGENTARIA, S.A.	Merrill Lynch International	JP Morgan	JP Morgan	Sumitomo Mitsui Banking Corporation, New York Branch	JP Morgan	BNP Paribas	Goldman Sachs
Face (USD)	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	75,000,000	75,000,000
Spot exchange rate	3,638	3,647	3,709	3,708	3,774	3,774	3,568	3,525
Expiration Date	18-jul-29	18-jul-29	15-feb-31	15-feb-31	15-feb-31	15-feb-31	15-feb-31	15-feb-31

* CCS : Cross Currency Swap

Current Hedge Characteristics							
Covered Underlying	Bonds 2031	Club Deal	Club Deal	Club Deal	Club Deal	Club Deal	Club Deal
Closing Date	4-jun-21	10-jul-23	12-jul-23	13-jul-23	18-jul-23	23-oct-23	4-dic-23
Derived Type	CCS	CCS	CCS	CCS	CCS	CCS	CCS
Counterpart	CITIBANK	Scotia Bank	Scotia Bank	JP Morgan	BNP Paribas	JP Morgan	JP Morgan
Face (USD)	25,000,000	100,000,000	100,000,000	100,000,000	120,000,000	100,000,000	84,000,000
Spot exchange rate	3,602	4,157	4,133	4,103	3,990	4,214	3,999
Expiration Date	15-feb-31	17-dic-27	17-dic-27	17-dic-27	17-dic-27	17-dic-27	17-dic-27

* CCS : Cross Currency Swap

Non-Hedging Climate Derivative

EPM currently has a risk hedge called "Climate Derivative" which is based on a put option and whose objective is to have hedge of the risk in income due to the occurrence of extreme weather events that affect rainfall and therefore the contractual commitments of power generation. It also serves to protect the exposure to risk due to purchases on the energy exchange in these periods, which consequently also increases. Under this hedge, all the impact that the company could receive due to the non-generation and non-compliance with contractual commitments is transferred to the reinsurance market.

Embedded derivatives

The company has not formalized contracts that contain embedded derivatives.

Derivatives that are not under hedge accounting

The company has formalized contracts that contain derivatives that are not under hedge accounting (see note 13. Other financial assets).

Note 25. Employee benefits

The item of benefits to employees recognized at the cut-off date presents the following composition:

Employee benefits	2023	2022
Non-current		
Post-employment benefits	350,647	242,543
Long term benefits	58,483	42,959
Total non-current employee benefits	409,130	285,502
Current		
Short-term benefits	167,250	140,635
Post-employment benefits	82,286	68,400
Total current employee benefits	249,536	209,035
Total	658,666	494,537

- Amounts stated in millions of Colombian pesos -

25.1 Post-employment benefits

Includes defined benefit plans and defined contribution plans detailed below:

25.1.1 Defined benefit plans

Defined benefit plans	Pensions[1]		Retroactive severance [2]		Educational aid plan [3]		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
Present value of defined benefit obligations								
Initial balance	313,115	380,036	84,911	91,169	10	22	398,036	471,227
Present service cost	-		2,155	2,548	-	-	2,155	2,548
Interest income or (expense)	39,732	30,347	9,558	6,415	1	-	49,291	36,762
Assumptions from experience	831	2,318	18,347	10,974	-	(3)	19,178	13,289
Demographic assumptions	-		(2)	2	-	-	(2)	2
Financial assumptions	76,651	(61,618)	8,640	(9,804)		1	85,291	(71,421)
Past Service Cost	(719)	-	10,632	-	-	-	9,913	-
Payments made by the plan [4]	(43,105)	(37,968)	(23,025)	(16,392)	(5)	(10)	(66,135)	(54,370)
Present value of obligations as of December 31	**386,505**	**313,115**	**111,216**	**84,912**	**6**	**10**	**497,727**	**398,037**
Fair value of plan assets								
Initial balance	87,094	125,638	-	-	-	-	87,094	125,638
Payments made by the plan [4]	(36,698)	(41,299)	-	-	-	-	(36,698)	(41,299)
Interest income or (expense)	9,384	8,656	-	-	-	-	9,384	8,656
Expected return on the plan (excluding interest income)	5,196	(5,902)	-	-	-	-	5,196	(5,902)
Fair value of plan assets December 31	**64,976**	**87,094**	**-**	**-**	**-**	**-**	**64,976**	**87,094**
Surplus or (deficit) of the defined benefit plan	**321,529**	**226,021**	**111,216**	**84,912**	**6**	**10**	**432,751**	**310,943**
Net asset or (liability) of the defined benefit plan	**321,529**	**226,021**	**111,216**	**84,912**	**6**	**10**	**432,751**	**310,943**
Total defined benefits	**321,529**	**226,021**	**111,216**	**84,912**	**6**	**10**	**432,751**	**310,943**

- Amounts stated in millions of Colombian pesos -

[1] It includes a retirement pension plan recognized prior to the entry into force of the General Pension System of Law 100 of 1993 with their respective substitutions, which are distributed in the actuarial calculation by groups, differentiating the lifetime, those shared with Colpensiones, the pension substitutions and those that generate retirement share. The plan is made up of EPM retirees and retirees belonging to the pension commutation due to the liquidation of the Antioquia Energy Company EADE. It includes social security contributions and funeral assistance. Retirement pensions are legal under the parameters of Law 6 of 1945 and Law 33 of 1985. No risks have been identified for EPM generated by the plan. During the period, the plans have not undergone modifications, reductions or liquidations that represent a reduction in the present value of the obligation.

[2] It includes a retroactive severance plan, it is a post-employment benefit that applies to approximately 8% of EPM's employees, it consists of the recognition of an average monthly salary multiplied by the years of service, payable through advances and at the time of termination of the contract. The source of the plan is the "Sixth Law of 1945 which enacts certain provisions on labour agreements, professional associations, collective disputes and special labour jurisdiction" and National Decree 1160 of 1989, which partially regulates Law 71 of 1988, which issues rules on pensions and other provisions. For the Retroactive Severance Plan, no possible risks or significant modifications are identified during the period.

The cost for past services in the severance plan corresponds to compliance with a court ruling in which EADE personnel who were dismissed from the entity in 2006 had to be reinstated. Severance pay (one month's salary) will be recognized according to the legal basis Law 344/1996, Law 1071/2006 and Decree 1045/1978, which dictate rules that regulate the payment of definitive or partial severance pay to public servants, establish penalties and set terms for their cancellation.

[3] It includes an educational aid plan that is granted for each of the children of EPM retirees, who are entitled to it, including aid for secondary, technical or university studies. It has its origin in article 9 of Law 4 of 1976, which dictates rules on pension matters in the public, official, semi-official and private sectors and provides that companies or employers shall grant scholarships or grants for secondary, technical or university studies to the children of their retired personnel, under the same conditions as they grant or establish for the children of active workers.

The weighted average duration in years of defined benefit plan obligations as of the cut-off date is presented below:

Benefit	2023		2022	
	From	Until	From	Until
EPM Pension	6.8	8.8	6.0	7.7
Educational Aid EPM	0.5	0.5	0.5	0.5
Retroactive layoffs	3.2	3.2	3.6	3.6

[4] Includes $66,135 (2022: $54,370) of values paid for plan settlements, corresponding to pensions, retroactive severance and educational assistance plan.

The company has no restrictions on the actual realization of the defined benefit plan surplus.

The company did not make defined benefit contributions during 2023 and does not expect to make contributions for the next annual period.

The fair value of the plan's assets is composed as follows:

Assets supporting the plan	2023		2022	
	% Participation	Fair Value	% Participation	Fair Value
Cash and cash equivalents	0.69%	453	1.00%	869
Total equity instruments		**453**	**1.00%**	**869**
Debt Instruments				
AAA	35.10%	23,256	87.10%	75,854
AA	8.89%	5,777	6.88%	5,995
Nation	46.00%	29,892	-	-
Unrated	9.32%	6,053	4.67%	4,071
Investment funds	-	-	0.35%	304
Total debt instruments	**99.31%**	**64,977**	**99.00%**	**86,225**
Other assets				
Total assets supporting the plan	**100.00%**	**65,430**	**100.00%**	**87,094**

- Amounts stated in millions of Colombian pesos -

The main actuarial assumptions used to determine the obligations for the defined benefit plans are the following:

Assumptions	Post-employment benefits	
	2023	2022
Discount rate (%)	10.6 -10.8	13.60 - 12.2
Annual salary increase rate (%)	5.5	5.5
Actual rate of return on plan assets	21.95	2.59
Future annual pension increase rate	4.5	4.5
Annual inflation rate (%)	4.5	4.5
Survival tables	Valid renters 2008	

The following table shows the effect of a variation of plus 1% and minus 1% in the salary increase, in the discount rate and in the increase in the benefit on the obligation for defined post-employment benefit plans:

Assumptions	Increase in discount rate by +1%	Decrease in discount rate by -1%	Increase in wage increase by +1%	Decrease in wage increase by -1%	Increase in profit increase by +1%	Decrease in profit increase by -1%
EPM Pension	272,747	307,718	-	-	-	-
EPM Social Security Contributions	21,774	24,479	-	-	-	-
EPM Educational Aid	6	6	-	-	6	6
EADE Pension	68,136	79,985	-	-	-	-
EADE Social Security Contributions	749	856	-	-	-	-
Retroactive layoffs	108,347	114,248	116,530	106,105	-	-
Total Post-Employment Benefits	471,759	527,291	116,530	106,105	6	6

- Amounts stated in millions of Colombian pesos -

The methods and assumptions used to prepare the sensitivity analysis of the Present Value of Obligations (DBO) were carried out using the same methodology as for the actuarial calculation as of December 31, 2023: Projected Credit Unit (PUC). Sensitivity does not present limitations, nor changes in the methods and assumptions used to prepare the analysis of the current period.

Calculation of liabilities and pension commutations in accordance with tax requirements

Resolution 037 of 2017 issued by the General Accounting Office of the Nation established the obligation to disclose the calculation of pension liabilities in accordance with the parameters established in Decree 1625 of 2016 and Decree 1833 for pension commutations; therefore, the figures presented below do not correspond to the requirements of the IFRS adopted in Colombia.

Pension liabilities

The actuarial calculation of pensions was prepared with the following technical bases:

Actuarial Assumptions - Pension Obligation	2023	2022
Real technical interest rate	4.8	4.8
Salary increase rate	8.7	3.98
Pension increase rate	8.7	3.98
Mortality table	RV08 (Valid renters)	

The following table is the calculation of the pension liability with the above parameters:

Concept	2023		2022	
	Number of personnel	Obligation value	Number of personnel	Obligation value
Staff retired entirely by the Company	582	178,666	564	149,635
Staff retired with pension shared with Colpensiones	307	51,215	333	48,197
Beneficiary staff shared with Colpensiones	427	62,769	442	58,029
Staff retired with pension shared with other entities	402	32,574	458	45,467
Total	**1,718**	**325,224**	**1,797**	**301,328**

- Amounts stated in millions of Colombian pesos -

The pension bonds related to pension obligations are detailed below:

Concept	2023		2022	
	Number of employees	Reserve value	Number of employees	Reserve value
Type A pension bonus modality 1	225	3,788	230	3,388
Type A pension bonus modality 2	3,851	202,625	3,851	195,186
Type B pension bonus	1,913	321,672	1,913	318,276
Type T pension bonus	5	503	5	390
Contributions - Law 549	131	5,596	131	5,098
Difference	**6,125**	**534,184**	**6,130**	**522,338**

- Amounts stated in millions of Colombian pesos -

The differences between pension liabilities calculated under IFRS adopted in Colombia and tax pension liabilities are shown below:

	2023	2022
Pension liabilities under IFRS	312,265	256,200
Tax pension liabilities	859,414	823,676
Difference	**(547,149)**	**(567,476)**

- Amounts stated in millions of Colombian pesos -

Pension commutation liabilities

The actuarial calculation of pension commutation was prepared with the following technical bases:

Actuarial Assumptions - Pension commutation	2023	2022
Real technical interest rate	4.8	4.8
Salary increase rate	8.7	3.98
Pension increase rate	8.7	3.98
Mortality table	RV08 (Valid renters)	

The following table is the calculation of the pension commutation with the previous parameters:

Concept	2023		2022	
	Number of employees	Obligation value	Number of employees	Obligation value
Retired employees by the Company	70	19,045	74	17,728
Retired employees with pension shared with Colpensiones	337	53,306	338	47,391
Beneficiary employees shared with Colpensiones	63	7,801	62	6,419
Retired employees with pension shared with other entities	5	373	10	1,054
Total	**475**	**80,525**	**484**	**72,592**

- Amounts stated in millions of Colombian pesos -

The pension bonds related to the pension commutation liability are detailed below:

Concept	2023		2022	
	Number of employees	Reserve value	Number of employees	Reserve value
Type A pension bonus modality 1	11	43	11	39
Type A pension bonus modality 2	220	13,041	232	12,654
Type B pension bonus	193	25,674	198	23,914
Type T pension bonus	3	-	3	-
Other -Include type of pension bonus-	1	59	1	52
Difference	**428**	**38,817**	**445**	**36,659**

- Amounts stated in millions of Colombian pesos -

Below are the differences between the pension commutation liability calculated under IFRS adopted in Colombia and the tax pension commutation liability:

	2023	2022
Pension commutation liabilities under IFRS	74,430	56,925
Tax pension commutation liabilities	119,345	109,252
Difference	**(44,915)**	**(52,327)**

- Amounts stated in millions of Colombian pesos -

The company's policy is to prepare actuarial calculations for the annual closing of the period, therefore, the estimated data for 2023 are presented.

25.1.2 Defined contribution plans

The company made contributions to defined contribution plans of $93,699 (2022: $80,930) recognized in the result of the period as an expense of $28,359 (2022: $24,391), cost of $50,763 (2022: $43,561) and investment projects of $14,577 (2022: $12,978).

25.2 Long-term employee benefits

Long-term benefits	Seniority premium [1]	
	2023	2022
Present value of obligations for other long-term benefits		
Initial balance	42,959	46,978
Present service cost	4,484	4,924
Interest income or (expense)	5,520	3,698
Assumptions from experience	3,988	5,001
Financial assumptions	10,440	(7,077)
demographic assumptions	(423)	(202)
Past Service Cost	176	
Payments made by the plan	(8,661)	(10,363)
Final balance of the present value of obligations	**58,483**	**42,959**
Net liability for long-term benefits	**58,483**	**42,959**

- Amounts stated in millions of Colombian pesos -

For these benefits, the company does not have assets that support the plan.

[1] Includes a seniority bonus plan. It is a long-term benefit granted to employees through the Collective Labor Agreement, in EPM it is granted based on years of continuous or discontinuous service. It is recognized and paid only once in the respective period and in accordance with the established terms: every 5 years, 12, 17, 23, 30, 35 and 40 days of basic salary will be paid, respectively. The form of payment can be in cash, in time off, or a combination of the two of the employee's choice. For the personnel who resign from the company to access the old-age or disability pension, they are entitled to proportional payment for the length of service, if they have less than one year left to complete the next five-year period at the time of separation. No potential risks are identified for the Seniority Premium plan.

The cost for past service in the seniority bonus plan corresponds to compliance with a court ruling, where EADE staff had to be reinstated who had been dismissed from that entity in 2006. According to the Collective Bargaining Agreement Art.45, the same benefits are granted to EPM and EADE employees.

The weighted average length in years of long-term benefit plan obligations as of the cut-off date is presented below:

Benefit	2023		2022	
	From	Until	From	Until
Seniority Premium	6.1	6.1	5.5	5.5

The company does not expect to make contributions to the plan for the next annual period.

The main actuarial assumptions used to determine the obligations for the long-term employee benefit plans are the following:

Assumptions	Concept	
	2023	2022
Discount rate (%)	10.6	13.50
Annual salary increase rate (%)	5.85	5.85
Annual inflation rate (%)	4.5	4.50
Survival tables	RV08 (Valid renters)	

The following table shows the effect of a variation of plus 1% and minus 1% in the salary increase, in the discount rate and in the increase in the benefit on the obligation for long-term benefit plans:

Assumptions	Increase in the discount rate by +1%	Decrease in the discount rate by -1%	Increase in wage increase by +1%	Decrease in wage increase by -1%
Seniority Premium	55,442	61,871	62,262	55,046
Total long-term benefits	**55,442**	**61,871**	**62,262**	**55,046**

- Amounts stated in millions of Colombian pesos -

The methods and assumptions used to prepare the sensitivity analysis of the Present Value of Obligations (DBO) were carried out using the same methodology as for the actuarial calculation as of December 31, 2022: Projected Credit Unit (PCU). Sensitivity does not present limitations, nor changes in the methods and assumptions used to prepare the analysis of the current period.

25.3 Short-term employee benefits

The composition of short-term benefits is as follows:

Short-term benefits	2023	2022
Payroll payable	12,244	11,161
Severance	66,472	52,987
Interest over severance	7,941	6,328
Vacation	25,414	22,372
Vacation bonus	51,846	44,671
Christmas bonus	77	396
Bonuses	3,176	2,716
Other premiums	80	4
Total short-term benefits	**167,250**	**140,635**

- Amounts stated in millions of Colombian pesos -

Note 26. Taxes, contributions and rates payable

The detail of taxes, contributions and fees, other than income tax, is as follows:

Taxes, contributions and fees payable	2023	2022
Current		
Withholding (1)	146,639	133,213
Industry and commerce tax (2)	56,751	35,045
Rates (3)	49,358	39,997
Customs tax and surcharges (4)	9,323	16,512
Value added tax	6,461	5,751
Contributions	3,594	3,259
Other national taxes (5)	3,224	25,366
Other municipal taxes	7	109
Total Current taxes, contributions and fees payable	**275,357**	**259,252**
Total Taxes, contributions and fees payable	**275,357**	**259,252**

- Amounts stated in millions of Colombian pesos -

[1] The Accrued value in December 2023 was higher than in December 2022, due to the lower amount to be paid for the concept of self-withholdings.

[2] The increase in the taxable base for the Industry and Commerce Tax is due to higher revenues in the 2023 period.

[3] The taxable base for the tax by fees increased by the value of the payments paid to the municipalities for the concept of energy generation as established by Law 99.

[4] The decrease in customs taxes and surcharges for 2023 corresponds to the decrease in merchandise imports for the development of EPM's megaprojects.

[5] The decrease in other national taxes corresponds to the payment of the additional contribution of the SSPD Super Services for the 2021 term in the year 2023, in the amount of $22,147.

Note 27. Provisions

27.1 Provisions

The reconciliation of the provisions is as follows:

Concept	Dismantling or restoration	Litigation	Contingent consideration - Business combination	Subsidiary constructive obligations	Guarantee	Other provisions	Total
Initial balance	**226,327**	**576,262**	**164,112**	**-**	**106,053**	**78,667**	**1,151,421**
Additions	-	803,013	-	-	-	149,963	**952,976**
Capitalizable Additions	3,287	-	-	-	-	-	**3,287**
Uses	(39,265)	(121,561)	(551)	-	(102,607)	(138,457)	**(402,441)**
Reversals, unused amounts (-)	(177)	(19,061)	(1,323)	-	(9,566)	(10,045)	**(40,172)**
Reversals, capitalizable unused amounts (-)	(206)	-	-	-	-	-	**(206)**
Adjustment for changes in estimates	5,629	32,110	3,402	62,926	-	367	**104,434**
Adjustment for changes in capitalizable estimates	224,886	-	-	-	-	-	**224,886**
Exchange rate difference	-	(1,200)	(31,261)	-	-	-	**(32,461)**
Other changes Finance Expense	25,382	61,054	6,764	-	6,120	5,430	**104,750**
Final balance	**445,863**	**1,330,617**	**141,143**	**62,926**	**0**	**85,925**	**2,066,474**
Non-current	256,367	1,259,797	140,987	62,926	-	56,991	1,777,068
Current	189,496	70,820	156	-	-	28,934	289,406
Total	**445,863**	**1,330,617**	**141,143**	**62,926**	**0**	**85,925**	**2,066,474**

- Amounts stated in millions of Colombian pesos -

As of December 31, 2023, EPM's significant provisions are:

- The increase in the provision for dismantling is an adjustment in the social provision of Ituango and in the forestry compensations for the environmental effects of Hidroituango (Number 27.1.1).
- The increase in the provision of litigation and lawsuits is due to the arbitration award against EPM for the penalty clauses of enforcement for non-compliance with milestones in Hidroituango. (Paragraph 27.1.2).
- The decrease in the guarantee provision is due to the payments made to XM for the arrears guarantee in Hidroituango (Numeral 27.1.4).

27.1.1. Decommissioning or environmental restoration

EPM is obliged to incur dismantling or restoration costs of its facilities and assets. There are currently three provisions for dismantling or restoration:

- Withdrawal of transformers that contain PCBs (polychlorinated biphenyls): EPM has committed to the dismantling of these assets from 2014 to 2026 covered by Resolution 222 of December 15, 2011 of the Ministry of Environment and Sustainable Development and the Stockholm Convention of May 22 2008. The provision is recognized for the present value of the expected costs to settle the obligation using estimated cash flows. The main assumptions considered in calculating the provision are: estimated costs, CPI, and TES fixed rate. The balance as of December 31 is $7.
- Jepírachi: The Jepírachi Wind Farm, located in La Guajira, generated until October 9, 2023; when the operation of the National Interconnected System (SIN) was disconnected and the dismantling process began that will last approximately one year, as contemplated in CREG resolution 136 of 2020, published

in the Official Gazette on July 15, 2020. The main assumptions considered in the calculation of the provision are: estimated costs, CPI and TES fixed rate. As of December 31, 2023, the provision for $943 was recorded.

- Dismantling of the Hidroituango power plant: With the entry into operation of the two power generating units of the Hidroituango power plant, the dismantling of the Tacuí – Cuní camp is planned, which was initially conceived and sized for the construction of the Ituango Hydroelectric Project. Once the construction stage is over, the operation of the project begins and the sizing for the construction stage is much greater than that required for the operation stage. For this reason, it is estimated that the dismantling will begin in 2027, which is the probable date of the completion of the construction and delivery to operation of the 8 generation units. The estimated cost for the dismantling of the camps was assessed according to the areas that are not required for the operation of the plant and according to the plan and dimensioning of the facilities. The balance of the provision as of December 31, 2023 amounted to $14,893.

- Environmental provision in the construction of infrastructure projects: it arises as a legal obligation derived from the granting of the environmental license to compensate for the loss of biodiversity during the construction phase, as well as compensation for the subtraction of reserve areas, affectation of prohibited species and forest use; Obligations that are formalized through the resolutions of the ANLA (National Authority for Environmental Licenses), CAR - Regional Autonomous Corporation and/or MADS - Ministry of Environment and Sustainable Development.

  The executions of the biotic environmental compensations of the project extend beyond the time in which the asset technically begins to operate, making it necessary to implement the figure of the provision with the aim that said expenditures remain as a greater value of the construction in progress. The company has committed to compensate the loss of biodiversity, subtraction and closures, according to the resolutions: Res. 1313/2013 ANLA, Res. 519/2014 ANLA, Res LA. 0882/04/08/2014 ANLA, Res. 1166/2013 MADS, Res. 1852/2013 CAR, Res. 2135/2014 CAR, Resolution 1189/22/07/2104 MADS, Res. 1120907/17-03-2015 CORNARE, Res. 141011206/16-10-2014 CORANTIOQUIA, Res LA. EIA1-9872 04/21/2014 CVS, among others. The provision is recognized at the present value of the expected costs to pay off the obligation using estimated cash flows. The main assumptions considered in the calculation of the provision are: estimated costs, CPI _ Consumer Price Index _ prices and fixed rate of return TES (Colombian government debt securities). The adjustment made as of December 2023 was $7,722.

  Environmental compensation and forced investment of 1%: Law 99 of 1993, established the obligatory nature of environmental licensing for the development of any activity that could cause serious deterioration to renewable natural resources or the environment, or introduce considerable or notorious modifications to the landscape. and depending on the type of activity, the size and location of the project, and assigned the powers in relation to environmental licensing to the National Authority for Environmental Licenses, the Regional Autonomous Corporations, or the metropolitan areas.

  Article 321 of Law 1955 of 2019, indicates that all holders of an environmental license that had pending investments as of May 25, 2019 may benefit from the percentage increase in the value of the liquidation base of the forced investment of not less than 1%, according to the year of start of activities authorized in the environmental license and defined the requirements and procedures to update the pending investments and take advantage of new execution terms subject to the approval of the ANLA.

  For EPM, the obligations related to the use of water taken directly from natural sources are contemplated, in La Sierra, Porce II, Porce III and Hidroituango. As of December 31, 2023, $47,272 was recorded as a provision.

For the environmental contingency of Hidroituango, established by the specific action plan for the recovery of the parts affected by the events of the plugging of the diversion tunnel of the Cauca River, due to the closure of floodgates; and, for the events, typical of the contingency, that may arise in the pending technical milestones to be reached, as well as the execution of the same. As of December 31, 2023, there is a provision balance of $38,656.

For the social and environmental recovery plan of Hidroituango, the evaluation of the state of the concentrations of mercury, lead, nickel, chromium, cadmium and arsenic, methylmercury in fish, water, sediments and suspended material, cyanobacteria in water and possible effects on the health of the riparian inhabitants of the middle and lower basin of the Cauca River was considered; and the Humboldt Framework Convention: Biodiversity (Standardization of monitoring in the middle and lower Cauca River basin, fulfillment of pending commitments in the compensation plan, analysis of possible reserve area).

The specific action plan for recovery must consider three framework programs:

a) Recovery of affected swamps
b) Recovery of the affected fish fauna
c) Restoration of aquatic habitats located in the affected area

These three programs correspond to the environmental component as a response to the identification of the effects caused, as well as discretionary actions. Also included are social programs, economic activities, infrastructure, risk management, among others.

The different actions are carried out between the municipalities of Valdivia and Nechí; however, if the effects are identified in the municipalities that are part of La Mojana, they will also be subject to the intervention.

Environmental effects of the Ituango Hydroelectric Power Plant: In 2022, two of the eight power generating units of the Hidroituango Power Plant came into operation and began obligations for the use of vegetation cover in the areas where different infrastructures were implemented for this plant. According to the environmental license, the project must make forest compensations associated with the WFP programs of the biotic environment related to the management and conservation of vegetation cover, the subprogram for the restoration of forest cover, the subprogram for the management and protection of fish and fishing resources in the lower and middle basins of the Cauca River, in a ratio of 1 to 1 in the intervened areas of tropical humid forest and from 1 to 5 in the areas of tropical dry forest. With this, attention is also given to the obligations of CORANTIOQUIA and CORPOURABA for the use of species with regional restriction. The balance of the provision as of December 31, 2023 is $167,670.

27.1.2. Litigation

This provision covers estimated probable losses related to labor, civil, administrative, and tax litigation that arise in EPM's operations. The main assumptions considered in the calculation of the provision are: CPI (Consumer Price Index) average to actual data in previous years and projected data in future years, fixed rate TES (Colombian Government debt security) in pesos for discount, estimated value to be paid, start date and estimated date of payment, for those disputes classified as probable. To date, no future events have been evidenced that may affect the calculation of the provision.

In order to reduce the uncertainty conditions that may arise with respect to the estimated date of payment and the estimated value to be paid in litigation classified as probable, the company has business rules based on statistical studies with which average durations were obtained. of the processes by action and also the application of the jurisprudence to the maximum limits that it defines for the value of extra patrimonial or immaterial claims when they exceed their amount, as described below:

Average duration of processes per action

Administrative and fiscal

Action	Average years
Abbreviated	4
Enforcement Action	4
Group Action	6
Popular Actions	4
Preliminary Conciliation	2
Constitution Of Civil Party	4
Contractual	13
Demarcation	5
Executive	5
Singular Executive	3
Exportation	4
Comprehensive Reparation Incident (Criminal)	2
Imposition Of Easement	4
Nullity Of Administrative Acts	5
Nullity And Restoration Of Rights	10
Nullity And Restoration Of Labor Law	11
Ordinary	7
Ordinary Membership	5
Criminal Accusation (Law 906 Of 2004)	4
Dividing Processes	4
Protection Of Consumer Rights	6
Police Complaints	3
Claim	7
Direct Repair	12
Verbal	5

Labor processes

Action	Average years
Solidarity	3.5
Pension	3.5
Extra hours	3.5
Refund	4
Salary scale leveling	3.5
Unfair dismissal offset	3.5
Settlement of social benefits	3.5
Work accident compensation	4
Refund contributions Health_Pension	4

Application of jurisprudence

Typology: the values of the claims for compensation for non-pecuniary damages will be recorded according to the following typology:

- Moral prejudice.
- Damage to health (physiological or biological damage), derived from bodily or psychophysical injury.
- Damage to relationship life.

- Damage to constitutional and conventional property.

The values of other non-patrimonial claims not recognized by jurisprudence will not be recorded, unless it can be inferred from the claim that, despite having another name, it corresponds to one of the admitted typologies. Claims for non-patrimonial compensation for damage to property will not be registered either.

Quantification: the amount of non-patrimonial claims will be recorded uniformly as follows, regardless of their type:

For direct victim	100 Current Monthly Legal Minimum Wages
For indirect victim	50 Minimum Legal Monthly Wages in Force

The following are the recognized disputes:

Third party	Claim	Amount
Hidroeléctrica Ituango S.A.	Declare that between HIDROITUANGO and EPM, there exists a Contract for the financing, construction, assembly, development, commissioning, and operation of the Pescadero Ituango Hydroelectric Project, known as BOOMT, entered into on 2011/03/30, where EPM ITUANGO assigned its contractual position in favor of EPM. In Hidroituango's opinion, EPM failed to meet milestone 7 "Closure of the diversion gates and start of the reservoir filling (...)" initially planned for 2018/07/01, milestone 8 "Commencement of commercial operation of unit 4" initially planned for 2018/11/28, and milestone 9 "Commencement of Commercial Operation of Unit 1" initially planned for 2019/08/27. As a consequence of the above, Hidroituango requested that EPM be ordered to pay the "Penalty Clauses for Failure to Meet Milestones" up to the value of the "maximum financial liability" for US$450 million, and the recognition of the remuneration agreed upon in the contract for the plant not having commenced operation on the scheduled dates.	781,829
Maikol Arenales Chaves	To declare the defendants administratively liable, as the cause of the unlawful damage for having destroyed the fishing resource of the Ciénagas de Montecristo complex, which is due to the construction of the IHP (Ituango Hydroelectric Project). Note: By order of 16 November 2021, 1223 persons were accepted as members of the group.	330,425
Oscar Elias Arboleda Lopera	It includes 173 plaintiffs who worked for EADE; and, they state that in the dissolution and liquidation of said company there was an employer substitution with EPM, which obliges it to all labor debts.	46,894
Roger Alberto Gil Barragán	To recognize, by way of compensation, for each of the members of the "ASOBAPEBEL" group, that there are one hundred and ninety-three (193) for the unlawful damage caused, the moral and material damage, and the violation of fundamental rights such as a dignified life, a minimum of life, decent housing, work, food security, and the destruction of their source of subsistence, the displacement of their territory and the unlawful psychological and physical transformation of their lives, having as an imputation the exceptional risk due to the emergency that caused the damage to the Cauca River.	22,347
Luis Fernando Anchico Indaburo	To declare EPM administratively responsible, as the cause of the unlawful damage for having destroyed the fishing resource of the Montecristo swamp complex, which is due to the construction of the IHP (Ituango Hydroelectric Project) and requests the recognition and payment of a minimum wage for each family nucleus from February 2019 until the judgment is issued, this is referred to by the defendants as consolidated loss of profits.	22,332
Various Labor	It corresponds to 214 processes with an average of $101 and an amount of less than $1,097.	21,505
Santiago Andrés Ortiz Mora	To declare EPM responsible for the damage caused, the moral and material damage and the violation of fundamental rights, caused to the members of the "SAN ROQUE" group, by the destruction of their source of subsistence, the displacement of their territory and the psychological and physical transformation of their lives due to the affectation caused by the "Hidroituango" project in April 2018. The amount for each of the 161 members of the group is 100 SMMLV, for a total of $14,132,628,300. A claim for loss of profits in the amount of $1,146,431,034 is claimed.	18,010
Rodrigo Antonio Muñoz Arenas	To declare the State's responsibility for the deficiencies or omissions incurred by the defendants, by not measuring the danger, threat and damage that would be caused by the indiscriminate felling of trees in the area of influence of the dam, to which the communities attribute the changes in the behavior of the river and the landslides in the area. To order the plaintiffs and the members of the affected group to pay the minimum subsistence not received for the duration of the emergency, $4,307,103,200.00.	14,509
Javier Maure Rojas	To declare EPM administratively responsible, as the cause of the unlawful damage for having destroyed the fishing resource of the Montecristo swamp complex, which is due to the construction	14,042

Third party	Claim	Amount
	of the IHP (Ituango Hydroelectric Project); that a minimum wage be recognized and paid for each family unit from February 2019 until the judgment is handed down and the recognition of a future loss of earnings that goes from the time of the judgment to the probable period of life of each of the plaintiffs.	
Various Administrative	It corresponds to 22 processes with an average of $595 and an amount of less than $2,353.	12,865
Gustavo Jiménez Pérez	To declare EPM E.S.P. liable for the unlawful damage caused, the moral and material damage and the violation of fundamental rights caused to the 75 members of the "ASOMIBA" group; for the destruction of their source of subsistence, the displacement of their territory and reparation of the damage; It is requested to pay to the members of the "ASOPEISLA" group, the damages of an immaterial and material nature caused since the beginning of the emergency originated in the "Hidroituango" project, of compensation for each of the members of the "ASOMIBA" group, is set at One Hundred (100 SMLV).	8,986
Esilda Rosa Romero Aguas	They request that EPM be declared administratively liable as a result of the damage caused to the plaintiffs and that the sum of 80 SMLMV be recognized for each of the plaintiffs in the form of moral damages: 39 in total.	8,301
Diógenes De Jesús Cossio	For environmental damage, the sum of 50 SMLMV, for each of the 41 plaintiffs. It is classified as damage to constitutional and conventional property, in the absence of a category such as the one indicated by the plaintiff. For damage to the family or damage to the life of the relationship 50 SMLMV, for each of the plaintiffs. For moral damages, the sum of 50 SMLMV, for each of the plaintiffs. For consolidated and future loss of profits, the sum of ARS 289,767,141,000, for Mr. Fabio Enrique Gomez Atehortua.	7,170
John Walter Jaramillo	That the plaintiffs be reinstated in the same position or trade or another of the same or higher category that they had been performing, that as a consequence, by way of compensation, all the salaries and legal social benefits not received must be paid, in addition to all the contributions caused in favor of the Comprehensive Social Security System.	5,537
Municipality of Copacabana	Declare that EPM has partially breached the 8405949 contract and that it is responsible for the economic damages suffered by the Municipality of Copacabana, as the public lighting fee for the industrial and commercial sectors was not collected during the periods of 2007, 2008, 2009, 2010 and part of 2011; Which have been liquidated in the sum of $1,034,385,066 and that must be paid when the order that resolves the present lawsuit becomes enforceable.	3,237
Humberto Hernando Gómez Franco	To declare EPM administratively and financially liable for the injuries suffered by Mr. Humberto Hernando Gómez Franco, when he was electrocuted by high-voltage cables owned by the defendant entity, on 10/23/2013, at the La Playa farm owned by Mr. Antonio Lopera, located in the La Virgen sector, of the Vereda Hoyorrico, jurisdiction of the Municipality of Santa Rosa de Osos.	2,353
Francisco Javier Muñoz Usman	The plaintiffs claim to have worked at Empresa Antioqueña de Energía S.A. E.S.P., which was liquidated. That the conciliation agreement signed be declared null and void due to defect in the consent and consequently order the reinstatement of the employment contract, the reinstatement, the payment of all the salaries and benefits not received, in the same way that the social security contributions be cancelled from the moment of dismissal and until the plaintiff is effectively reinstated.	2,187
Moraine Olave De Larios	Relatives of a former Integral worker who died in Ituango, sue for full compensation for damages, for moral damages caused. Solidarity.	2,038
Omar Augusto Lugo Hoyos	That the conciliation agreement signed be declared null and void due to defect in the consent and consequently order the reinstatement of the employment contract, the reinstatement, the payment of all the salaries and benefits not received, in the same way that the social security contributions be cancelled from the moment of dismissal and until the plaintiff is effectively reinstated.	1,373
Jaime De Jesus Marin Hernandez	Employer's fault.	1,141
Corantioquia - Corporación Autónoma Regional Del Centro De Antioquia	That as a result of the declaration of nullity of Resolution No. 130 TH1106 – 8318, of June 7, 2011, CORANTIOQUIA repays the fee for the use of water collected from the Riogrande and that was collected with invoice No. TH1195 of April 11, 2011, corresponding to the period 2010, as established by Decree 155 of 2004, and pay EPM back what it overpaid.	1,108
Luis Bernardo Mora Meneses	EAS Re-Entry	1,097
Área Metropolitana Del Valle De Aburrá	To declare the nullity of the Metropolitan Resolutions: No. S.A. 001085 of 2012/07/05 "For the collection of remuneration rate - Connected Sector"; and, the No S.A. 000189 of 2014/02/17 "That resolves an Appeal for Reconsideration" both issued by the Environmental Deputy Director of the Metropolitan Area of the Aburrá Valley; and, to declare that EPM E.S.P. are not obliged to pay the AREA a sum whose refund must be made in an indexed manner from the time of making the payment and until the date on which effective compliance with the judgment with which the controversy is put to an end is verified.	1,073
Various Fiscal processes	It corresponds to 5 processes with an average of $52 and an amount less than $1,073.	258
Total recognized disputes		**1,330,617**

- Amounts stated in millions of Colombian pesos -

27.1.3. Contingent consideration - Business combination

Corresponds to contingent consideration related to the acquisition of the following group of assets that constitute a business: subsidiary Espíritu Santo Energy S. de R.L. and subsidiary Empresas Varias de Medellín S.A E.S.P. – EMVARIAS, as of December 31, 2023, for the former there was a balance of $126,243; and, for the second of $14,900.

The main assumptions considered in the calculation of the contingent consideration related to the acquisition of Espíritu Santo are: estimated date of occurrence of the milestones associated with the contingent payment, the associated probability of occurrence; and, additionally, the discount of the payment flows was considered by applying a discount rate (Libor Rate) according to the risk of the liability. To date, no future events have been evidenced that may affect the calculation of the provision.

The main hypotheses used regarding the future events of the contingent consideration related to the EMVARIAS acquisition are: ongoing litigation against EMVARIAS at the date of the transaction, definition of the year of materialization of each one of the litigation, definition of the value linked to each of the disputes, estimate of future contingent disbursements linked to the estimated disputes for each year and discount rate (TES fixed rate) to discount future contingent disbursement flows. To date, no future events have been evidenced that may affect the calculation of the provision.

27.1.4. Guarantee

The provision for guarantees is related to the reliability charge. In accordance with CREG Resolution 061 of 2017, the guarantee of the reliability charge for the entry of new generation projects is executed when the start of commercial operation of the plant is delayed by more than one year; and, in the case of Hidroituango, the guarantee provision for reliability charge began in May 2019 and ended in November 2023 after the declaration in commercial operation of unit 4 of Phase I where the total generation capacity was reached, 1200 MW, which corresponds to 100% of it.

27.1.5. Other provisions

The company maintains other provisions for:

- **Affected Ituango contingency:** For the attention of the affected people of Puerto Valdivia who were evacuated and housed, and who received compensation for consequential damages, lost earnings and moral damages; the recovery of families affected by the total or partial loss of their homes and economic activities caused by the Ituango Hydroelectric Project. As of December 31, 2023, this provision was adjusted by $6,730 and the ending balance is $37,584.
- **Environmental sanctioning procedure:** Corresponds to sanctions imposed for not implementing environmental management measures for the execution of works or executing them without the respective authorization or modification of the environmental license. As of December 2023, there is a provision of $1,408.

- **Sanctions:** These are the fines imposed by the competent authority for not applying the law or regulation indicated by the respective body. As of December 31, 2023, there are outstanding fines of $82**.**

Other provisions aimed at the well-being and quality of life of EPM employees and the family group:

- **Employer's policy:** Granted to EPM servers as an extralegal benefit. An aggregate deductible was incurred from July 1, 2023 through June 30, 2024 for $4,750. The main assumptions considered in the calculation for each type of provision are: TES discount rate, fixed rate, estimated amount payable and estimated payment date. To date, there has been no evidence of future events that could affect the calculation of the provision. It closed the year 2023 with a balance of $4,898.

- **Multiplier Points:** The points obtained in the year must be recognized at the request of the interested party or by decision of the Human Talent Development Department each time there is an accounting closing of the term and must be paid through the payroll. The value of each point is equivalent to 1% of the SMMLV and the process of accumulating points from one year to the next should not take place.
- **High cost and catastrophic diseases:** The basis for calculating said provision is that corresponding to the analysis of the entire population of affiliates and beneficiaries of the EPM Adapted Health Entity (EAS) who suffer from any of the authorized pathologies. As of December 31, 2023, the balance amounted to $9,618.
- **Technical reserve:** The basis for calculating the reserve is that corresponding to all service authorizations issued and that have not been collected on the cut-off date on which the reserve is to be calculated, except those corresponding to authorizations with more than twelve months of issuance. or those that after at least four (4) months after being issued, there is evidence that they have not been used. As of December 31, 2023, the balance amounted to $18,047.
- **Capitalizable easement:** It corresponds to the recognition of a capitalizable litigation, for being associated with an asset, whose dismantling must be a higher value of the construction in progress. As of December 31, 2023, EPM has a balance of $58 due to the easement imposition process for the 110 kv Second Circuit San Lorenzo - Calizas Power Transmission Line project, which is located in the east of the department of Antioquia, in the jurisdiction of the municipalities of Cocorná, San Luis, San Francisco and Sonsón.

27.1.6. Estimated payments

The estimate of the dates on which the company considers that it will have to make payments related to the provisions included in EPM's statement of financial position at the cut-off date is as follows:

Estimated Payments	Dismantling Or Restoration	Litigation	Contingent Consideration	Subsidiary Implied Obligations	Other Provisions	Total
2024	190,333	989,757	-	-	32,891	1,212,981
2025	70,213	436,056	152	-	21,289	527,710
2026	26,921	65,242	-	-	13,881	106,044
2027 and others	158,396	81,687	145,143	62,926	-	448,152
Total	**445,863**	**1,572,742**	**145,295**	**62,926**	**68,061**	**2,294,887**

- Amounts stated in millions of Colombian pesos -

27.2 Liabilities and contingent assets

The composition of contingent liabilities and assets is as follows:

Description	Contingent liabilities	Contingent assets	Net
Litigation	1,852,526	59,082	(1,793,444)
Total	**1,852,526**	**59,082**	**(1,793,444)**

- Amounts stated in millions of Colombian pesos -

The company has litigation or procedures that are currently pending before judicial, administrative and arbitration bodies. Taking into consideration the reports of the legal advisors, it is /reasonable to appreciate that said litigation will not significantly affect the financial situation or solvency, even in the event of an unfavorable conclusion of any of them.

The main litigation pending resolution and judicial and extrajudicial disputes in which the company is a party as of the cut-off date are indicated below:

Contingent liabilities

Third party	Claim	Amount
Miscellaneous Administrative	It corresponds to 640 processes under $2,888 with an average of $838.	536,129
Isagen S.A. E.S.P.	EPM is ordered to compensate ISAGEN for the damages it suffered as a result of the fire and the consequent unavailability of the Guatapé Power Plant.	390,418
Electricaribe - Electrificadora Del Caribe S.A. E.S.P.	To declare that EPM breached the Acquisition Agreement by refraining from making the adjustment of the Compensatory Payment for Collection foreseen, in favor of ELECTRIFICADORA DEL CARIBE S.A. in liquidation. As a consequence, ELECTRIFICADORA DEL CARIBE - IN LIQUIDATION - is entitled to receive the difference between the Compensatory Payment for Collection at the Closing Date and the Compensatory Payment for Final Collection, which amounts to (COP$43,548,032,051). Declare that EPM, due to its non-compliance, is obliged to pay default interest, between 2020/11/09 or the date determined by the Court and the date of effective payment of the capital sentences.	156,247
Villa Esperanza Neighborhood	Non-pecuniary damage in the proportion of 100 SMLMV for each of the members of the group, that is, for one thousand two hundred and ninety-six (1296) people, which in total is equivalent to One hundred thirteen thousand seven hundred sixty-three million one hundred thirty-nine thousand two hundred pesos ($113,763,139,200). Material damage as consequential damage for the destruction of each of the homes, calculated in an individual value per dwelling of five million pesos ($5,000,000) which in total indicates 377, for a total of one thousand eight hundred and eighty-five million pesos ($1,885,000,000).	135,504
Consorcio Ccc Ituango	To declare that the Claimants constructed the GAD in accordance with the detailed plans and drawings; the Technical Specifications of construction; and, the instructions and requirements of EPM and the Auditor's Office; that the contingency that occurred in the Project from 2018/04/28 is not attributable to a breach of contract by the Claimants; nor for the operation of the works delivered. Requests that EPM be ordered to pay the Consortium $70,000,000,000 as an incentive for the execution of the accelerated works program; and, to reimburse the Claimants for any sums they may be obliged to pay as a result of decisions taken in the actions for compensation brought by third parties allegedly affected by the Contingency. A total of 22 claims.	85,354
Municipality of Bello	That the nullity of Resolutions 2022- RESCRED-77 of November 24, 2022 and 2022 – RESCRED-1 of August 31, 2022 and 2022- RESCRED-100 of December 30, 2022, issued in the coercive collection process promoted by EPM for the collection of the judgment issued by the Council of State, in the process filed 05001233100020110134301 /That the by way of restoration of the right be declared that the order of payment that consists of the return of the sums paid by the Municipality of Bello to EPM on the occasion of the payment agreement conditional on the outcome of the Extraordinary Appeal for review filed against the judgment filed 05001233100020110134301.	79,231
Aures Bajo S.A.S. E.S.P	First main claim. Declare that EMPRESAS PUBLICAS DE MEDELLIN E.S.P. seriously and repeatedly breached the energy supply contract No. CT – 2015 – 000363, signed with AURES BAJO S.A.S. E.S.P., by failing to pay the full price of the energy supply for the months of September, October, November and December 2022 and January in a timely manner, February and March 2023. That AURES BAJO S.A.S. E.S.P. has the right to have the unilateral termination of the supply contract declared with effect from September 30, 2022. That the defendants be ordered jointly and severally to pay all the damages caused constituting consequential damages and loss of profits, in a minimum value of twenty thousand eight hundred and ninety million eight hundred thirty-three thousand three hundred and thirty-three pesos M.L. ($20,890,833,333	70,201
Aura De Jesús Salazar Mazo	Collective right of approximately 113 people who each claim $1,133,400 for Consolidated Loss of Profit and $78,753,854 for Future Loss of Profit, for destroying, interrupting and cutting the ancestral mule paths that lead from the Alto Chiri village of the municipality of Briceño to the Valle de Toledo township.	40,764
Guzmán Bayona E Hijos S En C	To declare the Mining and Energy Planning Unit (UPME) and Empresas Públicas de Medellín ESP to be held jointly and severally liable for the de facto conduct they incurred in awarding and installing electrical wiring towers in a mining concession area without prior coordination and without any administrative act or judicial resolution for the affectation of the acquired rights.	31,852
Obras Civiles E Inmobiliarias S.A - Oceisa	That it be declared that EPM's failure to comply with the main obligation to deliver studies and designs prevented the execution of the contract by OCEISA and that it is not contractually liable for those portions of the work that could not be executed by third parties due to events beyond the control of the parties that prevented the normal execution of the contract.	21,300
Miscellaneous Labor	It corresponds to 200 processes under $1,661 with an average of $97.	19,399
Dayron Alberto Mejía Zapata	Material Damages: Loss of Profits: calculated at $569,000,923, a sum that must be updated in accordance with the evidence; Moral damages: estimated at 100 s.m.m.l.v.; Damage to health: estimated at 100 SMLMV; And, Damages to Constitutional Property: which estimate	14,989

Third party	Claim	Amount
	in the amount of 100 SMLMV, all of the above for each of the plaintiffs, or failing that, the maximum granted by jurisprudence for similar cases, for a total to date of 4,500 SMLMV.	
Unión Temporal Nueva Esperanza	To declare that EPM failed to comply with and unbalanced the contract CT-2013-000641 whose object was the execution of the construction and electromechanical assembly works of the 230KV transmission lines Guavio - Nueva Esperanza and associated reconfigurations paraíso - Nueva Esperanza - circo y paraíso- Nueva esperanza - San Mateo.	14,445
Iván De Jesús Zapata Zapata	To declare the defendant entities administratively liable for all material and moral damages and damage to the life of the relationship, caused as a result of the execution of an administrative operation that ended with the eviction of the plaintiffs and their families from Finca La Inmaculada, carried out on 2019/10/18. Order the defendants to pay the value of the land, buildings and furnishings as well as the agroforestry valuation of the property; the damages and affliction derived from the suffering caused by the eviction, the violation of human dignity, and seeing how their homes and crops were destroyed. He claims 100 SML for each of the plaintiffs.	11,532
Abraham De Jesús Barrientos	To declare HIDROELECTRICA ITUANGO and EPM liable for the damages caused; and, in solidarity with IDEA, the MAYOR'S OFFICE OF MEDELLÍN and the DEPARTMENT OF ANTIOQUIA. Loss of earnings: for the loss of income in the displacement due to the emergency caused, damage due to the impossibility of exercising the ancestral economic activity of barequeo, from which the plaintiffs are supported, calculated at 2 SML, for 27 months equivalent to $50,920,072 per person; for emotional affectations, for each, 100 Current Legal Minimum Wage, with an estimate of $87,780,300 for a total of $10,094,734,500.	11,198
Martha Cecilia Arango Usme	That it be declared that EPM occupied the property or lot of land located in the urban area of Medellín called ASOMADERA owned by the plaintiff without having exhausted any legal process or mechanism against my client; That is, by means of a de facto way, to install electric power towers and electrical conduction lines in this abusive way, leading to irreversible damage and affectations that must be repaired.	10,760
Inmel Ingeniería S.A.S.	To order EPM to compensate the BGA Line Consortium for the damages suffered, in proportion to its participation in the contractor consortium (80%), after the submission of the bid, conclusion, execution and completion of the CT 2016 001695 contract, where unforeseen situations arose not attributable to the contractor that varied the conditions of execution and made compliance more onerous for the contractor; and that the contracting party failed to comply in that it refused to restore the financial or economic equilibrium of the contract.	9,616
Darío De Jesús Pérez Piedrahíta	That the defendant be held liable for the violation of the fundamental and collective rights to life, health, family privacy, the enjoyment of a healthy environment, the existence of ecological balance and the rational management and use of natural resources, which led to the causing of the unlawful damage caused to the plaintiffs by the imposition of easements in compliance with an energy generation plan which has caused significant damage to the actors, both material and moral.	9,410
Radian Colombia S.A.S.	To declare that between EPM and Radian Colombia SAS there was work record CT-2015-002500-A1 whose purpose was: "Construction, replacement and maintenance of networks, connections and accessory works of the infrastructure of EPM's aqueduct networks". That EPM failed to comply with clause 1.4 Scope and location of the works, and its obligation to pay the additional administrative and locative resources required for the attention of the northern zone that was assigned to it after the aforementioned work act.	9,355
Velpa Soluciones Integrales S.A.	Declare null and void EPM's decision to reject the proposal submitted by the company Velpa Soluciones Integrales S.A., in the context of the procurement process PC-2009-0974 opened by EPM, on the grounds that it is allegedly disqualified from contracting with EPM and order it to pay the amount of the damages suffered as a result of the rejection of the claim in procurement process No. 2009 - 0974 and the sums that it will no longer receive as a result of the impossibility of contracting with the State for a period of 5 years, as a result of the decision adopted by EPM.	7,935
Velpa Soluciones Integrales S.A.	EPM is ordered to pay the amount of damages suffered by VELPA Soluciones as a result of the rejection of its proposal in procurement process No. 2009-0927 and the award to the firms ELECTROLUMEN Ltda and MELEC S.A.; as well as the amount of the sums that Velpa Soluciones Integrales S.A. will no longer receive, given the impossibility of contracting with the State for a period of 5 years, as a result of the decision adopted by EPM.	6,946
Velpa Soluciones Integrales S.A.	That EPM be ordered to pay the amount of the damages suffered from Loss of Profits and Consequential Damages, as the contract CT 2009 0220 was declared suspended, and the eventual decision to terminate the contract based on grounds such as a non-existent cause and for the sums that Velpa Soluciones Integrales S.A. will no longer receive; given the impossibility of contracting with the State for a period of 5 years, and this, based on the	6,337

Third party	Claim	Amount
	contracts entered into exclusively with the State during the year 2009 and its projection for the next period of 5 years.	
International Bussines Group S.A.S.	The PLAINTIFF requests a declaration of liability of the parties for the damages suffered by the events narrated and an order to pay the material damages, in the sense of: consequential damages, consolidated loss of profits and future loss of profits.	6,181
I.A. S.A. (Ingenieros Asociados)	To declare the breach of contract CW 10084 of 2017 and to order compensation for damages in the form of consequential damages for the concepts of payroll between May 9 and 15, 2018, transportation, tools and equipment; compensation for loss of profits due to the availability of equipment and tools between 10 May 2018 and 31 May 2021; and, compensation for damages in the form of loss of profits for financial returns not received between May 10, 2018 and May 31, 2021.	6,028
Axede S.A.	Loss of profits due to having affected their right to free competition, given the actions and omissions carried out by EMPRESAS PÚBLICAS DE MEDELLÍN EPM and the company MVM INGENIERIA DE SOFTWARE.	5,841
Electricaribe - Electrificadora Del Caribe S.A. E.S.P.	To declare that the term of the indemnity obligation in charge of Electricaribe - Electrificadora Del Caribe S.A. E.S.P. in liquidation, as Seller provided for in the Share Acquisition Agreement, has already expired and that no Loss has materialized for EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P., CARIBEMAR DE LA COSTA S.A.S. E.S.P., nor for any Indemnifiable Party of the Buyer that gives rise to the release of the Guarantee Resources in favor of EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P. The period during which the Guarantee Resources were to remain deposited in the corresponding Sub-Account of the Trust has already expired.	5,265
Yovan Antonio Quintero Gómez	Declares EPM ADMINISTRATIVELY AND CIVILLY LIABLE. and/or THE COMPANIES; directly for the material and moral damages in their different manifestations and to compensate my principals as DRAGUEROS MINERS in their MAIN ACTIVITY in which they worked from 1.995 to date, adding up to 27 consecutive years. INDEMNIFY EVERYTHING THAT BY RIGHT BELONGS TO THEM AND IS COVERED BY LAW, and the provisions of the Manuals of Unit Values for the Payment of Compensation for Economic and Productive Activities; I must deliver to them and transfer to my principals the housing compensation, according to the MVU in the place where they decide.	5,127
Zandor Capital S.A. Colombia	It requests the nullity of administrative acts No. 0156SE-20170130033319 of March 14, 2017, 015ER-20170130045192 of April 8, 2017 and SSPD-20178300036125 of June 20, 2017 and as a restoration of the right an initial claim of five thousand (5,000) million pesos.	5,094
Inversiones Gallego Tobón Sas	Material damage resulting from: construction of two synthetic courts, dismantling of the courts, assembly of the gymnasium; Lease fee for 48 months; Labor Expenses, Advertising and Marketing Expenses; Payment of public services, stationery, supplies, cleaning supplies; purchase of gym equipment; Future loss of earnings: $1,416,371,947; Moral damages, for the 5 natural persons convening: 500 SMLMV/Physiological damage, for 5 natural persons: 500 SMLMV/Loss of opportunity, for the 5 natural persons: 500 SMLMV.	5,031
Licuas S.A.	That EPM be ordered to recognize and pay the contractor the monies withheld, The nullity of the official letter 201901301521030257 of 2019 contractual act by which the unilateral termination of the contract was declared CW20106 for non-compliance. To order EPM to restore the project and to recognize and pay the cost overruns caused to LICUAS, due to the interruption of the project for reasons not attributable to the contractor.	5,028
Smartgrowth S.A.S	To declare that EPM is responsible for the unlawful damage and material damages caused to the plaintiffs by actions and omissions in the constitution of the unformalized electrical easement over the rural property "La Cascajera", located in Madrid, Cundinamarca; and, the damage caused to the mining activity carried out. Condemn EPM to remove the electrical power wiring that crosses the property; and, to compensate for the damage of $1,477,586,746, which corresponds to the compensation for the occupied area and which is susceptible to the constitution of an unformalized easement since 2016.	4,821
Albeiro De Jesús Valencia Pérez	The plaintiff requests the payment of social benefits and the moratorium penalty, from July 9, 2010, until the total amount owed by all the plaintiffs is paid, in order to obtain payment of the judgment issued by the Eighth (08) Labor Court of Decongestion of the Medellín Circuit in the labor lawsuit with file 05001-31-05-005-2011-0135-00, in which EPM was not a party to the process.	4,818
Depósito De Buses Coonatra Copa Sas	PROFIT. Estimating from the entry into operation of the logistics center (January 1, 2019), until September 30, 2019, in an estimated $280,740,048 per month. CONSEQUENTIAL DAMAGE, for payment of salaries and social benefits of the staff who have provided permanent custody services of the property and its maintenance, from December 2018, until September 30, 2020, since, as the holder of the real right of ownership, in any case, he is responsible for the conservation and custody of the property.	4,804
Hilos Hebratex S.A.S	Claims the benefit for: The five months of 2012, $474,987,000; for the twelve months of 2013, $1,271,857,300; for the six months of 2014, $1,170,634,000. For the paralysis during the 25 days it took to repair the engines and fix and deliver the machines,	4,226

Third party	Claim	Amount
	$82,125,000; for the repair of the machines, $2,400,000; for payroll during the 25 days of the company's paralysis, $4,172,646; for the production materials that were damaged, $2,312,000; and, for rent payment during the twenty-five days of paralysis of the company, $2,348,000.	
Optima S.A.	That CORANTIOQUIA AND EPM are jointly and severally and administratively liable for all damages, patrimonial and extrapatrimonial, caused to OPTIMA S.A. CONSTRUCCIÓN Y VIVIENDA Y PROMOTROA ESCODIA S.A., for the breach of the duty of care, prevention, protection, maintenance, recovery and other actions, which guaranteed the balance and sustainable development of the environment in the Las Brujas basin, Loma de las Brujas and Cuenca del Ayura in the Municipality of Envigado, as well as the lack of care, protection and surveillance of the assets in their charge.	4,190
Miguel De Jesús Gómez Ramírez	To declare EPM responsible for including the plaintiffs as persons affected by the Ituango Hydroelectric Project, as miners and to cancel the compensation to which they are entitled for loss of economic activity, granting them Type 3 compensation for the population and to compensate the plaintiffs as miners for 28 years, and therefore, to pay them for their improvements, crops, possession, construction and maintenance of roads, legal premiums, relocation, consequential damages, loss of profits and moral damages.	4,170
Horacio De Jesús Gómez Ramírez	To declare EPM administratively, civilly and financially liable for not including HORACIO DE JESÚS GÓMEZ RAMÍREZ, IMELDA RODRÍGUEZ HENAO, MIGUEL DE JESÚS GÓMEZ RAMÍREZ, MARÍA CAROLINA SÁNCHEZ DE GÓMEZ as affected by the Hidroituango project, as Chorreros miners since 1994; to compensate them for the loss of economic activity for 28 years; pay them improvements for possession, cultivation, construction and maintenance of a road, legal premiums, relocation, consequential damages, loss of profits, and moral damages caused; and, to pay them $2,675,664,000.	3,802
Carlos Augusto Jiménez Vargas	Declare that the defendants are jointly and severally liable for all damages suffered by the plaintiffs due to the sewerage works of CENTRO PARRILLA.	3,799
Gustavo Vélez Correa	That it be declared that EPM is administratively responsible for the economic damages caused to the plaintiff by the fact that the plaintiff is the holder of a mining concession contract over the area that EPM required for the imposition of easements and expropriation, related to the Valle de San Nicolás project, in the jurisdiction of the municipality of El Retiro.	3,689
Humberto De Jesús Jiménez Zapata	That the process be carried out as a class action in accordance with Law 472 of 2008, against Hidroeléctrica Ituango S.A. ESP and EPM ITUANGO S.A. ESP, so that the living conditions of the plaintiffs, which were stable, are respected, and the values that are relative to each of the families and persons registered are given, declaring that EPM Hidroituango project did not duly pay the values and compensation to each of the families and individuals who were registered, in accordance with the manual of unit values.	3,647
Inciviles S.A.	Declare null and void EPM's Resolutions 0041 of January 21, 2005 and 00283 of April 21, 2005, which declared the risk of breach of the contract No 020113590 entered into between EPM and INCIVILES.	3,645
Horacio De Jesús Gómez Ramírez	To declare EPM responsible for including Mr. Horacio and Mr. Miguel de Jesús Gómez Ramírez; María Carolina Sánchez de Gómez and Imelda Rodríguez Henao, as affected by the Hidroituango Project; as MINEROS CHORREROS since 1994 and, therefore, to pay the compensation to which they are entitled, for the payment of compensation for loss of economic activity and to INDEMNIFY the children for 27 years; and to pay for their improvements, cultivation, possession, construction, and maintenance of the road; legal premiums, refusal, consequential damages, loss of profits and moral damages since 2018/05/26.	3,414
Oscar Jaime Restrepo Molina	For the frustrated profits, due to the decrease in the contracts that he may have had with EPM and his inability to contract with it, as a result of the presentation of the complaint that was made with the company the suspension of the contracts that were in execution.	3,307
Ingeniería Total Servicios Públicos S.A. E.S.P.	That it be declared that EPM breached Contract CT-2010-0499, the purpose of which was the "Construction and replacement of aqueduct and sewer networks in the Moravia neighborhood of the municipality of Medellín and paving of the roads affected by these works... ". That, as a result of such breach, the economic equilibrium of the Contract was broken and is responsible for the restoration of that equilibrium.	3,300
Luz Estela Arrieta Morales	To declare the entities summoned, jointly and severally and administratively responsible for all the patrimonial and extrapatrimonial damages caused to the plaintiffs, on the occasion of the overflow of the Cauca River that originated in the Ituango Hydroelectric Project; and to pay each of the plaintiffs 100 minimum wages for moral damages. Due to the impact on the constitutional rights of the plaintiffs, such as decent housing, work, health, among others; and, to the rights enshrined in international conventions and treaties on human rights, the payment of one (1) minimum wage for each month that the red alert remained.	3,289

Third party	Claim	Amount
José Isaac Guerra Diaz	It is hereby declared that the MUNICIPALITY OF MEDELLÍN, the Government of Antioquia, EMPRESAS PUBLICAS DE MEDELLÍN, the Municipality of Ituango and the Municipality of Taraza, are administratively responsible for the unlawful damages caused to the plaintiffs, on the occasion of the immediate evacuation of their properties, also ceasing their commercial activities. For each of the claimants for non-material damages, the total sum of 100 SMLMV.	3,261
Darío Sepúlveda Hernández	The convener requests that the damages generated with the construction of the PH PORCE III be covered, due to the abandonment that he had to make of his ranch and his activity as a barequero at the height of the LAS BRISAS and REMOLINO landscapes, due to the non-compliance with the agreements reached with EPM.	3,260
Consorcio Redes Cuencas	To declare that EPM was unfairly or illicitly enriched by the execution of contract CT-2014-000377-A1, which was not perfected, for which reason it must compensate for the alleged impoverishment suffered by the CORSORCIO REDES CUENCAS.	3,172
Rafael Segundo Herrera Ruiz	It is declared that EPM and others are jointly and severally and administratively liable for all the patrimonial and extrapatrimonial damages caused to the plaintiffs, due to the overflow of the Cauca River that originated in the Ituango Hydroelectric Project.	3,126
Digna Tulia Acosta Ramos	To declare EPM and other official entities jointly and severally and administratively liable for all patrimonial and extrapatrimonial damages caused to the actors, as a result of the emergency generated by the overflow of the Cauca River and until 2019/07/26, the date on which Elevation 435 was terminated and the National Disaster Risk Management System modified the state of red alert to Orange, This was the case with the Ituango Hydroelectric Project; order them to pay $87,780,300 to each of the plaintiffs.	3,086
María Isabel Lora López	That EPM be declared administratively liable for all the pecuniary and non-pecuniary damages suffered by the plaintiffs as a result of the death of the minor named MONICA ANDREA LORA LOPEZ and the injuries suffered and suffered by MARIA ISABEL LORA LOPEZ; for the events that occurred on 02/02/2000 in the Causes de Oriente neighborhood of the municipality of Medellín.	3,084
Eurocerámica S.A.	It is intended that EPM recognize and pay the sum of THREE THOUSAND ONE HUNDRED THREE MILLION FIVE HUNDRED SEVENTY-EIGHT THOUSAND NINE HUNDRED AND THREE PESOS M/L ($3,103,578,903), allegedly incorrectly invoiced by EPM.	3,078
Sadis Marcela Estrada	To declare the plaintiffs jointly and severally and administratively liable for all the patrimonial and extrapatrimonial damages caused to the plaintiffs on the occasion of the overflow of the Cauca River that originated in the Ituango Hydroelectric Project. To order the defendant entities to pay 100 SMLMV to each of the 17 plaintiffs for MORAL DAMAGES; to the payment of the Minimum Wage for each of the months that these people were away from their homes due to the declaration of red and orange alerts for the Municipality of Tarazá.	3,056
Francy Elena Avendaño Gómez	To declare EPM and other official entities jointly and severally and administratively liable for all patrimonial and extrapatrimonial damages caused to the actors, as a result of the emergency generated by the overflow of the Cauca River and until 2019/07/26, the date on which Elevation 435 was terminated and the National Disaster Risk Management System modified the state of red alert to Orange, This was the case with the Ituango Hydroelectric Project; order them to pay $87,780,300 to each of the plaintiffs.	3,055
Empresa Mercantil Tecnología Instrumentación Y Gas, T.I. Gas S.A.S.	To declare that EPM is administratively liable for the MATERIAL damages, since it has carried out abusive conduct of the dominant position and limitation of freedom of competition, against the commercial company TECNOLOGIA INSTRUMENTACIÓN Y GAS, T.I. GAS S.A.S., for the commercialization in the Aburra Valley and a large part of the Department of Antioquia of G-1.6 diaphragm gas meters for residential use, generating with such conduct, an unlawful damage to the Company in question.	3,019
German Alcides Blanco Álvarez	He requests the recognition of 100 SMLMV on the occasion of the diagnosed and firm incapacity for work, of 17.79%, causing a decrease in his work and physical activity, causing a detriment to the patrimony that will enter Mr. Germán Blanco Álvarez due to the accident of 29/04/2011, where damages were caused to the plaintiffs.	3,008
Dennis Esther Sehuanes Angulo	It is declared that the MUNICIPALITY OF MEDELLÍN, the Government of Antioquia, EMPRESAS PUBLICAS DE MEDELLÍN, the Municipality of Ituango and the municipality of Taraza, are administratively responsible for the unlawful damages caused to the plaintiffs, on the occasion of the immediate evacuation of their properties, also ceasing their commercial activities due to the overflow of the Cauca River, which has brought a great alteration to the constitutional and conventional rights of the plaintiffs.	3,004
Edwin David Yepes García	EPM and others are declared jointly and severally and administratively liable for all patrimonial and non-patrimonial damages caused to the plaintiffs on the occasion of the overflow of the Cauca River that originated in the Ituango Hydroelectric Project.	2,970
Yuneidy Mazo Gaviria	Declare EPM and others responsible for the damages caused by the overflow of the Cauca River that originated in the Hidroituango Project. Moral damages 100 SMLMV for each claimant. $12,844,891 for the impact on constitutional assets, on the rights enshrined in	2,970

Third party	Claim	Amount
	international conventions and treaties on human rights; and, to the other rights that the Judge finds proven. IN THE ALTERNATIVE, the judge is requested that, if he does not decree the compensation indicated, alternatives such as a study kit and tools for recreation and sports be granted for a minimum of $5,000,000.	
Alberto Arroyo Montiel	To declare Hidroituango, EPM, and others administratively liable for the damages caused to the defendants, for what they did not receive when they had to travel due to the emergency caused, due to the exceptional risk due to the impossibility of carrying out the economic activity from which the plaintiffs' livelihood was derived, calculated for 27 months, it is settled with 2 SMLV for 12 months. Due to the emotional effects of the victims, 100 SMLV is requested for each one for 2020. The estimate is $87,780,300 per person, for a total of $2,896,749,900. There are 33 plaintiffs.	2,960
Wilfran Enrique González Castro	That the entities be declared jointly and severally and administratively liable for all the patrimonial and extrapatrimonial damages caused to the plaintiffs, on the occasion of the overflow of the Cauca River that originated in the Ituango Hydroelectric Project.	2,954
José Eduardo Suárez	Declare the summoned entities responsible for the patrimonial and extrapatrimonial causes caused to the actors, by the overflow of the Cauca River that originated in the Hidroituango Project. The defendants are ordered to pay SML 100 to each plaintiff for moral damages. Make the payment of 1 SML for each month that the red alert remained for the Municipality of Cáceres, between 2018/05/12 and 2019/07/26. If it is presented that the red alert has been extended, they request recognition of the minimum wages that the plaintiffs stop earning, from the date of the new facts, until the end of the alerts.	2,946
Sirle Johana Villareal Henríquez	To declare the defendants liable for the pecuniary and extrapatrimonial damages caused to the plaintiffs, as follows: for moral damages, $87,780,300 per plaintiff. CONSOLIDATED LOSS OF PROFITS: 12,844,891,299 each. FUTURE LOSS OF EARNINGS: If the red alert is extended, recognize the minimum wages that the plaintiffs stop earning until the alerts end. DAMAGE TO CONSTITUTIONAL AND CONVENTIONAL PROPERTY: 100 SMLV each. ALTERNATIVELY, a study kit and tools for recreation and sport for a minimum of $5,000,000 for each of the plaintiffs.	2,917
Ruby Susana Arrieta Baldovino	That the entities be declared jointly and severally and administratively liable for all the patrimonial and extrapatrimonial damages caused to the plaintiffs, due to the overflow of the Cauca River that originated in the Ituango Hydroelectric Project.	2,899
Katerine Miranda Miranda	To declare the CONSORCIO HIDROELECTRICA HIDROITUANGO S.A. E.S.P, EPM, the MAYOR'S OFFICE OF MEDELLÍN and others, jointly and severally and administratively liable for all patrimonial and extrapatrimonial damages caused to the plaintiffs, as a result of the emergency generated by the overflow of the Cauca River and until July 26, 2019, an event that originated in the Ituango Hydroelectric Project. Moral damages: 100 SMLMV; loss of earnings $12,844,891; and, Damage to constitutional and conventional property: 100 SMLMV for each of the plaintiffs.	2,894
Adonai Vanegas Jiménez	To declare the CONSORCIO HIDROELECTRICA HIDROITUANGO S.A. E.S.P, EPM, the MAYOR'S OFFICE OF MEDELLÍN and others, jointly and severally and administratively liable for all patrimonial and extrapatrimonial damages caused to the plaintiffs, as a result of the emergency generated by the overflow of the Cauca River and until July 26, 2019, an event that originated in the Ituango Hydroelectric Project. Therefore, the defendant entities must pay $87,780,300 to each of the 19 plaintiffs.	2,894
Diego Alberto Olaya Sánchez	That the defendant entities be declared administratively responsible for the facts complained of. As a result of the above declaration, the Court ordered to pay moral damages of 87,780,300 for each of the 19 defendants. Consolidated loss of earnings, for the months that these people were away from their homes. 100 minimum wages for each plaintiff for constitutional and conventional goods.	2,889
Ruben Dario Escobar Villa	It is declared that within the employment relationship, the plaintiff performed work schedules in the standby modality, without these times having been paid.	1,661
Sebastian Garzon Lopez	Request reimbursement from EPM for state of health and employer's fault for work accident	1,389
Juliana Urrea Giraldo	It is intended to declare the employer's fault of the MISPE Consortium and jointly and severally to EPM, for the payment of patrimonial and extrapatrimonial damages	1,144
Ciudadela Comercial Unicentro Medellín Ph	To decree the nullity of the administrative act issued by EPM with file 20190130037817 of 2019-02-27. To order the restoration of the plaintiff's right by ceasing to collect the electricity tax provided for in Law 142 of 1994, Law 143 of 1994 and Law 223 of 1995; and, to make the refund of what was paid for this concept from January 1, 2017 and until the date of judicial notification that ends the process.	382
Parcelación Estación Popalito P.H.	That by way of reinstatement of the right, the refund of the sums paid for the concept of Electric Energy Tax by the Popalito PH Parcel to EPM from December 1, 2016 to June 2021 and November 2022, for a value of $13,958,822 COP, is ORDERED. To condemn for the value of the default interest at the maximum legal rate on the sums paid for the concept	10

Third party	Claim	Amount
	of Electricity Tax, until the date on which the respective refund of these sums is made from May 20, 2022.	
Total contingent liabilities		**1,852,526**

- Amounts stated in millions of Colombian pesos -

With respect to the uncertainty in the estimated payment date and the estimated value to be paid, the same business rules indicated apply to contingent liabilities, see note 27.1.2. Litigation.

EPM also has as a contingent liability, Environmental Sanctionary Procedures, with the following information:

Third party	Claim	Amount
Aburrá Valley Metropolitan Area	Discharge of wastewater from the San Fernando WWTP in breach of the minimum 80% removal level for the parameters DBO5_Demanda Biochemistry of Oxígeno, SST_Sólidos Suspended Totales, fats and oils established in Article 72, new user, of Decree 1594 of 1984. Metropolitan Resolution No. S.A. 000415 of April 28, 2014. A closing argument was presented.	It is not possible to know the sanction to be imposed.
National Environmental Licensing Authority "ANLA"	Construction of mini-power plant without authorization and use of ecological flow to generate energy without being authorized in an environmental license (Porce III hydroelectric plant) Auto 4335 of December 17, 2013.	It is not possible to know the sanction to be imposed
Aburrá Valley Metropolitan Area	Discharge of domestic wastewater into the La Paulita creek as a result of the rupture of the collector. St. Peter's Building.	It is not possible to know the sanction to be imposed.
National Environmental Licensing Authority "ANLA"	Thermosaw 1. For carrying out the air quality sampling reported in ICAs 13, 14 and 15, without the periodicity established by the Industrial Air Quality Monitoring System, authorized in the environmental instrument corresponding to this project. 2. For carrying out environmental noise monitoring reported in ICAs 13, 14 and 15, with an Environmental Laboratory not accredited by IDEAM._Auto 350 of February 5, 2018. SAN0142-00-2017.	No charges have been filed, and it is not possible to know what sanction will be imposed.
National Environmental Licensing Authority "ANLA"	Use of explosives in the construction of the Nueva Esperanza tower. The environmental license granted by this resolution does not cover any type of work or activity other than those described in the Environmental Impact Study, the Environmental Management Plan and in this administrative act. Order 02574 of June 27, 2017 ANLA.	It is not possible to know the sanction to be imposed; Defenses were filed
Aburrá Valley Metropolitan Area	Discharge of domestic wastewater from the rupture of the sewer pipe that carries said water, over a pasture and later over the Doña María stream, a property called Torremolino. Closing arguments were presented on September 2, 2022.	It is not possible to know the sanction to be imposed; No charges have been filed.
Aburrá Valley Metropolitan Area	In an authorized occupation of the riverbed on the La Malpaso creek, a covering of the bed and walls of the same in cyclopean concrete was observed, work was not approved by the environmental authority. Metropolitan Resolution No. S.A. 1002 of June 4, 2020 Aburrá "By means of which an administrative sanctioning procedure of an environmental nature is initiated".	It is not possible to know the sanction to be imposed; No charges have been filed.
National Environmental Licensing Authority "ANLA"	Failure to submit the Definitive Biodiversity Loss Compensation Plan, in accordance with the established guidelines and Environmental License, in accordance with the provisions of the Manual for the Allocation of Biodiversity Loss Offsets issued by the Ministry of Environment and Sustainable Development. New Hope. HOME ORDER No. 08029 (August 24, 2020), File: SAN0175-00-2020	It is not possible to know the sanction to be imposed; it has only started.
National Environmental Licensing Authority "ANLA"	1. Having carried out the discharge of the wastewater generated in the Nueva Esperanza Substation, by means of infiltration fields, without having the respective modification of the Environmental License. 2. Failure to present the results obtained on the occasion of the measurements made on the concentrations of particulate matter, SOx, NOx, which were carried out during the construction phase of the Nueva Esperanza Substation. 3. Not having carried out fauna monitoring for groups of mammals, amphibians and reptiles for the year 2018." New Hope. Order 01479 of March 17, 2021 - SAN030-00-2021	Discharges were filed on July 19, 2023 POSSIBLE
Ministry of Environment and Sustainable Development - MAD	Failure to provide documentation of the El Banqueo property, on its acquisition and participation of the Environmental Authority in its selection, removal of forest reserve area, Nueva Esperanza 500 kv project. Cessation of proceedings requested 28/11/2022	It is not possible to know the sanction to be imposed; it has only started.

Third party	Claim	Amount
Aburrá Valley Metropolitan Area	Verify the facts or omissions constituting an infringement of the environmental regulations in force regarding the flora resource. Irregular pruning intervention of one (1) tree specimens of the Chiminango species. Metropolitan Resolution No. S.A. 001 of January 2, 2023 By means of which an environmental sanctioning procedure is initiated"	Discharges were filed on September 5, 2023. Disclaimers Possible.
Aburrá Valley Metropolitan Area	Discharge of sludge into the outlet channel of the lagoon to the Aburrá-Medellín River, then dilution with water from the Manantiales water treatment plant, with a flow rate of approximately 26 liters/second (diluted sludge) on September 9, 2021. Metropolitan Resolution No. S.A. 2357 of September 21, 2022. By means of which an environmental sanctioning procedure is initiated"	Defenses were filed. POSSIBLE.
Aburrá Valley Metropolitan Area	Verify the facts or omissions constituting an infraction of the environmental regulations in force in the field of natural water resources, basically due to the failure to submit timely information. Metropolitan Resolution No. S.A. 0027 of January 3, 2023 By means of which an environmental sanctioning procedure is initiated""	Possible
Regional Autonomous Corporation of the Negro and Nare_ CORNARE_ River Basins	Alleged unauthorized intervention in the course of the unnamed water source in the Tram sector of the municipality of Rionegro and the capture of a flow of water in a hydraulic work, directed entirely by a canal, without permission from the competent environmental authority. Resolution RE-00012-2023 By means of which a preventive measure is imposed"""	Possible
National Environmental Licensing Authority "ANLA"	1. Failure to submit certificates, records and information in Environmental Compliance Reports 2. For not restoring all eroded and devegetated areas. 3. Improperly disposing of surplus construction materials. 4. Carry out a forest use greater than that approved in the Environmental License, on the cover of Gallery or riparian forest" 5. Carry out the construction and installation of 2 new towers. "MAGDALENA MEDIO A 230 KV". By means of Order 4577 of June 17, 2022, it orders not to accede to the requested cessation of the procedure and formulates a statement of five charges. On July 15, charges were filed against Order 4577 of June 17, 2022. ORDER No. 03458 (June 27, 2018)-SAN-140-00-2017. Order 4577 of June 17, 2022."	Possible
CORANTIOQUIA _ Aburrá Sur	Occupation of the riverbed in the La Honda creek without authorization	Possible
CORANTIOQUIA _ Aburrá Sur	Alteration of water resources and landscape. Presence of blue coloration in the La Sucia creek, which converges on the right bank of the Medellín River at the height of the channeling of the La Sucia and La Mina streams at the bridge of the Envigado Metro Station.	Discharges were filed on December 27, 2023. Possible
CORANTIOQUIA _ Aburrá Sur	Alleged impact of sewage on the La Hondita creek	Possible
CORANTIOQUIA _ Aburrá Sur	Damage to the local networks and the associated collectors of the sewage sewer system in the Refugio del Esmeraldal subdivision. Administrative Act 130AS-1208-9159 of August 2, 2012.	Possible
CORANTIOQUIA _ Aburrá Sur	Dumping of domestic wastewater on the banks of the Peladeros creek in the village of Los Gómez in the village of El Manzanillo in the municipality of Itagüi. Administrative Act 130AS-1601-12557 of January 26, 2016.	Possible
CORPOGUAJIRA	For not complying with paragraph f of article 2,2,6,1,3,1 of Decree 1076 of 2015 regarding the obligations of the generator of waste or hazardous waste in the Jepírachi wind farm (register with the competent environmental authority only once and keep the information of its registry updated annually). Order 976 of October 2, 2017; Resolution 1373 of September 29, 2020.	It is not possible to know the sanction to be imposed; No charges have been filed.
National Environmental Licensing Authority "ANLA"	Improper practices with respect to surface water sources in the project's area of influence; having captured water resources from the El Roble", "Burundá", "Bolivia" and "Guacimal" streams, in flows higher than those concessioned and/or authorized for the development of the project; not having implemented in each of the concessioned water bodies, the infrastructure that would allow monitoring the remaining flows, for the purpose of being presented in the environmental compliance reports; Failure to carry out and deliver water quality monitoring and hydrobiological communities in the Cauca River, under the conditions established in the environmental license. For not having carried out the reshaping and recovery of the course of the "San	It is not possible to know the sanction to be imposed. Presentation of defenses with file number 2018041852-1-000 of April 10, 2018

Third party	Claim	Amount
	Andrés River" and its flood zone to its natural conditions, within the period granted; having made use of stone materials from the "San Andrés River" without updated environmental permits; for not having delivered the results of the sediment monitoring of "Río Cauca", in order to establish the baseline of comparison at the time of starting the operation phase of the project. Having exceeded the maximum permissible levels of PST (particulate matter) and air pollutants in the asphalt plant located in the "El Valle" Industrial Zone; for not having built the necessary facilities and infrastructures in the chimney of the asphalt plant for monitoring emissions from fixed sources; for failing to comply with the management measures of the "Plan for the Management and Disposal of Materials and Dump Areas", disposal of plant material mixed with inert material inside the deposits and lack of signage of the material disposal areas that remain active. All this in the area of influence of the project "construction, filling and operation of the Pescadero - Ituango Hydroelectric Project... (SAN0033-00-2019_Auto 2920 of 2015)."	
National Environmental Licensing Authority "ANLA"	Order 00009 of January 8, 2021, the ANLA initiates the environmental sanctioning procedure for the contingency associated with the auxiliary diversion system, to verify the following facts: 1. Failure to report within the period provided by law (24 hours) the contingent event that occurred on April 28, 2018. 2. Having continued with the construction of the ODS and its infrastructure, without having sufficient technical information related to the environmental characterization of the intervened area for the geology and geotechnical components. 3. For allegedly generating negative impacts on renewable natural resources. 4. Failure to guarantee for the first days of May 2018 and before the evacuation of water dammed from the Cauca River by the project's powerhouse began, the ecological flow of said source downstream of the dam site, to ensure the integrity of the ecosystem services and environmental protection goods that are part of the water source. For the contingency associated with the Auxiliary Deviation System. *No charges have been filed; however, a request for cessation of the sanctioning procedure was filed through file No. 2018064395-1-000 of May 24, 2018 (SAN0097-00-2018_Auto 02021 of 2018)	Without having filed charges, it is considered by the lawyer as possible. On December 30, 2021, the expert opinion (Poyry) was presented for the lifting of the preventive measure. By means of Order No. 4076 of June 7, 2023, notified on June 16, the ANLA ordered a series of administrative proceedings in the course of the environmental sanctioning procedure. To date, no charges have been filed.
National Environmental Licensing Authority "ANLA"	HIDROELÉCTRICA ITUANGO S.A. E.S.P. - HIDROITUANGO S.A. E.S.P. *Initiation of sanctioning proceedings for not guaranteeing the ecological flow downstream of the dam of the project Construction and operation of the Pescadero - Ituango hydroelectric project" to ensure the integrity of the ecosystem services and environmental protection goods that are part of the "Río Cauca" water source. By Order 4915 of June 29, 2022, charges were filed. A statement of defence was filed on 5 August 2022. Order No. 8016 of September 29, 2023 - ANLA opens the probationary period and orders the taking of evidence requested by the Company and those considered by it. *No charges have been filed. (SAN0001-2019_Auto 0060 of 2019/01/21)"	No charges have been filed, it is considered by the lawyer as possible.
National Environmental Licensing Authority "ANLA"	HIDROELÉCTRICA ITUANGO S.A. E.S.P. - HIDROITUANGO S.A. E.S.P. 1. Discharge into intermittent dry riverbed coordinates X=1157241 and Y=1281506 2. Discharge into the rainwater channel from the mixer washing system located in the industrial area of main works The ANLA opened a disciplinary proceeding but it has not been formally initiated. By Resolution No. 1222 of December 3, 2013, the ANLA imposed a preventive measure to suspend the dumping. By means of Resolution No. 1363 of October 31, 2017, the ANLA lifted the aforementioned preventive measure. Order 1282 of March 22, 2019, an environmental sanctioning file was opened Order 03429 of April 24, 2020, ANLA Initiates Environmental Sanctioning Procedure Order No. 1821 of March 21, 2023, ANLA formulates a statement of objections. With Vital file No. 3500081101479823041 of April 14, 2023, a statement of defense is filed. Official Letter No. 20231420526581 of October 20, 2023 by which the ANLA	No charges have been filed, it is considered by the lawyer as possible.

Third party	Claim	Amount
	summons witnesses to witness proceedings. On October 26, the testimony was taken. License file LAM2233 for them to be included in file SAN0031-2019.	
National Aquaculture and Fisheries Authority - AUNAP	HIDROELÉCTRICA ITUANGO S.A. E.S.P. – HIDROITUANGO S.A. E.S.P. *Initiation of preliminary investigation for effects on fishing activity during the closure of the powerhouse gates. *No charges have been filed. (No file AUNAP_Auto 002 of February 14, 2019).	No charges have been filed, it is considered by the lawyer as possible.
National Environmental Licensing Authority "ANLA"	HIDROELÉCTRICA ITUANGO S.A. E.S.P. – HIDROITUANGO S.A. E.S.P. Repeated failure to comply with obligations imposed. The ANLA filed charges through Order No. 8082 of October 3, 2023. By means of a document with file VITAL No. 3500081101479823141 of October 30, 2023, a statement of defense was filed. The sanctioning procedure is pending Order 11359 of December 19, 2019. SAN0284-00-2018 _diciembre 19, 2019.	Situation not resolved. To date, no charges have been filed.
National Environmental Licensing Authority "ANLA"	HIDROELÉCTRICA ITUANGO S.A. E.S.P. - HIDROITUANGO S.A. E.S.P. Failure to comply with contingency obligations: - Failure to permanently carry out the proper management of non-domestic wastewater and filtration on the left bank of the 380 mi Gallery. - Not having presented the hydrogeological model of the right bank of the project. - Failure to submit cartographic information related to water quality and hydrobiological monitoring that was to be carried out at different points downstream of the project's dam site. - Failure to present the results of the monitoring of offensive odours, water quality and physicochemical quality of the sludge during the pumping activity of the powerhouse. Order No. 2423 of March 30, 2020, initiating environmental sanctioning proceedings. With file VITAL No. 3500081101479823014 an appeal for reconsideration is filed against Order No. 00101 of 2023, which denied the taking of evidence. Order No. 3541 of May 19, 2023, by which the ANLA confirms Order No. 00101 of January 11, 2023, which denies the taking of evidence. Official Letter No. 20236600141911 of June 9, 2023, by which the ANLA responds to an authorization submitted by the company Hidroeléctrica Ituango S.A. E.S.P. for the electronic notification of Order No. 3541 of May 19, 2023, in which the entity denies an appeal for reconsideration filed against Order No. 00101 of January 11, 2023 (which denies testimonial evidence), that decision is final. SAN0030-00-2020_ March 30, 2020_ To date, no charges have been filed.	Unresolved situation. Charges were filed by Order 9812 of November 18, 2021 and discharges were filed on December 13, 2021.
National Environmental Licensing Authority "ANLA"	HIDROELÉCTRICA ITUANGO S.A. E.S.P. – HIDROITUANGO S.A. E.S.P. Repeated failure to comply with the obligations imposed within the framework of the contingency. Initiation of the environmental sanctioning procedure by Order No. 06576 of July 13, 2020. The ANLA formulated a statement of objections through Order No. 7190 of September 6, 2023. On September 29, 2023, a statement of defense was filed with file VITAL No. 3500081101479823123 SAN1285-00-2019 _ July 13, 2020_	Situation not resolved. To date, no charges have been filed.
National Environmental Licensing Authority "ANLA"	HIDROELÉCTRICA ITUANGO S.A. E.S.P. - HIDROITUANGO S.A. E.S.P. _ Carrying out air quality and odor monitoring without complying with the protocols established by the Ministry of Environment. To analysis of samples for air quality and odour sampling by laboratories not accredited by IDEAM. Initiation of the environmental sanctioning procedure by Order No. 07774 of August 14, 2010. Charges were filed by Order 9931 of November 22, 2021 and discharges were filed on December 13, 2021. By means of file VITAL N°3500081101479823015 an appeal for reconsideration is filed against Order No. 00104 of 2023 by which the ANLA denies the taking of evidence. Order No. 3418 of May 15, 2023, by which the ANLA resolves the appeal for reconsideration filed against the second article of Order No. 00104 of January 11, 2023, confirming it in its entirety. SAN1258-00-2019 August 14, 2020. To date, no charges have been filed.	Situation not resolved. To date, no charges have been filed.
National Environmental Licensing Authority "ANLA"	HIDROELÉCTRICA ITUANGO S.A. E.S.P. – HIDROITUANGO S.A. E.S.P. _ Discharges and catchments of water at unauthorized points, exceedance of catchment flow with respect to the authorized, lack of monitoring in specific periods, exceedance of discharged flow with respect to the authorized flow. Initiation of the environmental sanctioning procedure by Order No. 4173 of June 2, 2022. Through Resolution No. 00617 of March 29, 2023, the ANLA imposes a	No charges have been filed, it is considered by the lawyer as possible.

Third party	Claim	Amount
	preventive measure consisting of the suspension of the discharges of domestic wastewater that are discharged into the water sources Río San Andres" and "Quebrada Tacuí", from the domestic wastewater treatment systems of the Tacuí Cuní Camp, "TACUÍ CASINO PORTERIA". SAN0067-00-2022 June 2, 2022. To date, no charges have been filed."	
National Environmental Licensing Authority "ANLA"	HIDROELÉCTRICA ITUANGO S.A. E.S.P. – HIDROITUANGO S.A. E.S.P. _ 1. Failure to implement measures to control erosion and degradation of the conditions of the slopes and on the upper and lower slopes in the area called La Honda", between the abscissas of Km 17+800 - Km 18+221 - Bridge 32 in the La Honda creek of the Puerto Valdivia – Presa road. 2. Having carried out the occupation of the channel of the "Quebrada Tacuí" body of water, without having previously obtained the modification of the Environmental License granted for the development of the project (Res. no. 0155 of 2009). Order No. 5345 of July 17, 2023 by which the ANLA orders the initiation of environmental sanctioning proceedings SAN0076-00-2023 July 17, 2023. To date, no charges have been filed."	No charges have been filed, it is considered by the lawyer as possible.
Aburrá Valley Metropolitan Area	Presumed environmental impact on the flora resource due to the severe pruning of one (1) tree individual of the species Cheflera (Schefflera actinophylla). Metropolitan Resolution No. S.A. 1050 of June 8, 2020 "By means of which an environmental sanctioning procedure is initiated".	It is not possible to know the sanction to be imposed; No charges have been filed.
Corantioquia - Aburrá Sur Territorial Office	Failure to comply with the permit for forest harvesting and use of species in good condition and in closure without a permit. Administrative Act 160AS-1506-12031 of June 17, 2015.	It is not possible to know the sanction to be imposed; Defenses were filed
Corantioquia - Tahamíes Territorial Office	To bring charges against EMPRESAS PÚBLICAS DE MEDELLIN, identified with NIT 890.904.996-7, for the alleged commission of environmental infractions by way of fault and for the damage caused to the flora resource, derived from the facts consisting of the burning of an area of approximately 10 hectares, 2.5 hectares of natural forest and stubble. Resolution 160TH-ADM1903-1901 of March 29, 2019- TH4-2013-8	It is not possible to know the sanction to be imposed.

EPM also has as a contingent liability, Works for Taxes Mechanism, with the following information:

In exercise of the provisions of article 238 of Law 1819 of 2016, Empresas Públicas de Medellín E.S.P. -EPM- as a taxpayer of income and complementary taxes was linked to the mechanism of works for taxes, among others, with the project "Improvement of tertiary roads in Cocorná" prior concept of technical feasibility of the Ministry of Transportation, as a form of payment of a portion of the income tax of the taxable period 2017 for the sum of $33,701 million, with a 10% participation by the Company Energy of Quindío S.A. E.S.P. -EDEQ-. Subsequently, the Ministry of Transportation objected to the scope of the project, leading to the disappearance of the factual and legal support of the administrative act linking the mechanism, for which reason it lost its enforceability and consequently the project became unexecutable for EPM.

By virtue of the foregoing and considering the decay of the administrative act, it is expected that the Directorate of National Taxes and Customs DIAN will issue the administrative act with which the extinction of the tax obligation would be obtained once the judicial discussion is concluded, in that order, the company is exploring alternatives and taking steps to achieve the closure of this issue. This situation could imply an accounting recognition of interest for arrears pending determination and assumption of the costs executed in the work, which to date amount to $1,011 million, once the procedure to which this matter is subject under the terms of Decree 1625 of 2016 is concluded.

In line with the exploration of alternatives that has been carried out, with the purpose of mitigating the risk of interest being caused by future arrears in the income tax of the taxable year 2017 of EPM and EDEQ, in the event of a possible declaration of non-compliance by means of a final administrative act by the competent national authority or a ruling by a judicial authority, An advance deposit was made on September 16, 2022, in favor of the DIAN for $77,985, which is reflected in the financial obligation of the companies as a surplus, which in legal and tax terms is equivalent to an overpayment or of what is not due and can be returned to taxpayers once this matter is definitively resolved in their favor. The deposit of these resources in no way obeys an express or tacit conduct of acceptance of any type of responsibility on the part of EPM and EDEQ and does not imply acceptance or manifestation of non-compliance with their obligations derived from the link to the mechanism of works for taxes. Nor do they waive any claims they may make in relation to this matter to show that there is no breach and therefore no interest or penalties should be paid.

Once it is determined that there was no non-compliance with the works for taxes mechanism by taxpayers, the DIAN must return any sum that results in favor of EPM and EDEQ.

In addition to the above, and as a mechanism to protect the interests of the companies, EPM filed a lawsuit before the Administrative Court of Antioquia in the exercise of the means of control of nullity and restoration of the right against: the Agency for the Renewal of the Territory (ART), the Ministry of Transport, the National Institute of Roads (INVIAS), the Directorate of National Customs Taxes (DIAN), and the National Planning Department (DNP). In order that, among others: the nullity of the administrative act issued by the Territorial Renewal Agency on May 13, 2022, by virtue of which it refuses to recognize the exception of the loss of enforceability and/or request for a study of direct revocation of Resolution 175 of 2018 "by which a request for the payment of income tax and complementary taxes is approved" is declared null and void. an investment project in the areas most affected by the armed conflict – ZOMAC"; recognize the exception of "loss of enforceability" and, consequently, refrain from requiring EPM and EDEQ to comply with the obligations contained in Resolution 175 of 2018 issued by the ART, due to the lapse of the act within the framework of their competences within the works for taxes mechanism; it is declared that EPM and EDEQ made the timely and full payment of the resources destined for the cancellation of the income tax for the 2017 annuity. An appeal filed by EPM against the order rejecting the claim on the grounds that the act issued by the ART is not subject to judicial review is currently pending, pending the decision on the appeal by the Fourth Section of the Council of State.

It is important to note that since May 24, 2018, the resources for the payment of income tax by EPM and EDEQ taxpayers were deposited in the trust provided for the works-for-taxes mechanism whose income is recognized in favor of the competent national authority and therefore there is no reason to understand that there is a delay in the fulfillment of the tax obligation by the taxpayers. As of December 2023, yields amount to $11,508 million, of which $448 million have already been transferred to the General Directorate of Public Credit and National Treasury.

Contingent Assets

Third	Claim	Amount
Administrator Of Social Security Resources (Adres Sa)	The Ministry of Health has the legal and constitutional obligation to recognize and cancel the value of the services provided to members in relation to medicines and/or procedures, interventions or elements not included in the Compulsory Health Plan (POS).	21,697
Interamericana De Productos Quimicos S.A. (Interquim S.A.)	That by means of a judgment, the expropriation in favor of EPM of the right of ownership of the property called "Finca Torremolino" located in the village of San Diego, in the Municipality of Girardota, owned by INTERAMERICANA DE PRODUCTOS QUÍMICOS S.A.S., be decreed, by judicial means, which will be used for the execution of the project the Project "PEI1213GARCE WWTP'S DEL NORTE COPACABANA Y GIRARDOTA" of which the "WWTP GIRARDOTA" is a part, Girardota Wastewater Treatment Plant. That in the judgment ordering the expropriation of the right of ownership with respect to the property, it is declared that the compensation or price to be paid by EPM is $10,589,314,000, in accordance with the technical report of Appraisal CM-2022-00577.	9,705
Miscellaneous Administrative	Process for an amount less than $1,307.	8,334
Constructora Monserrate De Colombia Sas	The expropriation in favor of EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P. is decreed by judicial means for the Project "Expansion of the Capacity of the Primary Distribution in the Western Sector of Medellín-Cadena Occidente Tanque Calazans" property called Lot 7, located in the Altos de Calazans sector, of the Municipality of Medellín owned by the Company CONSTRUCTORA MONSERRATE DE COLOMBIA SAS.	7,656
Poblado Club Campestre Ejecutivo S.A.	Declare that Interconexión Eléctrica S.A. E.S.P., ISA is civilly liable for not recognizing EPM, the value to which it is entitled, of the remuneration that ISA received between 1995 and 1999, for the line modules that correspond to assets used by the STN in the Playas and Guatapé substations represented by it; in which	4,533

Third	Claim	Amount
	there is shared ownership, a value that to date has not been realized, generating unjust enrichment by increasing the assets of the defendant at the expense and to the detriment of the assets of the plaintiff.	
Notary Office 25 Of Medellín	A refund of the amount paid by EPM ITUANGO S.A. E.S.P., on December 1, 2011, duly indexed, is requested.	3,646
Municipality Of Envigado	Declare EPM E.S.P., is not obliged to pay to the Municipality of Envigado the amount stated in Resolutions No. 655 of 2004/03/17 "By means of which the valorization contribution is distributed for the work "Construction of aqueduct and sewerage networks in the urban expansion and sewerage zone in a sector of the village of El Escobero" nor to agreement 015 of 2000/06/30 containing the POT, in the section that classifies the land uses of the lot of the Ayurá Plant owned by Empresas Públicas de Medellín	1,307
Corantioquia - Corporación Autónoma Regional Del Centro De Antioquia	To declare null and void Article 5 of the Resol. 130 TH-1302-9864 issued by the Territorial Director TAHAMIES of "CORANTIOQUIA" for the fee for the use of surface water for 2011, from the Rio Grande source; reimburse EPM, the highest amount cancelled for the fee for the use of Surface Water Dec. 155 – 4742, Hydrological Unit: MAGDALENA RIVER - CAUCA, for 2011 made with invoice TH – 1927 of 2012/04/30. To order Corantioquia to recognize and pay EPM the legal, current and default interest that has been caused; to the payment of costs and agencies in law of conformity.	834
Sspd - Superintendence Of Residential Public Services	To declare the partial nullity of the following administrative acts issued by the SSPD: - Official Settlement of the Special Contribution Year 2022 for aqueduct and Official Settlement of the Special Contribution Year 2022 for sewerage. As a consequence of the nullity, EPM's right is restored, ORDERING the SSPD to reimburse the sum of money corresponding to the highest amount cancelled for the aforementioned concept, equivalent to $1,266,300,000, and to recognize and pay the interest caused on the amounts claimed from the time of payment of the contribution.	778
Various Prosecutors	Process for an amount less than $657.	592
Total contingent assets		**59,082**

- Amounts stated in millions of Colombian pesos -

As of December 31, 2022, the value determined by the experts to be compensated is $59,082.

Estimated payments and collections

contingent liabilities or will receive the collections for the contingent assets included in this note to the statement of financial position of EPM at the cut-off date, is the following:

Year	Contingent liabilities	Contingent assets
2024	854,094	21,243
2025	302,594	11,097
2026	201,474	1,926
2027 and Others	3,014,153	39,754
Total	**4,372,315**	**74,020**

- Amounts stated in millions of Colombian pesos -

Note 28. Other liabilities

The composition of other liabilities is as follows:

Other liabilities	2023	2022
Non-current		
Other deferred credits (1)	20,810	20,880
Assets received from clients or third parties	7,646	7,732
Deferred income (2)	1,915	2,122
Resources received in administration	253	997
Collections in favor of third parties (3)	10	10
Sub-total other non-current liabilities	**30,634**	**31,741**
Current		
Deferred income (2)	1,002,482	500,042
Collections in favor of third parties (3)	207,869	386,549
Resources received in administration	4,294	15,369
Advances and advance payments received	507	507
Sub-total other current liabilities	**1,215,152**	**902,467**
Total	**1,245,786**	**934,208**

- Amounts stated in millions of Colombian pesos -

1 It corresponds to the collection of works and improvements on other people's properties in urban planning concepts.

2 It corresponds to the collections received for leasing, sales of energy service, public lighting, reliability charge, registration of the POIR for aqueduct and sewerage, sales of gas service, agreements made with different entities and compensations from the biller.

3 It corresponds to the collections received for contributions of public works and UdeA stamp, from the employees' fund, from the Sanitation fee to Emvarias, Public lighting to the different municipalities of Antioquia, the commercial representation contract that EPM has with ESSA and CHEC and the collections to be classified according to IAS32.

28.1 Deferred income

The detail of deferred income of the cut-off date was:

Deferred income	2023	2022
Non-current		
Leases	1,338	1,511
Sale of energy service	519	553
Construction Contracts	58	58
Total non-current deferred income	**1,915**	**2,122**
Current		
Sales (1)	613,731	272,549
Sale of energy service (2)	101,526	93,377
Sale of aqueduct service (3)	135,955	84,585
Sewer Service Sale (3)	81,784	45,792
Other deferred credits (4)	64,589	(532)
Sale of fuel gas service	3,499	3,511
Construction Contracts	1,225	587
Leases	173	173
Total current deferred income	**1,002,482**	**500,042**
Total deferred income	**1,004,397**	**502,164**

- Amounts stated in millions of Colombian pesos -

1 The increase is explained by higher amounts received in advance for the services provided, mainly in long-term energy, electricity and regulated market energy contracts.

2 The increase was mainly in reliability charges.

[3] This value is recorded annually for the Water Tariff Structure, which applies to the measurement and recognition of the revenue received in advance from the execution. of the "Regulated Works and Investment Plan (POIR)", which is approved by the CRA and generates the obligation to execute the investments, the component of the fee that corresponds to this obligation should not be recognized until it is executed, since IFRS 15 establishes that an entity will only recognize income when it has satisfied the required or contracted performance obligations.

[4] The increase was due to higher turnover collected during 2023, related to third parties such as Nitro Energy Colombia SAS and municipalities.

Note 29. Changes in liabilities from financing activities

The reconciliation of the liabilities that arise from financing activities is as follows:

Reconciliation of 2023 financing activities	Initial balance	Cash flows	Changes other than cash		Other changes [(1)]	Total
			Foreign currency movement	Fair value		
Loans and Borrowings (see note 21)	20,445,395	2,039,237	(2,103,832)	-	(295,717)	20,085,084
Lease liabilities (see notes 14 and 23)	2,764,314	(15,546)	-	-	282,738	3,031,506
Pension bonds	528,223	(43,278)	-	-	137,031	621,977
Hedging instruments	(459,935)	-	-	2,090,842	(724,645)	906,263
Dividends or surpluses paid (see note 19)	-	(1,748,005)	-	-	1,748,005	-
Capital grants	-	47	-	-	(47)	-
Other financing flows	-	(3,259)	-	-	3,259	-
Total liabilities for financing activities	**23,277,997**	**229,196**	**(2,103,832)**	**2,090,842**	**1,150,624**	**24,644,830**

- Amounts stated in millions of Colombian pesos -

Reconciliation of 2022 financing activities	Initial balance	Cash flows	Changes other than cash		Other changes [(1)]	Total
			Foreign currency movement	Fair value		
Loans and Borrowings (see note 21)	18,833,096	(400,244)	1,726,043	-	286,500	20,445,395
Lease liabilities (see notes 14 and 23)	2,552,044	(14,252)	-	-	226,522	2,764,314
Pension bonds	549,981	(57,329)	-	-	35,571	528,223
Hedging instruments	29,020	37,239	-	(328,941)	(197,253)	(459,935)
Dividends or surpluses paid (see note 19)	-	(1,850,775)	-	-	1,850,775	-
Capital grants		78			(78)	-
Other financing flows		1,503			(1,503)	
Total liabilities for financing activities	**21,964,141**	**(2,283,780)**	**1,726,043**	**(328,941)**	**2,200,534**	**23,277,997**

- Amounts stated in millions of Colombian pesos -

[1] It includes interest paid during the year of $1,492,111 (2022: $1,257,578), which by company policy are classified as operating activities in the statement of cash flows; the variation in the measurement at amortized cost of credits and loans $1,336,622 (2022: $1,010,778); and dividends incurred and not paid during the year are classified as investing activities in the statement of cash flows.

Note 30. Ordinary activities revenue

The company, for presentation purposes, breaks down its income from the services it provides, according to the lines of business in which it participates and the way in which the administration analyzes them. The detail of revenue from ordinary activities is as follows:

Revenue from ordinary activities	2023	2022
Rendering of services		
Energy generation service (1)	6,864,793	5,316,477
Energy distribution service (2)	5,672,660	5,047,208
Fuel gas service (3)	1,539,950	1,240,598
Aqueduct service (4)	1,034,498	888,040
Sanitation service (4)	747,636	658,316
Energy transmission service (5)	237,074	221,033
Financing component	240,485	230,352
Other services (6)	119,733	97,556
Billing and collection services	42,291	36,677
Computer services	17,733	15,724
Fee	9,867	4,649
Commissions	1,046	801
Contracts with clients for the construction of assets	60	54
Returns	(518,084)	(636,103)
Full provision of services	**16,009,742**	**13,121,382**
Leases	80,463	80,063
Sale of goods	12,755	9,043
Total	**16,102,960**	**13,210,488**

- Amounts stated in millions of Colombian pesos -

1 The increase in power generation and trading services was driven by higher sales of energy on the stock market and in the long term by higher market prices.

2 The increase in the energy distribution and marketing service is mainly due to the recognition of the tariff option in accordance with CREG resolutions 102 and 058 of 2020 for a value of $52,182; in addition to an increase in the energy rate due to the fact that its components have an impact of macroeconomic factors (IPP and CPI), along with a greater amount of energy sold.

3 The increase in the gas distribution and marketing service is due to higher tariffs due to higher TRM and macroeconomic factors (CPI and IPP), in addition, due to growth in demand in the regulated market, increase in sales to thermal power generation plants and other marketers.

4 In the segments of water supply and marketing and wastewater management and marketing, the increase is explained by greater users and an increase in rates due to indexation.

5 Increase in the energy transmission service due to the behavior of macroeconomic variables.

6 Increase in other services, mainly in the Shared Services Center, due to greater technical support services specialized in hardware and software and in Others due to billing and collection from third parties.

In the company, performance commitments are fulfilled and measured in a cyclical way, since the company is mainly dedicated to the provision of public services (regulated and non-regulated market, long-term contracts and secondary market) and the provision of services related to the services to other agents in the sector (reliability charge, firm energy, AGC). Said public services are delivered to the user permanently, plus consumption is measured and income is recognized periodically, typically monthly.

The company recognizes all its income from the satisfaction of performance obligations and most of its contracts with clients have a duration of less than one year.

The company recognized the following values in the period, for the contracts in force at the cut-off date described in the previous paragraph:

Other contracts with clients

2023	Balance of the contract asset at the beginning of the period	Balance of the contract asset at the end of the period	Balance of the liability at the beginning of the period	Liability balance at the end of the period	Revenue recognized during the period corresponding to the liability of the previous period
Uniform conditions contract for regulated services (1)	1,150,069	804,861	133,220	220,767	46
XM representation contract	55,307	11,849	-	-	-
Unregulated Market - MNR or Large Clients (2)	130,646	12,060	94,599	102,517	94,599
Total	**1,336,022**	**828,770**	**227,819**	**323,284**	**94,645**

- Amounts stated in millions of Colombian pesos -

2022	Balance of the contract asset at the beginning of the period	Balance of the contract asset at the end of the period	Balance of the liability at the beginning of the period	Liability balance at the end of the period	Revenue recognized during the period corresponding to the liability of the previous period
Uniform conditions contract for regulated services (1)	728,897	1,150,069	42,879	133,220	788
XM representation contract	-	55,307	-	-	-
Unregulated Market - MNR or Large Clients (2)	163,104	130,646	7,019	94,599	7,019
Total	**892,001**	**1,336,022**	**49,898**	**227,819**	**7,807**

- Amounts stated in millions of Colombian pesos -

1 The purpose of this contract is to define the uniform conditions through which the company provides residential public services in exchange for a price in cash, which will be set according to current rates and according to the use given to the service by the users. users, subscribers or property owners, hereinafter the user, who, by benefiting from the services provided by the company, accepts and accepts all the provisions defined herein.

Liabilities in uniform conditions contracts mainly include the provision of the Regulated Works and Investment Plan (POIR) for Water Provision and Solid Waste Management services, as established by the Commission for the Regulation of Drinking Water and Basic Sanitation in resolution CRA 688 of 2014.

2 Resolution 131 of December 23, 1998 of the Energy and Gas Regulation Commission (CREG) establishes the conditions of energy and power supply for large consumers and indicates in article 2 the power or energy limits for a user to can contract the supply of energy in the competitive market; the aforementioned resolution allows the signing of contracts with large consumers to establish by mutual agreement the prices of energy and power supply; The purpose of the contract is to supply energy and electrical power to the consumer, as an unregulated user, to meet their own demand. The increase in the liability is related to reliability charges related to a higher value received from the sale of the energy service.

Another important contract is the XM representation contract, which manages the Colombian Wholesale Energy Market, attending to the commercial transactions of market agents.

The company expects to recognize the income corresponding to the performance obligations that are not satisfied during the next accounting period, since it is mostly related to the contracts of uniform terms corresponding to residential public services, the duration of which is less than one year.

Note 31. Other income

The detail of other income, which forms part of revenue from ordinary activities, is as follows:

Other income	2023	2022
Recoveries [1]	86,415	154,872
Indemnities [2]	11,743	56,044
Investment property valuation [3]	9,863	17,228
Uses [4]	8,613	14,586
Other ordinary income	5,577	10,153
Sale of folds specification	796	386
Government grants	46	77
Other income	2	-
Total	**123,055**	**253,346**

- Amounts stated in millions of Colombian pesos -

1 The decrease was mainly explained by the following recoveries: (i) contingent consideration of Espiritu Santo $35,801, (ii) environmental and social $24,287, and (iii) cost and expense recovery $20,728; Offset by an increase in: (iv) Guarantees $9,566.

The value of the effective recoveries amounts to $35,502 (2022: $55,551) and the non-effective ones $50,914 (2022: $99,321), disclosed in the statement of cash flows.

2 The decrease in compensation income was due to the fact that the previous year compensation was received for the Generation segment for loss of profits from Termosierra for $24,122 and compensation for damages arising from the beach incident for $26,592. While in 2023 the compensation for consequential damages was $10,829, and for loss of profits $364.

3 Decreased investment property valuation revenue by $7,365.

4 Revenue revenues decreased by $5,973 in the period.

Note 32. Income from sale of assets

The detail of the income from sale of assets is as follows:

Other income	2023	2022
Profit on sale of property, plant and equipment [1]	205	576
Profit on derecognition of rights-of-use assets [2]	1,513	37
Total	**1,718**	**613**

- Amounts stated in millions of Colombian pesos -

[1] Profit on sale of property, plant and equipment of $205 (2022: $576) is non-cash and is disclosed as part of the income item for disposition of property, plant and equipment, rights of use, intangibles and investment properties of the statement of cash flows.

[2] Profit on derecognition and loss of rights of use of $1,513 (2022: $37) is non-cash and is disclosed as part of the income from retirement of property, plant and equipment, right-of-use assets, intangible assets and investment properties.

Note 33. Costs of services rendered

The detail of the costs of services rendered is as follows:

Costs of services rendered	2023	2022
Use of lines, networks and duct[(1)]	1,551,843	1,448,386
Stock market purchases [(2)]	1,494,044	881,496
Bulk purchases [(3)]	1,401,511	1,228,388
Personal services [(4)]	804,528	648,250
Depreciations [(5) - (12)]	758,121	527,995
Cost of distribution and/or commercialization of natural gas [(6)]	682,195	767,620
Maintenance and repair orders and contracts [(7)]	433,787	367,729
Maintenance and repair orders and contracts [(8)]	290,947	206,040
Consumption of direct inputs [(9)]	287,780	25,367
Licenses, contributions and royalties[(10)]	279,288	239,913
Insurance [(11)]	201,496	111,837
Materials and other operating costs	173,123	160,343
Generals	96,973	90,183
Cost per connection	75,567	66,946
Amortization rights-of- use assets [(12)]	62,458	56,415
Commercial and financial management of the service	56,799	36,050
Taxes and rates	52,889	44,876
Amortization [(12)]	44,523	46,927
Fee	34,637	44,884
Others cost	27,552	65,418
Liquefied natural gas	15,784	15,506
Public services	7,935	8,471
Leases	5,686	5,089
Costs associated with transactions in the wholesale market	4,827	3,707
Traded Goods	1,686	-
Gas compression	681	646
Total	**8,846,660**	**7,098,482**

- Amounts stated in millions of Colombian pesos -

1 The increase corresponds to higher network costs, mainly in the distribution and power generation segments due to the higher use and charge of the unregulated market.

2 Increase due to greater purchases of energy on the stock exchange at a higher price, mainly in the distribution segment, through this mechanism the missing energy is purchased to cover the demand of the Regulated Market.

3 The increase in costs for block purchases occurred in the energy distribution and marketing segment due to the entry into execution of new contracts and the variation in the IPP.

4 The variation was explained by the salary increase, which is impacted by the CPI, and temporary vacancies hired.

5 Increase in depreciation costs due to purchases of fixed assets and transfers to operations especially related to Hidroituango.

6 Decrease explained by lower gas supply in the wholesale market.

7 Orders and contracts for other services are mainly represented by installation and de-installation services in the distribution, gas and water segments.

8 There were higher maintenance and repair costs, mainly in constructions and buildings, and land.

9 Increase mainly due to the purchase of fuels and chemical products for the Power Generation business.

10 Licenses, contributions and royalties increased especially due to the contributions of the environmental law associated with the power generation service, and Fazni.

[11] In this area, the costs related to comprehensive insurance increased mainly.

[12] Corresponds to non-effective costs.

Note 34. Administrative expenses

The detail of administrative expenses is as follows:

Administrative expenses	2023	2022
Employee expenses		
Wages and salaries (1)	370,983	310,649
Social security expenses (1)	119,026	101,915
Pension expenses (2)	30,455	21,789
Employee interest rate benefits	10,956	8,909
Other long-term benefits	8,270	2,865
Other post-employment benefit plans other than pensions2	2,318	1,384
Total personnel expenses	**542,008**	**447,511**
General expenses		
Provision for contingencies (2) - (3) - (10)	839,785	89,730
Taxes, contributions and rates (4)	187,395	142,455
Commissions, fees and services (5)	107,958	63,453
Intangibles (6)	98,479	76,408
Maintenance	72,886	64,807
General securities	42,514	33,169
Other general expenses	36,281	35,907
Amortization of intangibles (10)	34,865	25,318
Depreciation of property, plant and equipment (10)	28,982	28,679
Christmas lighting	23,850	18,699
Amortization rights-of-use assets (10)	22,072	21,501
Promotion and dissemination	15,903	12,506
Other miscellaneous provisions (2) - (7) - (10)	14,711	27,128
Publicity and advertising	14,648	8,252
Vigilance and security	10,479	8,888
Costs of proceedings	9,612	-
Cleaning services, coffee shop, restaurant and laundry service	6,295	5,332
Repairs	6,058	-
Provision for dismantling, removal and rehabilitation (2) - (8) - (10)	5,628	639
Public services	4,706	5,516
Studies and projects	4,319	11,476
Provision of the technical reserve of the Adapted Health Entity (EAS) (2) - (10)	1,509	752
Provision guarantees (2) - (9) - (10)	-	91,859
Total overhead	**1,588,935**	**772,474**
Total	**2,130,943**	**1,219,985**

- Amounts stated in millions of Colombian pesos -

[1] This increase was mainly explained by the wage increase impacted by the CPI.

[2] Provisions include post-employment and long-term defined benefit plans in the statement of cash flows.

[3] Increase associated with the arbitration award against EPM for the penalty clauses of enforcement for non-compliance with milestones in the construction of the Ituango Hydroelectric Power Plant.

[4] Represented mainly by the tax on industry and commerce, the tax on financial movements and the inspection and auditing fee.

[5] The increase in commissions, fees and services was related to ongoing business development projects and substation activities.

[6] The increase in the category of intangibles was due to the fact that there was a greater implementation of projects compared to the previous year.

[7] Reduction mainly due to the procedure for environmental sanctions, the provision for the Ituango contingency and other miscellaneous provisions.

[8] This increase was explained by the recognition of the provision for the dismantling of assets associated with the entry into operation of the Ituango Hydroelectric Power Plant, and by the forced investment of the La Sierra, Porce II and Porce III Power Plants.

[9] Decrease corresponds to the update of the provision of guarantees on the occasion of the connection of the Ituango Hydroelectric Power Plant.

[10] Corresponds to non-actual expenditure.

Note 35. Other expenses

The detail of the other expenses is as follows:

Other expenses	2023	2022
Loss on disposals of assets (1) - (2)	14,195	10,305
Contributions in non-corporate entities (3)	21,436	15,679
Other ordinary expenses (4)	7,457	9,685
Arbitration awards and extrajudicial conciliations	3,490	2,680
Effective Interest Financing Services	1,708	1,479
Sentences	1,231	482
Loss on derecognition of intangibles (2)	3	-
Loss on sale of assets	283	136
Loss of rights-of-use (2)	149	-
Loss on withdrawal of inventories	133	114
Loss from changes in the fair value of investment properties	-	106
Total	**50,085**	**40,666**

- Amounts stated in millions of Colombian pesos -

[1] The increase was explained by higher losses due to asset in the power marketing segments.

[2] Corresponds to non-cash expenses.

[3] Corresponds to the contributions made to the EPM Foundation.

[4] Other recurrent expenditure mainly comprises environmental management costs, fines and penalties.

Note 36. Finance income and expenses

36.1 Finance income

The detail of finance income is as follows:

Finance income	2023	2022
Interest Income:		
Gain from valuation of financial instruments at fair value (1) - (3)	361,900	70,922
Debtor and default interest (2)	143,301	119,100
Gain on rights in trust (1) - (4)	62,641	15,292
Bank deposits (2) - (5)	55,350	23,416
Other finance income (2)	6,092	4,645
Restricted Use Funds (2) - (6)	2,329	34,258
Total finance income	**631,613**	**267,633**

- Amounts stated in millions of Colombian pesos -

[1] It is disclosed as part of the interest income and income item in the statement of cash flows.

[2] It is disclosed as part of the item Profit or loss on the valuation of financial instruments and hedging accounting in the statement of cash flows.

[3] Increase in the valuation of financial instruments measured at fair value, which was mainly due to the allocation of fixed-income securities, and due to the behavior of the market, which has presented significant valuations.

[4] The increase in the income on trust rights was explained by the behavior of the market, which has presented significant valuations and is thus reflected in the temporary investments of the portfolio.

[5] The variation was due to the fact that, compared to the previous year, there was a higher available balance in the deposits of financial institutions, in addition to the increase in bank rates.

[6] The variation was caused by the fact that there is a lower balance in restricted fixed-income securities.

36.2 Finance expenses

The detail of finance expenses is as follows:

Finance expenses	2023	2022
Interest expense:		
Interest for obligations under lease (1)	286,770	258,631
Other interest expense (1)	349	275
Total interest	**287,119**	**258,906**
Long-term external financing operations (1) - (2)	1,069,622	798,575
Financial instruments for hedging purposes (1) - (2)	770,852	328,189
Long-term internal financing operations (1) - (2)	238,602	172,769
Short-term internal financing operations (1) - (2)	20,606	1,749
Short-term external financing operations (1)	7,791	37,687
Total interest expense of other financial liabilities that are not measured at fair value through profit or loss (3)	-	4
Other financial costs		
Fees other than amounts included in determining the effective interest rate	631	1,086
Other financial expenses (3)	276,216	178,673
Total financial expenses	**2,671,439**	**1,777,638**

- Amounts stated in millions of Colombian pesos -

[1] It disclosed as part of interest expense and fees in the statement of cash flows.

[2] The increase in this item is due to financial expenses that ceased to be capitalized as of the entry into operation of the Ituango hydroelectric project in November 2022, to new disbursements in dollar currency, to the variable interest rate present in some credit agreements, such as the Term SOFR rate, which presented upward variations during 2023, starting at levels of 4.80%, reaching a yearly high of 5.50% and closing in December at 5.16%. Additionally, due to the reduction of exchange rate risk through contracted financial hedges, going from interest rates in dollars to Colombian pesos.

[3] For presentation purposes in the statement of cash flows: $171,464 (2022: $99,470) are disclosed under the heading of income from valuation of financial instruments and hedge accounting and $104,750 (2022: $79,211) is disclosed in the caption of provisions for tax obligations, insurance and reinsurance and financial updating.

Note 37. Net foreign exchange difference

The effect on foreign currency transactions is as follows:

Exchange difference, net	2023	2022
Exchange difference income		
Own position		
For goods and services and others	47,265	1,917
For liquidity	-	279,656
Tarde receivables	20,958	291,178
Provisions	32,459	-
Other exchange difference adjustments	-	11,490
Financing operations		
Gross revenue	2,509,706	4,672
Debt hedging	-	1,311,784
Total income from exchange difference	**2,610,388**	**1,900,697**
Exchange difference expense		
Own position		
For goods and services and others	9,570	46,507
For liquidity	58,814	129,429
Trade receivables	215,953	61,191
Provisions	-	28,397
Other adjustments for difference in exchange	12,919	-
Financing operations		
Gross expense	405,875	1,725,753
Debt Hedge	1,723,234	-
Total expense for exchange difference	**2,426,365**	**1,991,277**
Exchange difference, net	**184,023**	**(90,580)**

- Amounts stated in millions of Colombian pesos -

The accumulated net income due to exchange amounted to $184,023, the main income coming from long-term external financing operations for $2,471,647; offset by debt hedging operations that represented an expense of $1,723,234 and a net expense per own position of $196.5754; The cumulative revaluation of 2023 was 20.54% (2022: 20.82% devaluation).

The rates used for currency conversion in the separate financial statements are:

Badge	Currency code	Direct conversion to USD as of December 31		Direct conversion to USD as of December 31		Average exchange rate	
		2023	2022	2023	2022	2023	2022
United States dollar	USD	1.00	1.00	3,822.05	4,810.20	3,948.21	4,788.49
Quetzal	GTQ	7.83	7.85	488.31	612.59	504.62	608.60
Mexican peso	MXN	16.92	19.49	225.90	246.84	229.94	244.21
Chilean peso	CLP	884.59	851.95	4.32	5.65	4.52	5.48
Euro	EUR	0.91	0.94	4,222.03	5,133.69	4,675.61	4,471.07
Pound	GBP	0.78	0.83	4,872.35	5,786.19	5,373.08	5,241.38
Swiss franc	CHF	0.84	0.93	4,541.14	5,199.09	4,809.48	4,456.27

Note 38. Share of result of equity investments

The effect of participation in equity investments is as follows:

Participation in equity investments	2023	2022
Dividends and shares (1)	178,160	85,156
Impairment of investments in subsidiaries, associates and joint ventures (2)	-	(1,060,968)
Total	**178,160**	**(975,812)**

- Amounts stated in millions of Colombian pesos -

[1] It corresponds to dividends caused by investments classified in financial instruments for $178,160 (2022: $85,156) see note 13. Other Financial Assets

[2] It corresponds to the impairment of investments in associates of UNE and Hidroituango (see note 9).

Note 39. Income tax

39.1Tax provisions

The applicable and current tax provisions establish the following:

- The nominal income tax rate is 35%.
- Income tax from occasional income tax is taxed at the rate of 15%.
- On June 11, 2008, EPM and the Nation (through the Ministry of Mines and Energy) signed a legal stability contract for the Power Generation activity for a period of 20 years. Among the stabilized tax regulations, the following stand out: ordinary income tax rate, wealth tax, presumptive income, fiscal cost of fixed assets, deduction for depreciation, special deduction of 40% for investments in productive real fixed assets.
- Special treatments are considered to be those granted by the Colombian Holding Companies Regime (CHC), a special tax regime for national companies that have as one of their activities the holding of securities, investment or holding of shares or participations in Colombian or foreign companies or entities.

New regulations

Main modifications incorporated by Law 2277 of December 13, 2022, through which a tax reform for equality and social justice is adopted and other provisions are issued:

- In accordance with Law 2277 of 2022, for legal entities, the general Income Tax rate remained at 35% as of the taxable year 2023 and subsequent years.

  For taxpayers whose main economic activity is the generation of electricity through water resources, a surcharge of 3% was established for taxable years 2023 to 2026, applicable to legal entities that obtain an income equal to or greater than 30,000 UVT in the taxable year, a threshold that will be calculated in aggregate for activities carried out by related persons according to the criteria provided for in article 260-1 of the Tax Statute. The regulation also establishes that the surcharge is subject to an advance of 100% of its value.

  For taxpayers whose main economic activity is the generation of electricity through water resources, a surcharge of 3% was established for taxable years 2023 to 2026, applicable to legal entities that obtain an income equal to or greater than 30,000 UVT in the taxable year, a threshold that will be calculated in aggregate for activities carried out by related persons according to the criteria provided for in article 260-1 of the Tax Statute. The regulation also establishes that the surcharge is subject to an advance of 100% of its value.

  On the other hand, the same Law created a minimum income tax rate for tax residents in Colombia, which in the case of taxpayers whose financial statements are subject to consolidation, is called the

Group Cleaned Tax Rate (TTDG), which cannot be less than 15% and if it is, the tax must be adjusted, following the formula enshrined in the regulation.

EPM's Power Generation activity, having a legal stability contract in force until June 11, 2028, will be able to continue with the application of the stabilized rules in the terms in which they were in 2008, the year in which the contract was signed, as long as the changes that have occurred after the signing of the contract are unfavorable to the interests of the aforementioned activity of the company generation. If, on the other hand, the amendments to the stabilized rules are favourable, the new rules may be applied. The concept of whether a change is favourable or unfavourable should be reviewed on a case-by-case basis in line with other rules.

- Article 259-1 was added to the Tax Statute, which establishes a limit to the benefits and tax incentives listed there, and which may not exceed 3% per year of ordinary liquid income before deducting the special deductions contemplated in the norm, due add to the value to be paid for income tax, the value resulting from applying the formula indicated in the same article.
- Profits from the sale of shares registered on a Colombian Stock Exchange, held by the same beneficial owner, do not constitute income or occasional gains when such sale does not exceed 3% of the outstanding shares of the respective company during the same taxable year.
- 100% of the industry and commerce tax, notices and boards paid, can be taken as deductible in the income tax.
- Article 12-1 of the Tax Statute, on effective place of administration, determines that foreign companies must comply with tax obligations in Colombia, if the necessary commercial and management decisions are made in the country to carry out the day-to-day activities of the company or entity.
- Article 256 of the Tax Statute determines that the discount on income tax for investments made in research, technological development or innovation is 30% of the value of the investment. At the same time, it establishes that the costs and expenses that generate the discount may not be capitalized or taken as a cost or deduction again by the same taxpayer.
- Regarding the presumptive income rate, Article 90 of Law 2010 of 2019 amended Article 188 of the Tax Statute to provide for a rate of zero percent (0%) as of the 2021 taxable year. On the other hand, article 191 of the same Statute includes within the exclusions of presumptive income residential public service companies.
- Article 689-3 of the Tax Statute establishes the benefit of audit for the taxable periods 2022 to 2026, to determine that the private settlement of income tax and complementary taxpayers will be final, if the increase in net income tax in relation to that of the immediately preceding year is 35% or 25% and that within six (6) or twelve (12) months following the filing of The tax return, respectively at the above percentages, has not been notified of a summons to correct or special requirement or special summons or provisional assessment.

This audit benefit does not extend to VAT and Withholding Tax returns that coincide with the Income Tax Return period.

Other tax aspects

- In the Unique Registry of Final Beneficiaries RUB, which is part of the Single Tax Registry, RUT, contemplated in articles 631-5 and 631-6 of the Tax Statute and in DIAN Resolutions 000164 of 2021, 00037 and 001240 of 2022, natural persons who finally own or control, directly or indirectly, a legal person or other structure without legal personality must be reported.
- The regulation provides that decentralized entities in which the capital is 100% public, as is the case of EPM, are not obliged to identify, obtain, preserve, supply and update in the RUB the information dealt with in the associated regulations and that this exception does not extend to mixed economy companies.
- The general sales tax rate is 19%.

- The provision of domestic public services of energy, gas, water and sewerage are excluded from sales tax.

  The meters associated with the provision of these services are subject to sales tax, since they are not expressly excluded and this has been stated by the tax authority in its doctrine.

  For electric vehicles and their components, parts and accessories, as well as for components and spare parts of the gas vehicle plan, the fee is 5%.

  Article 192 of Law 1819 of 2016 provided that the VAT rate in contracts in which a public entity is a contracting party will be the one corresponding to the date of the resolution or award act, or signing of the respective contract, and will vary whenever the contract is modified or added with economic content.

  In accordance with the provisions of Article 258-1 of the Tax Statute, the VAT paid on the acquisition, import, construction and formation of real productive fixed assets, including the services necessary to put the asset in a condition of use, and assets acquired through leasing, may be taken as a deduction from income tax.

  The Fourth Chamber of the Council of State, in Judgment 27421 of September 2023, clarified that the taxpayer may split this discount into several periods, insofar as the regulation did not provide for any prohibition in this regard.

- Dividends received by domestic companies that are income that do not constitute income or occasional gain are subject to a 10% withholding tax on income, which will be transferable and attributable to the resident natural person or investor resident abroad.

  Through the Issuance of Law 1943 of 2018, the Colombian Holding Companies (CHC) regime was incorporated into the legal system, which can be used under certain requirements, national companies that have as one of their main activities the holding of securities, the investment or holding of shares or participations in Colombian and/or foreign companies or entities, and/or the management of such investments. The regulation provides, among other aspects, that dividends or participations distributed by entities not resident in Colombia to a CHC will be exempt from income tax and will be declared income exempt from capital.

  Dividends distributed by CHCs to a resident natural person or to a resident legal entity paying income tax shall be taxed at the dividend income tax rate, in accordance with Articles 242 and 242-1 of the Tax Statute.

  Dividends distributed by a CHC to a natural or legal person not resident in Colombia shall be understood as income from a foreign source in accordance with paragraph e) of article 25 of the same law.

  Companies under the CHC income tax regime, including decentralized public entities, are not subject to withholding tax on dividends distributed by Colombian companies.

  The undercapitalization rule of Article 118-1 of the Tax Statute limits the deductibility of interest paid when there is over-indebtedness, specifying that such limitations only apply with respect to debts contracted between economic related parties. For the purposes of deducting interest, the taxpayer must be able to demonstrate to the DIAN, by means of certification from the resident or non-resident entity acting as creditor, that the credit or credits do not correspond to debt transactions with related entities through a guarantee, back-to-back, or any other transaction in which substantially such related entities act as creditors. It should be noted that this provision shall not apply to cases of financing of transport infrastructure or public service projects, provided that such projects are carried out by special purpose companies, entities or vehicles.

- In relation to the transfer pricing regime, our tax system establishes that all taxpayers of income tax and complementary taxes, who carry out transactions with foreign economic affiliates or located in free zones, must comply with the arm's length principle at the time of such transactions; This implies that trades must be made at market prices. The same treatment must be given to any transaction with persons or entities located in Non-Cooperating Jurisdictions of Low or No Taxation and with entities subject to Preferential Tax Regimes, whether or not they are economically related.

- As of the 2015 taxable year, taxpayers of Income Tax and Complementary Taxes, subject to this tax with respect to their income from domestic and foreign sources, and their assets owned inside and outside the country, who have assets abroad of any nature, will be required to file the annual declaration of assets abroad, when the equity value of the foreign assets held on January 1 of each year is greater than two thousand (2,000) UVT.
- As for the Industry and Commerce tax, it is generated by the direct or indirect performance of an industrial, commercial or service activity in a municipal jurisdiction, either permanently or occasionally. The Framework Law that governs it is Law 14 of 1983, Law 56 of 1981 and Law 1819 of 2016. As it is a land tax, it is up to the municipal councils to issue agreements for its application. Its taxable base is determined on income and the tax is settled according to the rates established for each activity by the municipalities.

  The transportation of Natural Gas is exempt from the Industry and Commerce Tax.

  The taxable base of the industry and commerce tax in the distribution of natural gas is the gross margin of commercialization of the fuel, understood as the difference between the revenues from fixed charge, consumption and use of networks, and the costs of purchasing and transporting gas.

  The activity of power generation is regulated by Law 56 of 1981 and is taxed in those municipalities where the generation plant is located. The rate corresponds to a few pesos for each kilowatt installed.

  With regard to the contribution of public works contracts, it was established by Legislative Decrees of 1992 and 1993, and has been extended and amended by Laws and Regulatory Decrees. The last amendment was introduced by Law 1738 of December 18, 2014, which in Article 8 granted it permanent status. All natural or legal persons and public-private partnerships that sign public works contracts with public law entities or enter into contracts to add to the value of existing ones are liable for the contribution, who must pay the aforementioned contribution in favor of the Nation, department or municipality, depending on the level to which the contracting public entity belongs.

  The current regulations have established the withholding mechanism by the contracting public entities, including EPM, deducting the value of the contribution from each account that it cancels to the contractors, including advances.

  Through Agreement No. 093 of 2023 issued by the Council of the Science, Technology and Innovation District of Medellín, the rate for public works contracts or their additions was kept in force at 5%

- A relevant aspect for the operations carried out by the companies of the EPM Group is related to stamps, which have been proliferating in recent years. Article 32 of Law 2155 of 2021 amended Article 14 of Law 2052 of 2020 and provided that for a maximum of two years from January 1, 2022, the national government must promote before the Congress of the Republic modifications in the field of stamps that impose limits on the demand for this tax.

In terms of billing, EPM is an electronic biller for sales concepts other than residential public services, since the equivalent document is issued for them; Likewise, and as part of the billing system, the electronic payroll, the support document for purchases to non-billing and the POS document for sales of natural gas vehicles are issued. The most recent changes are found in DIAN Resolution 1092 of July 2022, which enshrines the limit of 5 UVT to issue POS documents as of February 1, 2023 and Decree 442 of March 2023 that amended Chapter 4 of Decree 1625 of 2016 Single Regulatory in Tax Matters, Highlighting the change for the support document for purchases to non-obligated to invoice, which must contain "the date of operation" and the "date of generation"

The Organization is advancing the implementations required by Article 23 of Resolution 165 of 2023 issued by the DIAN, which adopts, among others, Version 1.9 of the technical annex of Electronic Invoicing, for the generation and transmission of the electronic equivalent document and adjustment notes, bearing in mind the deadlines set by the tax authority to be met between February and May 2024 according to the established calendar for each type of taxpayer.

The new subjects who choose to issue the electronic equivalent document and its adjustment notes after the established schedule must do so once they have completed the authorization procedure that is developed in the electronic invoicing computer service of the Special Administrative Unit of the Directorate of National Taxes and Customs -DIAN.

39.2 Reconciliation of the effective rate

The reconciliation between the applicable tax rate and the effective rate and composition of income tax expense for the periods 2023 and 2022 is as follows:

Income tax and complementaryos	2023	%	2022	%
Profit before taxes	4,960,299		3,913,975	
Nominal rental rate		35%		35%
Income tax nominal rate	1,736,105		1,369,891	
Effect of permanent tax differences:		**-10%**	**(460,354)**	**-12%**
Dividend income	(513,104)	3%	196,813	5%
Impairment of subsidiary investments	156,171	0%	371,339	9%
Tax-only income	-	0%	15,808	0%
Non-deductible provisions	15,228	5%	18,774	0%
Loss on derecognition of assets	258,468	0%	1,807	0%
Equity method	2,477	-11%	(560,327)	-14%
Untaxed dividends	(544,360)	-4%	(137,529)	-4%
Consequential damage compensation	(198,464)	0%	(7,996)	0%
Exempt income	-	0%	(97,581)	-2%
Special deduction of productive real fixed assets	(24,282)	-4%	(310,182)	-8%
Net result other permanent differences	(187,668)	0%	48,720	1%
Rate difference (constant/deferred tax) and stabilized/nominal rate	9,325	-1%	(75,615)	-2%
Deferred tax adjustment tax reform	(54,785)	0%	55,452	1%
Tax discounts	-	0%	(41,241)	-1%
Occasional gains	(4,492)	0%	50	0%
Income adjustments from prior years	42	1%	29,837	1%
Income tax at effective rate	31,252	**24%**	**878,019**	**22%**
Detail of current and deferred expenses				
Current tax	926,561	19%	898,614	23%
Deferred tax	268,457	5%	(20,595)	-1%
Income tax	1,195,018	**24%**	**878,019**	**22%**

- Amounts stated in millions of Colombian pesos -

The best indicator to measure the tax burden is the effective tax rate. This directly measures the total tax burden imposed by national regulations on companies, in proportion to the profits they obtain from their activities.

In accordance with the foregoing, to get from the theoretical tax to the effective tax that will affect the result of the company, starting from the nominal rate, tax purifications are carried out in accordance with current regulations and the result is obtained, the tax charged to the entity.

Thus, in the years 2023 and 2022 it can be observed in the purification that there are several items that reduce the tax calculated at the nominal rate and that cause this theoretical tax to be modified as a result of the application of the tax provisions. Among the most important items in the reconciliation of the effective rate, which make it 11 points below the nominal rate, is the special deduction of productive real fixed assets by virtue of the application of the Legal Stability contract. Another important point in this purging is the treatment of exempt income granted to dividends received from foreign subsidiaries, an exemption allowed under the Colombian Holding Companies (CHC) Regime, and the purging of other permanent items such as the equity method.

As a relevant event during 2023 and that affects the variation in the effective rate compared to 2022, is the accounting recognition of provisions for litigation, some of which are not deductible for tax purposes in the taxable year of recognition; Impairment on investments was not recognized in 2023, varying significantly from 2022. In the year under review, there was a decrease in the execution of investments that grant the right to the special deduction of productive real fixed assets, a benefit stabilized by the Legal Stability Contract.

39.3 Income tax recognized on profit or loss

The most significant components of the income tax expense at the cut-off date are:

Income tax	2023	2022
Current income tax		
Expense (income) for current income tax	899,800	910,018
Adjustments recognized in the current period related to current income tax from prior periods	31,253	29,837
Tax benefits from tax losses, tax credits or temporary differences used in the period	(4,492)	(41,241)
Total current income tax	926,561	**898,614**
Deferred tax		
Net deferred tax expense (income) related to the origin and reversal of temporary differences	889,536	(455,955)
Net deferred tax expense (income) related to changes in tax rates or laws	-	55,452
Reclassification of deferred tax from other comprehensive income to profit for the year	(621,079)	379,908
Total deferred tax	268,457	**(20,595)**
Income tax	1,195,018	**878,019**

- Amounts stated in millions of Colombian pesos -

The rates used to determine the deferred tax are:

Year	2023	2024	2025
Income tax	35%	35%	35%
Occasional gains	15%	15%	15%

The deferred tax generated by the temporary differences associated with the Energy Generation business is determined by applying the stabilized rate of 33%. For land, the rate is 15%, corresponding to the current rate for occasional gains from the sale of assets owned for more than 2 years.

39.4 The value of the current income tax asset or liability is as follows:

Concept	2023	2022
Asset or liability for current income tax		
Total income tax liabilities	**56,027**	**56,027**
Income tax	56,027	56,027
Total income tax asset	**459,336**	**340,687**
Balances in favor for income tax	459,336	340,687
Total income tax asset	**403,309**	**284,660**

- Amounts stated in millions of Colombian pesos -

39.5 Income tax recognized in other comprehensive income

The detail of the tax effect corresponding to each component of "other comprehensive income" of the statement of separate comprehensive income is as follows:

Other comprehensive income from the statement of comprehensive income	2023			2022		
	Gross	Tax effect	Net	Gross	Tax effect	Net
Items that will not be subsequently reclassified to profit or loss for the period						
New measurements of defined benefit plans	(99,482)	35,842	(63,640)	52,230	(20,040)	32,190
Equity investments measured at fair value through equity	(539,450)	82,660	(456,790)	(136,838)	(270,474)	(407,312)
Participation in the other comprehensive income of subsidiaries	(418,181)	-	(418,181)	(11,679)	(55,720)	(67,399)
Items that may be subsequently reclassified to profit or loss for the period						
Cash flow hedges	448,393	(154,005)	294,388	(596,324)	214,171	(382,153)
Hedges of net investments in foreign businesses	283,752	(97,328)	186,424	(216,145)	74,158	(141,987)
Participation in the other comprehensive income of subsidiaries	(1,301,858)	-	(1,301,858)	1,010,952	(309)	1,010,644
Total	**(1,626,826)**	**(132,831)**	**(1,759,657)**	**102,196**	**(58,214)**	**43,982**

- Amounts stated in millions of Colombian pesos -

39.6 Deferred tax

The detail of the deferred tax is as follows:

Deferred tax	2023	2022
Deferred tax asset	2,562,314	1,942,456
deferred tax liability	4,946,387	3,925,241
Total net deferred tax	(2,384,073)	**(1,982,785)**

- Amounts stated in millions of Colombian pesos -

39.6.1 Deferred tax asset

Deferred tax asset	Initial balance 2022	Net changes included in the 2022 profit or loss	Changes included in the OCI 2022	Final balance 2022	Net changes included in the 2023 profit or loss	Changes included in the OCI 2023	Final balance 2023
Assets	**405,641**	**159,590**	**-**	**565,231**	**203,015**	**-**	**768,246**
Property, plant and equipment	1	1	-	2	2,527	-	2,529
Intangibles	-	2,883	-	2,883	6,802	-	9,685
Right-of-use assets	205,297	52,998	-	258,295	48,757	-	307,052
Investments and derivative instruments	2,977	30,029	-	33,006	14,477	-	47,483
Trade receivables	197,183	60,837	-	258,020	129,947	-	387,967
Cash and cash equivalents	-	1,651	-	1,651	505	-	2,156
Other assets	183	11,191	-	11,374	-	-	11,374
Liabilities	**807,715**	**176,105**	**393,405**	**1,377,225**	**711,806**	**(294,963)**	**1,794,068**
Loans and borrowings	484,157	471,427	74,158	1,029,742	-	-	1,029,742
Trade payables	-	8,627	-	8,627	201	-	8,828
Employee benefits	26,112	123	(5,455)	20,780	764	16,660	38,204
Derivatives	56,617	(379,908)	324,702	1,411	621,079	(311,623)	310,867
Provisions	209,443	47,697	-	257,140	34,589	-	291,729
Other liabilities	31,386	28,139	-	59,525	55,173	-	114,698
Deferred tax asset	**1,213,356**	**335,695**	**393,405**	**1,942,456**	**914,821**	**(294,963)**	**2,562,314**

- Amounts stated in millions of Colombian pesos -

39.6.2 Deferred tax liabilit

Deferred tax liability	Initial balance 2022	Net changes included in the 2022 profit or loss	Changes included in the OCI 2022	Final balance 2022	Net changes included in the 2023 profit or loss	Changes included in the OCI 2023	Final balance 2023
Assets	**3,204,409**	**292,975**	**381,005**	**3,878,389**	**373,576**	**(240,278)**	**4,011,687**
Property, plant and equipment	2,955,604	196,206	-	3,151,810	240,488	-	3,392,298
intangibles	45,815	3,385	-	49,200	691	-	49,891
investment properties	14,982	11,792	-	26,774	2,029	-	28,803
Right-of-use assets	103,818	7,743	-	111,561	1,579	-	113,140
Investments and derivative instruments	53,221	(1)	381,005	434,225	124,933	(240,278)	318,880
Trade receivables	22,279	73,507	-	95,786	2,612	-	98,398
Cash and cash equivalents	1,651	-	-	1,651	-	-	1,651
Other assets	7,039	343	-	7,382	4,321	-	11,703
Liabilities	**10,141**	**22,125**	**14,586**	**46,852**	**806,625**	**78,146**	**931,623**
Loans and borrowings	4,186	(1)	-	4,185	744,705	97,328	846,218
Trade payables	1,173	200	-	1,373	7,247	-	8,620
Employee benefits	4,782	13,539	14,586	32,907	20,472	(19,182)	34,197
Provisions	-	493	-	493	34,201	-	34,694
Other liabilities	-	7,894	-	7,894	-	-	7,894
Deferred tax liability	**3,214,550**	**315,100**	**395,591**	**3,925,241**	**1,183,278**	**(162,132)**	**4,946,387**
Total deferred tax asset/liability	**2,001,194**	**(20,595)**	**2,186**	**1,982,785**	**268,457**	**132,831**	**2,384,073**

- Amounts stated in millions of Colombian pesos -

39.6.3 Temporary differences

Temporary differences associated with investments in subsidiaries, associates and joint ventures, for which deferred tax liabilities have not been recognized, amount to $8,316,353 (2022 $8,393,684).

In assets, the greatest impact on deferred tax is due to temporary differences in property, plant and equipment, which is generated by significant differences in accounting and tax costs, due to the recognition of the attributed cost, the adjustments for tax inflation and the application of different useful lives and depreciation methods; in accounts receivable in relation to the impairment of the portfolio due to the difference in the calculation between the accounting and tax standard, due to the effect of the valuation at amortized cost and the implicit interest recognized in the accounting standard. Another significant item in the determination of temporary differences is the non-tax valuation of investments and financial instruments, which is recognized in Other Comprehensive Income (OCI).

In terms of liabilities, the items that have the greatest impact on the calculation of deferred tax are: accounting provisions, long-term employee benefits and the unrealized difference in credits and accounts payable. The revaluation effect experienced by the Colombian currency during the last taxable period close to 20.54%, generated a decrease in the deferred tax associated with the difference in unrealized exchange of the debt in foreign currency, which has no tax effects and will only be evidenced at the time of settlement or partial payment of the obligations. based on the difference in exchange actually made, in accordance with the provisions of Articles 269 and 288 of the Tax Statute. Another relevant point to consider is the deferred tax recognized in the profit or loss of the period in the concept of hedges, due to the reclassification of the difference in exchange and interest made from the other comprehensive income to the result of the period and in the debt, due to the reclassification made from the income statement to the other comprehensive income by the application of net foreign investment hedging accounting.

Temporary differences on which no deferred tax was generated were, inter alia, for investments in subsidiaries, associates and joint ventures, in accordance with paragraph 39 of IAS 12, with the exception of the value determined on retained earnings that may be received as taxable in the foreseeable future; Likewise, in the items that do not have future tax consequences, such as tax liabilities and financial returns generated in the assets of the pension plan, as these are exempt.

The approval of dividends after the date of presentation and before the financial statements were authorized for publication does not generate income tax consequences since the policy established for domestic subsidiaries is the distribution of untaxed profits and reserves. The tax effects that could be generated by the dividends decreed from foreign subsidiaries, with the entry into force of Article 69 of Law 1943/2018, will be considered exempt capital income in application of the Colombian Holding Companies (CHC) regime.

Note 40. Disclosure of related parties

EPM is a decentralized municipal entity, whose sole owner is the Municipality of Medellín. The capital with which it was incorporated and operates, as well as its assets, is of a public nature. The Mayor of Medellín chairs the EPM Board of Directors.

EPM's related parties are subsidiaries, associates and joint ventures, including subsidiaries of associates and joint ventures, key management personnel, as well as entities over which key management personnel may exercise control or joint control, and post-employment benefit plans for the benefit of employees.

The total value of transactions made by the company with its related parties during the corresponding period is presented below:

Transactions and balances with related parties	Revenue (1)	Costs/ Expenses (2)	Amounts receivable (3)	Amount payable	Guarantees and endorsements received
Subsidiaries of the EPM Group:					
December 31, 2023	593,597	632,331	447,751	113,798	-
December 31, 2022	534,143	422,580	1,046,093	97,460	-
Associates of the EPM Group:					
December 31, 2023	66,052	36,018	11,530	6,719	-
December 31, 2022	54,562	35,560	12,913	7,763	-
Key management employees:					
December 31, 2023	-	12,434	1,255	3,045	111
December 31, 2022	-	12,561	761	3,587	111
Other related parties:					
December 31, 2023	154,502	70,811	121,434	4,586	-
December 31, 2022	167,690	61,342	69,122	3,577	-

- Amounts stated in millions of Colombian pesos -

Transactions between EPM and its related parties are carried out under conditions equivalent to those that exist in transactions between independent parties, in terms of their object and conditions.

[1] The detail of the income obtained by the company from its related parties is as follows:

	Revenue	2023	2022
Subsidiaries	Sale of goods and services	442,143	395,765
	Interests	84,695	91,331
	Fee	1,749	7,429
	Others	65,010	39,618
Total Subsidiaries		**593,597**	**534,143**
Associates	Sale of goods and services	51,755	44,781
	Interests	5	53
	Others	14,292	9,728
Total Associates		**66,052**	**54,562**
Other related parties	Sale of goods and services	93,564	6,256
	Interests	331	67
	Fee	16	573
	Others	60,591	160,794
Total Other related parties		**154,502**	**167,690**

- Amounts stated in millions of Colombian pesos -

[2] The detail of the costs and expenses incurred by the company with its related parties is as follows:

	Costs and expenses	2023	2022
Subsidiaries	Acquisition of goods and services	623,717	417,200
	Fee	1,026	444
	Others	7,588	4,936
Total Subsidiaries		**632,331**	**422,580**
Associates	Acquisition of goods and services	33,531	33,443
	Fee	2,270	2,105
	Others	217	12
Total Associates		**36,018**	**35,560**
Other related parties	Acquisition of goods and services	1	678
	Interests	-	2
	Fee	1,416	1,522
	Others	69,394	59,140
Total Other related parties		**70,811**	**61,342**

- Amounts stated in millions of Colombian pesos -

[3] The detail of the loans granted by the company to its related parties is as follows:

	Borrowings granted	Original currency	Term	Nominal interest rate	2023			2022		
					Nominal amount	amortized cost value	Full Value	Nominal amount	amortized cost value	Full Value
HIDROSUR	Borrowing 1	CLP	8,5 years	7.20%	621,035	(358)	620,677	934,808	(448)	934,360
Caribemar de la Costa S.A.S. E.S.P.	Borrowing 1	COP	5 years	IBR 3M + 8.29%	450,000	18,989	468,989	-	-	-

- Amounts stated in millions of Colombian pesos -

Transactions between the company and its related parties are carried out under conditions equivalent to those that exist in transactions between independent parties, in terms of their purpose and conditions.

Transactions and balances with related government entities

The total financial surpluses paid to the Municipality of Medellín as of December 2023 was $1,748,005 (2022 $1,850,776).

Remuneration of the Board of Directors and key personnel of the company:

Members of key management personnel at the company include:

Concept	2023	2022
Salaries and other short-term employee benefits	11,167	11,215
Other long-term employee benefits	1,267	1,346
Remuneration of key management personnel	**12,434**	**12,561**

- Amounts stated in millions of Colombian pesos -

The amounts disclosed are those recognized as a cost or expense during the reporting period for compensation of key management personnel.

Note 41. Capital management

The company's capital includes borrowing through the capital market, commercial banking, development banking, export credit agency and multilateral banking, nationally and internationally.

The company manages its capital through planning and management processes of obtaining resources, one of the sources is through the national and international financial markets, to attend to strategic investments, and investment projects, accessing different alternatives that minimize the cost, that tend to the maintenance of adequate financial indicators and risk rating, as well as financial risk management. To this end, it has defined the following capital management policies and processes:

Financing management: financing management includes the execution of all long-term credit operations, in order to guarantee the timely availability of the resources required for the normal operation of the company and to materialize investment and growth decisions, seeking efficient financing costs, according to market conditions.

The Company has made no changes to its capital funding management objectives, policies and processes during the periods ended December 31, 2023 and December 31, 2022.

To cope with changes in economic conditions, the company implements proactive mechanisms to manage its indebtedness, enabling different financing alternatives to the extent feasible, so that, at the time of the need to execute a long-term credit operation, the source is available under competitive market conditions and in a timely manner.

Below are the securities that the company manages as capital:

Loans and borrowings	2023	2022
Commercial bank borrowings	4,499,154	2,664,683
Multilateral bank borrowings	776,947	1,163,243
Development bank borrowings	2,057,774	2,073,611
Bonds and titles issued	12,751,209	14,543,858
Total debt	**20,085,084**	**20,445,395**

- Amounts stated in millions of Colombian pesos -

Note 42. Financial risk management objectives and policies

The Company is exposed to financial risk, which is defined as the possibility of the occurrence of an event that adversely affects financial results, including market risk, liquidity risk, credit risk and operational risk.

Market risk refers to changes or volatility in market variables that may result in economic losses. Market variables refer to exchange rates, interest rates, securities, commodities, among others; And its changes can impact, for example, financial statements, cash flow, financial indicators, contracts, project viability and investments.

Credit risk refers to the potential failure of third parties to meet payment obligations arising from contracts or financial transactions entered into.

Liquidity risk is the scarcity of funds and inability to obtain resources at the time they are required to meet contractual obligations and execute investment strategies. The scarcity of funds leads to the need to sell assets or contract financing operations under unfavorable market conditions.

Finally, operational risk, from a financial point of view, is defined as deficiencies or failures in processes, technology, infrastructure, human resources, or the occurrence of unforeseen external events.

The objective of EPM's Risk Vice Presidency is to lead the formulation, deployment and monitoring of the risk, hedge and security strategy in EPM and its Business Group, in order to achieve adequate protection and assurance of assets, resources, infrastructure and interests. The company's policy is to manage the risks that affect its activity and its environment, adopting the best practices and international standards of Comprehensive Risk Management (IRM), as a way of facilitating the fulfillment of the purpose, strategy, objectives and business purposes, both statutory and legal. It has implemented a comprehensive risk management system and has a methodology for the identification, analysis, evaluation, control and monitoring of risks, including strategic, operational, financial, commercial and compliance risks, which allows reducing vulnerability, and proposing and implementing effective mechanisms for the proper development of business. processes, projects and contracts. As assessment criteria, there are tables for assessing the consequences of the materialization of risks and tables for probability, which are applied at the different levels of management defined in the methodological guide for comprehensive risk management.

The activity of monitoring and reviewing comprehensive risk management is aligned with the management follow-up process established in the company, in order to propose and implement improvement actions. The established monitoring and review scheme assesses, among others, the following aspects:

- The strategy for the implementation of comprehensive risk management.
- Changes in the internal and external context that involve making adjustments in the treatment of identified risks or that generate new risks.
- The variation of risks in terms of frequency, probability and consequence.
- Assessment criteria for the likelihood and consequence of risks.
- The implementation and effectiveness of treatment plans.

EPM manages the financial risks associated with market, liquidity and credit, quantifies their impact and implements strategies to mitigate them.

42.1 Market risk

42.1.1 Price risk

Market risk is the risk that the fair value of the future cash flows of a financial instrument may fluctuate due to changes in market prices. The Company has identified that financial instruments affected by market risk include:

- Cash and cash equivalents
    - Trusteeship
- Other financial assets:
    - Fixed income securities
    - Investments pledged or delivered as guarantee
    - Options
    - Swaps

The methods and assumptions used in the development of the sensitivity analysis consist of:

For cash and cash equivalents, fixed income securities and investments pledged or pledged as collateral, the methodology used to measure market risk is the Value at Risk, which indicates the value of the maximum loss that an investment portfolio could present due to changes in market variables, this is presented with a confidence level of 99% and with a time horizon of one day. To quantify the VaR, the volatility of the risk factors must be calculated, for which three methodologies are considered: historical volatility, EWMA volatility (exponential weighting) and Garch volatility. Subsequently, exposure and risk by risk factor are calculated and finally the consolidated maximum expected loss is obtained.

The sensitivity to market prices is detailed below:

	VaR Daily COP	VaR % COP
VaR Total Portfolio	233	0.127%

- Amounts stated in millions of Colombian pesos -

- For swaps, the sensitivity analyzes were carried out under the assumption of keeping the hedges contracted constant according to their indexation rates.

42.1.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument may fluctuate as a result of changes in market interest rates. EPM has identified that the financial instruments affected by interest rate risk include:

- Cash and cash equivalents
    - Trusteeship
- Other financial assets:
    - Fixed income securities
    - Investments pledged or delivered as guarantee
    - Options
    - Swaps
    - Loans and borrowings
    - Commercial debts and other counts under charge

Concentration of interest rate risk arises when there are large individual exposures and when significant exposures are presented to counterparties whose probability of default is determined by factors such as economic sector, currency and credit ratings. Interest rate risk management seeks to conserve capital and maintain or increase profitability. EPM has defined policies in terms of risks, in interest rates, through the identification of risks, the determination of the position of rates and the simulation of possible hedging strategies. This supports decision-making, which is aimed at maintaining the position or covering it, and then an analysis of the results of the executed strategies is carried out.

Interest Rate Sensitivity Analysis

The following table indicates the sensitivity to a possible reasonable change in the interest rates of financial instruments exposed to this risk, without considering the effect of hedge accounting. All other variables being equal, EPM's pre-tax profit/loss and equity would be affected by changes in variable interest rates as follows:

	Increase/decrease in basis points	Exposed Value	Financial effect	
			In profit before taxes	In equity
2023				
Financial assets measured at fair value through profit or loss				
Investments at fair value through profit or loss	*100*	183,369,977	*1,076*	*861*
	(100)	183,369,977	*(1,076)*	*(861)*
Financial liabilities measured at amortized cost				
Loans and borrowings	*100*	7,196,775	*(71,968)*	*(57,574)*
	(100)	7,196,775	*71,968*	*57,574*
Financial liabilities measured at fair value through other comprehensive income				
Derivative instruments	*100*	104,381	*(59,153)*	*(47,323)*
	(100)	*104,381*	*59,153*	*47,323*
2022				
Financial assets measured at fair value through profit or loss				
Investments at fair value through profit or loss	*100*	645,135	*(2,355)*	*(1,884)*
	(100)	645,135	2,355	*1,884*
Financial liabilities measured at amortized cost				
Loans and borrowings	*100*	4,957,078	*(49,571)*	*(39,657)*
	(100)	4,957,078	*49,571*	*39,657*
Financial liabilities measured at fair value through other comprehensive income				
Derivative instruments	*100*	1,827,615	*(57,485)*	*(45,988)*
	(100)	*1,827,615*	*57,485*	*45,988*

- Amounts stated in millions of Colombian pesos -

For the year 2023, the simulation does not apply for assets measured in foreign currency because the only credit that exists is with Hidrosur and is contracted at a fixed rate.

The company considers the sensitivity analysis to be representative of interest rate risk exposure.

Exchange rate risk

Exchange rate risk is the risk that the fair value or future cash flows of a financial instrument may fluctuate as a result of changes in exchange rates.

EPM has identified that the financial instruments affected by the exchange rate risk include:

- Cash and cash equivalents
- Other financial assets:
    - Fixed income securities
    - Options
    - *Swaps*
- Loans and borrowings
- Comercial debts and other counts under charge
- Loans to related parties

Exposure to exchange rate risk is related, firstly, to financing activities in a currency other than the functional currency and to hedging operations contracted. The company manages its exchange rate risk through hedging operations in a medium-term horizon. It is EPM's policy not to close speculative hedging operations, so the conditions of the hedging derivative instruments replicate the conditions of the underlying in order to maximize the effectiveness of the hedging. EPM hedges its exposure to exchange rate fluctuations using different hedging instruments, including Swaps, *Forwards* and Options at different terms.

On July 1, 2021, the company approved the application of hedging accounting for net investments in foreign businesses. Hedging seeks to reduce the volatility of other comprehensive income by the method of participation of the effect by translation of financial statements. Net investment hedging applies to investments that the company has in foreign currency, in this case, investments in subsidiaries with functional dollar currency and has as a hedging instrument an equivalent amount of debt denominated in dollars. The company designated net investments in HET, PDG and MaxSeguros as a hedged item and an amount of debt denominated in USD equivalent to the value of the investment, in a total value of USD 282 million, as a hedging instrument.

Analysis of sensitivity to exchange rates

The following table indicates the sensitivity to a possible reasonable change in exchange rates per $100 pesos in the currency against the U.S. dollar without considering the effect of hedge accounting. The impact originates from the change in monetary and non-monetary assets. Holding all other variables constant, pre-tax profit/loss and equity of the company would be affected by changes in the exchange rates as follows:

	Increase/decrease in basis points	Exposed Value	Financial effect	
			In profit before taxes	In equity
2023				
Financial assets measured at fair value through profit or loss				
Cash and cash equivalents	*100*	517,706	*13,545*	*10,836*
	(100)	517,706	*(13,545)*	*(10,836)*
Financial assets measured at amortized cost				
Trade receivables in foreign currency	*100*	620,677	*1,199*	*959*
	(100)	620,677	*(1,199)*	*(959)*
Financial liabilities measured at amortized cost				
Loans and borrowings	*100*	11,503,284	*(300,972)*	*(240,777)*
	(100)	11,503,284	*300,972*	*240,777*
Financial liabilities measured at fair value through other comprehensive income				
Derivative instruments	*100*	8,328,247	*217,900*	*174,320*
	(100)	*8,328,247*	*(217,900)*	*(174,320)*
2022				
Financial assets measured at fair value through profit or loss				
Cash and cash equivalents	*100*	1,156,987	*24,053*	*19,242*
	(100)	1,156,987	*(24,053)*	*(19,242)*
Financial assets measured at amortized cost				
Trade receivables in foreign currency	*100*	934,360	*1,423*	*1,139*
	(100)	934,360	*(1,423)*	*(1,139)*
Financial liabilities measured at amortized cost				
Loans and borrowings	*100*	11,137,136	*(231,532)*	*(185,225)*
	(100)	11,137,136	*231,532*	*185,225*
Financial liabilities measured at fair value through other comprehensive income				
Derivative instruments	*100*	7,576,065	*157,500*	*126,000*
	(100)	*7,576,065*	*(157,500)*	*(126,000)*

- Amounts stated in millions of Colombian pesos -

The company considers that the sensitivity analysis is representative of the exchange rate risk exposure.

42.2 Credit Risk

Credit risk is the risk that one of the counterparties does not comply with the obligations derived from a financial instrument or purchase contract and this translates into a financial loss. EPM has identified that the financial instruments affected by credit risk include:

- Cash and cash equivalents
- Other financial assets:
  - Fixed income securities
  - Investments pledged or delivered as guarantee
  - Options

- Swaps

- Comercial debts and other counts under charge

Credit risk management by type of financial instrument is detailed below:

- **Cash and cash equivalents, fixed-income securities and investments pledged or pledged as collateral:** At EPM, for credit risk management, quotas are assigned by issuer, counterparty and intermediary, taking into account the financial, risk and fundamental analysis of the entities, emphasizing the equity support of the shareholders. The methodology considers the characteristics of the investment portfolio and the applicable regulations. The concentration of credit risk is limited as it complies with the provisions of the business rules manual for treasury operations. The description of the factors that define the concentration of risk is detailed below:

  - The quotas are periodically updated based on the latest available financial statements of the entities analyzed.
  - Securities market intermediaries, other than supervised banking establishments, may act as counterparties to carry out transactions, but may not be considered as eligible issuers.
  - Banked brokerage firms, domiciled in Colombia, that have at least the second-best counterparty risk rating and that have a minimum technical equity of 35,000 SMLMV.

Finally, the steps taken to avoid the concentration of risk are aimed at establishing, analyzing, monitoring and controlling the quotas, for which it controls the current quotas and their occupancy status. On the other hand, the justifications related to the need to temporarily exceed the quotas are submitted for approval.

The investments referred to are made up of banking establishments that have the following risk rating, depending on the term of the investment, as follows:

- For investments with a term equal to or less than one (1) year, the banking establishment must have a current rating corresponding to the highest category for the short term in accordance with the scales used by the rating agencies that grant it and have at least the second-best current rating for the long term used by the respective companies;
- For investments with a term of more than one (1) year, the banking establishment must have the second-best rating in force for the long term according to the scale used by the rating companies and the maximum rating for the short term according to the scale used for this term.
- Options, forwards and swaps: EPM is exposed to the risk that a counterparty does not recognize the right and in order to mitigate it, the risk level of each of the entities with which it is estimated to carry out a transaction is previously evaluated.
- Trade receivables and other accounts receivable: EPM is exposed to the risk that users of household utilities will fall into arrears or non-payment of such services. Accounts receivable from household utility debtors are classified into two large groups: those arising from late payment and the other group corresponds to financing or payment agreements with clients that are carried out as a portfolio recovery strategy or to link new clients.

EPM evaluates the performance and value of accounts receivable at the end of each period to determine whether there is objective evidence that the portfolio is impaired and to identify its potential impact on future cash flows. The criteria used to determine that there is objective evidence of an impairment loss are:

- Failure of clients to pay two (2) or more collection accounts.
- It is known or there is evidence that the client enters into business restructuring processes or insolvency or liquidation.

- Social disturbances, public order or natural disasters occur, which according to experience are directly correlated with non-payment of collection accounts.

In order to avoid an excessive concentration of risk, EPM has developed and put into operation various strategies that allow it to mitigate the risk of non-payment of the portfolio, among which the following stand out:

- Persuasive collection by making phone calls and sending letters to clients with the support of specialized collection agencies.
- Segmentation of clients that allow identifying those with the highest risk, due to their value, in order to carry out personalized collection activities with them.
- Possibility of making payment agreements or partial payments that lead to the recovery of the exposed capital.
- Offset of accounts receivable against accounts payable by EPM with clients-suppliers.
- When the previous strategies do not generate satisfactory results, we proceed with coercive collection actions through the suspension and cut-off of the service.
- If the previous strategies do not give satisfactory results, I proceed with the collection of the portfolio through the courts.

Likewise, it seeks to expand the product portfolio to clients in such a way that debt payment is facilitated, for example prepaid energy and water.

As mentioned, EPM makes payment or financing agreements, which are carried out as a portfolio recovery strategy or to link new clients. These give the right to fixed or determinable payments and are included in current assets, except for those maturing in more than 12 months from the balance sheet date, in which case they are classified in non-current assets.

In general terms, to guarantee client debts, blank promissory notes are constituted with letters of instructions, and when the value of the financing exceeds pre-established amounts in internal regulations, real or bank guarantees are requested, and in cases in which the client Whether it is a state entity, the resources that EPM, with prior agreement, collects from the client are pledged.

For the credit risk management of accounts receivable in its different stages (risk cycle), methodologies, procedures, guidelines and business rules are incorporated, complying with commercial and financial policies, in order to achieve a comprehensive and client sustainability.

To leverage the stages of the credit risk cycle, there are different statistical methodologies that allow obtaining an estimate of the future payment behavior of the accounts. These methodologies are described below:

- CREDIT SCORING: It makes it possible to obtain a client's risk profile based on their payment behavior and their own characteristics, which helps in segmenting the population, suggesting the optimal candidates for allocation offers of basic services and/or added value.
- APPROVAL SCORING FOR VALUE-ADDED PRODUCTS: It profiles the clients that request a value-added credit, it assigns a level of risk to the applicants and, in accordance with the established business rules, they contribute to making the final decision of approval or denial.
- PORTFOLIO CLASSIFICATION MODEL: Assigns the probability of default in the short term (2 months) of the subscribed services, in order to design collection prioritization strategies.
- MODEL FOR CALCULATION OF EXPECTED LOSS: It allows finding the probability that the subscribed services may default in a period of 12 months, which is used to calculate the expected loss of the accounts.

The company considers that the value that best represents its exposure to credit risk at the end of the period, without considering any collateral taken or other credit enhancements is:

Concept	2023	2022
Efectivo y equivalentes de efectivo	1,470,830	2,084,449
Investments in debt instruments	78,816	296,808
Investments in equity instruments	1,522,014	2,059,062
Trade receivable *	(652,444)	(529,131)
Other accounts receivable *	(221,909)	(208,377)
Maximum exposure to credit risk	**2,197,308**	**3,702,811**

- Amounts stated in millions of Colombian pesos -

* It corresponds to impairment of trade receivable.

42.3 Liquidity risk

It refers to the possibility that there are insufficient resources for the timely payment of the obligations and commitments of the entity, and that for this reason EPM is forced to obtain liquidity in the market or to liquidate investments in an onerous manner. It is also understood as the possibility of not finding buyers for the portfolio titles.

EPM has identified that the financial instruments affected by liquidity risk include:

- Cash and cash equivalents
- Other financial assets:
  - Fixed income securities
  - Investments pledged or delivered as guarantee
  - Swaps
- Commercial debts and other counts under charge

To control liquidity risk, temporary comparisons of figures, reference indicators and liquidity levels are made at different time horizons. Based on said analysis, investment strategies are developed that do not affect the liquidity of the Companies considering the cash budget and market risk analysis to consider the diversification of the sources of funds, the ability to sell assets and the creation of contingency plans.

In general, the main aspects considered in the analysis are:

- Liquidity of the titles: the characteristics of the issuer, amount of the issuance and trading volume are analyzed.
- Market liquidity: the general behavior of the market is analyzed, and rate forecasts are made to infer its future behavior.
- Portfolio liquidity: cash flows are coordinated in order to determine investment strategies in accordance with future liquidity requirements, and diversification is sought to avoid concentration of titles by issuer, rates, and/or terms.

The following table shows the remaining contractual maturity analysis for liabilities and non-derivative financial assets:

	Average effective interest rate	Less than 1 year	From 1 to 2 years	From 2 to 3 years	From 3 to 4 years	More than 4 years	Total contractual obligation
2023							
Non-derivative financial liabilities variable interest rate	10.70%	1,420,766	70,401	2,411,357	1,427,107	1,857,104	7,186,735
Non-derivative financial liabilities fixed interest rate	6.23%	1,210,676	243,093	195,631	4,361,150	6,719,604	12,730,154
Non-derivative financial assets	16.68%	1,438,141	75,779	35,031	5,663	5,288	1,559,902
Non-derivative financial assets - portfolio	13.54%	285,837	423,275	361,013	310,725	620,579	2,001,428
Total		**4,355,420**	**812,547**	**3,003,032**	**6,104,645**	**9,202,574**	**23,478,218**
2022							
Non-derivative financial liabilities variable interest rate	12.65%	525,831	289,354	85,603	1,911,383	2,478,417	5,290,588
Non-derivative financial liabilities fixed interest rate	6.04%	487,717	1,242,942	275,358	227,896	12,722,352	14,956,265
Non-derivative financial assets	11.07%	1,343,602	28,312	22,029			1,393,943
Non-derivative financial assets - portfolio	9.88%	210,132	323,888	474,636	298,154	476,606	1,783,417
Total		**2,567,282**	**1,884,495**	**857,627**	**2,437,434**	**15,677,375**	**23,424,213**

- Amounts stated in millions of Colombian pesos -

The values included in the above tables for non-derivative financial assets and liabilities may change due to fluctuations in the variable interest rate in relation to the estimated interest rate at the end of the reporting period. The company considers that cash flows cannot occur earlier than previously indicated.

The following table shows the contractual maturity analysis of remaining derivative financial liabilities:

	Less than 1 year	From 1 to 2 years	From 2 to 3 years	From 3 to 4 years	More than 4 years	Total contractual obligation
2023						
Options						
Contracts swap	958,634	951,274	1,042,502	920,561	1,626,377	5,499,349
Total	958,634	951,274	1,042,502	920,561	1,626,377	5,499,349
2022						
Options						
Contracts swap	598,093	647,106	644,870	651,619	473,684	3,015,372
Total	598,093	647,106	644,870	651,619	473,684	3,015,372

The main method for measuring and monitoring liquidity is the cash flow forecast, which is carried out at EPM and is consolidated in the cash budget. Derived from this, a daily monitoring of its cash position is carried out and projections are made continuously to:

- Monitor liquidity needs related to operating and investment activities associated with the acquisition and disposal of long-term assets.
- Pay, prepay, refinance and/or obtain new credits, according to EPM's cash flow generation capacity.

These projections consider EPM's debt financing plans, compliance with ratios, compliance with organizational objectives and applicable regulations.

Note 43. Fair value measurement on a recurring and non-recurring basis

The methodology established in IFRS 13 - Fair Value Measurement specifies a hierarchy in valuation techniques based on whether the variables used to determine fair value are observable or unobservable. The company determines fair value on a recurring and non-recurring basis, as well as for disclosure purposes:

- Based on quoted prices in active markets for identical assets or liabilities that the company can access on the measurement date (level 1).
- Based on valuation techniques commonly used by market participants that use variables other than quoted prices that are directly or indirectly observable for assets or liabilities (level 2).
- Based on internal cash flow discount valuation techniques or other valuation models, using variables estimated by the company that are not observable for the asset or liability, in the absence of observed variables in the market (level 3). When developing unobservable input data, the Company may start with its first party data, but will adjust that data if the available information reasonably indicates that other market participants would use different data or there is something particular about the entity that is not available to other market participants. The Company shall take into account all information on market participants' assumptions that is reasonably available.

Valuation techniques and variables used by the company in the measurement of fair value for recognition and disclosure:

Cash and cash equivalents: include cash on hand and in banks and highly liquid investments, easily convertible into a determined amount of cash and subject to an insignificant risk of changes in value, with a maturity of three months or less from the date of its acquisition. EPM uses the market approach as a valuation technique for this item; these items are classified at level 1 of the fair value hierarchy.

Investments at fair value through profit or loss and through equity: includes investments made to optimize excess liquidity, that is, all those resources that are not immediately allocated to the development of the activities that constitute the corporate purpose of the company. EPM uses the market approach as a valuation technique; these items are classified at level 1 of the fair value hierarchy.

Equity investments: corresponds to the resources placed in participatory titles of national or foreign entities, represented in shares or shares of social interest. The methodologies used are: the market price for those listed on the stock market (level 1) and the discount of cash flows for the rest (level 3).

Fiduciary rights: corresponds to the rights originated by virtue of the execution of commercial trust contracts. EPM uses the market approach as a valuation technique, these items are classified at level 1.

Derivative instruments: EPM uses derivative financial instruments, such as forward contracts (“Forward”), futures contracts, financial swaps (“Swaps”) and options, to hedge various financial risks, mainly interest rate risk, foreign exchange and price of basic products (“ commodities”). Such derivative financial instruments are initially recognized at their fair values on the date the derivative contract is entered into and are subsequently remeasured at their fair value. EPM uses discounted cash flow as a valuation technique for swaps, in an income approach. The variables used are: Interest rate swap curve for rates denominated in dollars, to discount flows in dollars; and Foreign interest rate swap curve for rates denominated in pesos, to discount flows in pesos. These items are classified in level 2 of the fair value hierarchy.

With regard to Zero Cost Collar options, the Black and Scholes model is used as a reference since it analyzes the value of options based on the price of the asset underlying the option, which follows a continuous stochastic process of Gauss-Wiener evolution, with constant mean and instantaneous variance. These items are classified in level 2 of the fair value hierarchy.

Additionally, for the put option of the climate derivative, the Monte Carlo method is used as a valuation technique, which simulates the non-financial variable (rainfall measured at two meteorological stations located in the basins of two of the most important rivers in EPM's area of influence: Río Abajo and Riogrande I) in a series of situations or possible scenarios for a given event, including the limits and present value of the flows defined in the contract. This item is classified in Level 3 of the fair value hierarchy because variables not obtained from observable market data are used.

Investment properties: are properties (land or buildings, considered in whole or in part, or both) that are held (by EPM in its own name or as part of a financial lease) to obtain rents, capital gains or both, in place of stop:

− Its use in the production or supply of goods or services, or for administrative purposes; either

− Its sale in the ordinary course of operations.

EPM uses two valuation techniques for these items. Within the market approach, the comparative or market method is used, which consists of deducting the price by comparing transactions, supply and demand, and appraisals of similar or comparable properties, prior time, conformation, and location adjustments. Within the cost approach, the residual method is used, which is applied only to buildings and is based on the determination of the updated construction cost, less depreciation due to age and state of conservation. Both items are classified in level 3 of the fair value hierarchy.

Contingent considerations: arising from business combinations in the acquisitions of the subsidiaries Espíritu Santo Energy S. de R.L. and Empresas Varias de Medellín S.A E.S.P. – EMVARIAS, the discounting of payment flows is considered by applying the discount rates: Libor Rate and TES Rate, respectively. These items are classified at level 3 of the fair value hierarchy.

Other accounts payable: corresponds to the premium payable for a weather derivative whose valuation technique is the average of expected future flows, discounted at a risk-free rate plus a spread that contemplates the possibility of default (own credit risk). This item is classified in Level 3 of the fair value hierarchy because variables not obtained from observable data in the market are used, such as own credit risk.

The following table shows for each of the levels of the fair value hierarchy, the company's assets and liabilities measured at fair value on a recurring basis as of December 31, 2023 and December 2022:

2023	Level 1	Level 2	Level 3	Total
Assets				
Cash and cash equivalents	129,631	-	-	129,631
Total traded or designated at fair value	129,631	-	-	129,631
Other investments in debt securities				
Fixed Income Securities	78,008	-	-	78,008
Variable Income Securities	464,642	-	-	464,642
Investments pledged or delivered as guarantee	808	-	-	808
Total other investments at fair value (See Note 11)	543,458	-	-	543,458
Other equity investments				
Equity securities	1,515,281		6,733	1,522,014
Total other equity investments (See Note 11)	1,515,281	-	6,733	1,522,014
Fiduciary rights				
Trust in administration	314,336	-	-	314,856
Total trust rights (See Note 11)	314,336	-	-	314,856
Derivatives				
Futures Contracts	-	88	-	88
Put Options	-	-	31,453	31,453
Total derivatives (See Note 11)	-	88	31,453	31,541
Other accounts receivable				
Other accounts receivable	-	-	49,338	49,338
Total trade receivables (See Note 10)			49,338	49,338
investment properties				
Urban and rural land	-	-	139,923	139,923
buildings and houses	-	-	39,226	39,226
Total investment properties	-	-	179,149	179,149
Liabilities				
Derivatives				
Futures Contracts	-	23	-	23
Swaps	-	906,328	-	906,328
Total derivative liabilities	-	906,351	-	906,351
Contingent consideration				
Provisions-business combination	-	-	141,143	141,143
Total contingent consideration (See Note 14)	-	-	141,143	141,143
Total	**2,502,706**	**(906,263)**	**125,530**	**1,721,973**
- Amounts stated in millions of Colombian pesos -	**145%**	**-53%**	**7%**	

The carrying value and estimated fair value of the company's assets and liabilities that are not recognized at fair value in the separate statement of financial position but require disclosure at fair value; as of December 31, 2023 and December 2022 is as follows:

Concept	2023			2022	
	Carrying amount	Estimated fair value		Estimated fair value	
		Level 2	Total	Level 2	Total
Assets					
Public service trade receivable	4,564,197	4,549,694	4,549,694	3,298,042	3,298,042
Employee loans	187,694	169,094	169,094	138,844	138,844
Related parties	1,089,667	1,089,667	1,089,667	934,362	934,362
Other accounts receivable	653,270	647,342	646,907	315,555	315,555
Total assets	6,494,826	6,455,797	6,455,797	4,686,803	4,686,803
Liabilities					
Commercial bank borrowings	4,499,154	4,430,850	4,430,850	2,674,913	2,674,913
Multilateral bank borrowings	776,947	509,682	509,682	991,796	991,796
Development bank borrowings	2,057,774	2,020,584	2,020,584	1,954,742	1,954,742
Bonds and titles issued	12,751,209	11,250,144	11,250,144	11,672,302	11,672,302
Total liabilities	20,085,084	18,211,259	18,211,259	17,293,753	17,293,753
Total	**(13,590,258)**	**(11,755,462)**	**(11,755,462)**	**(12,606,950)**	**(12,606,950)**
- Amounts stated in millions of Colombian pesos -		**100%**		**100%**	

Note 44. Service concession arrangement

As of December 31, 2023, the company manages as operator various concessions that contain provisions for the construction, operation and maintenance of facilities, as well as the provision of public services such as water supply and wastewater collection and treatment, in accordance with applicable regulations.

The remaining period of the concessions where the company acts as operator is detailed below:

Company/agreement	No Contrat	Subscription date	Activity	Country	Concession period	Initial Remaining Period
Empresas públicas de Medellín - Municipio de Caldas	1401288	28/08/1997	The Municipality is committed to putting provision and facilitate the use of networks and other infrastructure for provision of aqueduct services and sewage.	Colombia	30 years (extendable)	4 years
Empresas públicas de Medellín - Municipio de Sabaneta	1/DJ/-7885/19	3/10/1984	The Municipality is committed to putting provision and facilitate the use of networks and other infrastructure for provision of aqueduct services and sewage.	Colombia	10 years (extendable)	1 year
Empresas públicas de Medellín - Municipio de La Estrella	1/DJ/-7835/17	10/09/1984	Execution of works and provision of water supply services drinking and sewage.	Colombia	10 years (extendable)	1 year
Empresas públicas de Medellín - Municipio de Envigado	1/DJ/-5941/30 1/DJ/-7982/5 (vence en el 2025)	03/08/1977 27/02/1985	Provision of aqueduct service and sewerage and construction of works for the provision of Aqueduct and Sewer service.	Colombia	10 years (extendable)	4 years
Empresas públicas de Medellín - Municipio de Itagüí	1/DJ/-6199/10	06/09/1978	Execution of works and provision of water supply services drinking and sewage.	Colombia	Indefinite Term	
Empresas públicas de Medellín - Municipio de Bello	1/DJ/-7586/25	28/02/1984	Execution of works and provision of water and sewage service.	Colombia	10 years (extendable)	1 year
Empresas públicas de Medellín - Municipio de Copacabana	1/DJ-9994/9	31/10/1990	Execution of works for the Potable water supply, sewerage and provision of such services.	Colombia	20 years (extendable)	7 years
Empresas públicas de Medellín - Municipio de Barbosa	1401287	2/10/1997	The Municipality is committed to putting provision and facilitate the use of networks and other infrastructure for provision of aqueduct services and sewage.	Colombia	30 years (extendable)	4 years

As of the cut-off date, income and costs incurred for construction services exchanged for a financial asset or an intangible asset have not been recognized.

Service concession arrangement

The concession agreements between EPM and the Municipalities establish the conditions under which the aqueduct and sewage networks are managed, operated and maintained for the provision of drinking water and wastewater sanitation services to their inhabitants, under the terms and conditions and rates established by the Drinking Water and Basic Sanitation Regulation Commission – CRA –.

The user is charged via a rate according to the intervention of replacement, expansion or interventions in the networks with the execution of projects under construction (Constructions in progress). Following the parameters and conditions established by the C.R.A (Water Regulation Commission).

The agreements indicate the following rights and obligations for EPM as an operator in the service concession agreement:

- Right to receive from the Municipality all of the aqueduct and sewage networks and to have exclusivity as operator of the system.
- Obligation to make exclusive use of the aqueduct and sewage networks for the purposes for which they are intended, maintain them and return them in the conditions of use in which they were received.
- Some concession agreements have the option of being automatically renewed for equal periods unless one of the parties expresses the intention of not continuing with it.
- The concession agreements do not establish the obligation to construct elements of property, plant and equipment.

Upon termination of the concession, EPM must return the aqueduct and sewage networks without any compensation to the Municipalities. There have been no changes to the terms of the concession agreement during the period.

The intangible asset model is applicable to these agreements. See Note 7 Goodwill and Other Intangible Assets.

Note 45. Events after the reporting period

- On January 31, 2024, EPM filed an extraordinary appeal before the Council of State for annulment of the award rendered by the Arbitral Tribunal promoted by the company Hidroeléctrica Ituango against EPM. The appeal is based on two grounds contemplated in Law 1523 of 2012, that is, having ruled in conscience or equity and the award containing contradictory aspects. In addition, a jurisprudential ground was invoked, namely that the arbitration process did not take into account the preliminary interpretation of the rules issued by the Andean Community of Nations applicable to the case.

  Based on Law 1523 of 2012, EPM also requested the suspension of the economic effects of the award until the extraordinary appeal for annulment is resolved on the merits.

  The annulment appeal was filed with the Council of State on February 26, 2024, after it had been transferred to the company Hidroeléctrica Ituango. On March 8, the appeal was distributed in the Third Section of the Council of State.

- On February 8, 2024, XM delivered $648,856 corresponding to Ituango's reliability charge (including interest), which, in accordance with the provisions of CREG resolution 194 of 2020, had to be administered in a trust until the plant completed the net effective capacity of the first stage, a milestone that was met in October 2023 when units 3 and 4 came into operation.

- On February 27, 2024, EPM's Board of Directors approved a capitalization, a capitalizable loan or a combination of both alternatives to Empresas Varias de Medellín S.A. E.S.P. for up to $337,000, with partial disbursements, during the years 2024 and 2025. It is estimated that the amount to be disbursed in 2024 will be $228,000.

- On February 27, 2024, EPM's Board of Directors approved granting a loan to Caribemar de la Costa S.A.S. E.S.P. AFINIA for $755,000, with a term of 5 years and with an interest rate in accordance with market conditions at the time of its completion; this credit was contemplated in EPM's 2024 budget and current business plan.

- On March 13, a request for a 120-day suspension of the request for voluntary retirement filed on August 1, 2023, was filed with the Superintendence of Health, with the purpose of analyzing the different options and making a decision on the future of the Adapted Health Entity.

  After the date of submission of the separate financial statements and prior to the date of authorization of their publication, no other material facts involving adjustments to the figures were presented.

Empresas Públicas de Medellín E.S.P. and Subsidiaries

Annual Consolidated financial statements
Under Colombian Generally Accepted Accounting Principles (NCIF)
December 31, 2023 and 2022

CERTIFICATION OF FINANCIAL STATEMENTS

Medellín, March 20, 2024

To the Board of Directors of Empresas Públicas de Medellín E.S.P.

We, the undersigned, in our capacity as the Legal Representative and Accountant of Empresas Públicas de Medellín E.S.P., hereby certify that the balances of the consolidated Financial Statements of Empresas Públicas de Medellín E.S.P. and its subsidiaries at December 31, 2023 and 2022, were faithfully taken from the accounting books.

The accounting prepared in accordance with the Accounting and Financial Reporting Standards accepted in Colombia (NCIF, for the Spanish original) and the disclosures faithfully reflect the financial, economic, social and environmental situation of Empresas Públicas de Medellín E.S.P. We certify that the assertions contained in the financial statements were verified, particularly those related to:

The facts, transactions and operations were recognized and carried out by Empresas Públicas de Medellín E.S.P. and its subsidiaries during the period from January 1 to December 31, 2023.

That economic events are disclosed in accordance with accounting and financial reporting standards accepted in Colombia (NCIF, for the Spanish original) adopted by the Colombian General Accounting Office through Resolution 037/2017, Resolution 056/2020, Resolution 035 and 0197/2021 and Resolution 267 /2022. These accounting and financial reporting standards are based on the International Financial Reporting Standards issued by the International Accounting Standards Board (IASB), as well as interpretations issued by the Interpretations Committee, adopted in Colombia through Decree 2420/2015 and its amendments.

The total value of the assets, liabilities, equity, revenues, expenses and costs were disclosed in the Consolidated Financial Statements of Empresas Públicas de Medellín E.S.P. and its subsidiaries at December 31, 2023.

The assets represent existing rights and the liabilities represent obligations on the account of Empresas Públicas de Medellín E.S.P. and its subsidiaries at December 31, 2023.

The Consolidated Financial Statements do not contain any defects, inaccuracies or misstatements that would prevent the true financial position and financial performance of the Entity and its subsidiaries from being known.

John Alberto Maya Salazar
Legal Representative

John Jaime Rodríguez Sosa
Public Accountant
Professional License No. 144842-T

estamos ahí.

Empresas Públicas de Medellín E.S.P.
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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors:
Empresas Públicas de Medellín E.S.P.

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the consolidated financial statements of Empresas Públicas de Medellín E.S.P. and its subsidiaries (Hereinafter "the Group") which include the Consolidated statement of financial position as of December 31, 2023, and the consolidated Statements of Profit or Loss and Other Comprehensive Income, consolidated statement of changes in equity and statement of cash flows for the year then ended on that date, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements, reasonably present in all material respects, the Group's financial position as of December 31, 2023, the result of its operations and its cash flows for the year ended on that date, in accordance with the Accounting and Financial Reporting accepted in Colombia adopted by the General Accounting Office of the Nation through Resolution 037 of 2017, and its subsequent updates.

Basis for Opinion

We conducted our audit in accordance with International Auditing Standards accepted in Colombia. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in Colombia, and we have fulfilled our other responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis Paragraph

Without modifying our opinion, we draw attention to the matters discussed in Note 4.1 to the Consolidated Financial Statements regarding the Ituango Hydroelectric Project contingency and its impact on the financial statements. The Group continues to monitor the progress of the project and is taking all appropriate measures and actions to identify and recognize the accounting impact of this contingency and the actions of the regulatory and environmental authorities. The outcome of the impact on the Group's financial position, results of operations and cash flows is uncertain and will depend on the further development of these events until the completion of the project.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of the greatest importance in our audit of the consolidated financial statements as of December 31, 2023. These matters were covered in the context of our audit of the financial statements as a whole, and in forming our opinion on them, and we do not express a separate opinion on these matters. We have identified the issues described below as the key audit issues to be reported in our report.

Impairment Assessment of Long-Lived Assets – Cash Generating Unit (CGU) Power Generation

As described in Note 8.2 of the consolidated financial statements, the Group includes the Cash Generating Unit (CGU) Power Generation EPM.

The Group used the discounted cash flow model to estimate the value in use of the assets associated with the EPM Power Generation CGU, which required Management to make significant estimates and assumptions related mainly to, (1) the historical behavior and growth rates of certain base variables for the projection; (2) the discount rates applied and macroeconomic variables used; (3) the projection period and (4) the growth gradient in perpetuity.

The main considerations for selecting the impairment assessment of the EPM Power Generation CGU as a key audit matter were: 1) the use of important judgments by the Administration to calculate the use value of the CGU and 2) the progress of the Ituango Hydroelectric project, included within the Power Generation CGU. where there is an impact on the projection of cash flows.

Procedures developed by the audit team

Our audit procedures related to the impairment assessment of long-lived assets – Cash Generating Unit (CGU) Power Generation included the following, but were not limited to:

- We evaluated the design and effectiveness of the controls related to the assessment of the amount of use of the CGU by management.
- We evaluated the reasonableness of the assumptions used by management, considering (i) the current and past performance of the Energy Generation CGU, (ii) consistency with external market and industry data.
- We involved specialists with knowledge and experience in valuation who assisted us in: (i) the evaluation of the methodology used to estimate the value-in-use and the development of independent calculations, and (ii) the evaluation of the following inputs and relevant assumptions used in the model: (1) the historical behavior and growth rates of certain base variables for the projection; (2) the discount rates applied and macroeconomic variables used; (3) the projection period; and (4) the growth gradient in perpetuity.

Other Information

Management is responsible for the other information. The other information comprises the information included in the management report but does not include the consolidated financial statements and our accompanying auditors' report.

Deloitte.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of conclusion that provides a reasonable degree of assurance on the other information.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, and in doing so consider whether the other information contained therein is materially inconsistent with the consolidated financial statements or our knowledge obtained during the audit or appears to contain a material misstatement. If, based on the work we have performed, we conclude that there is material misstatement of the other information, we would be required to report that fact. We have nothing to report on this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Administration is responsible for the preparation and correct presentation of these consolidated financial statements in accordance with the Accounting and Financial Information Standards Accepted in Colombia adopted by the General Accounting Office of the Nation through Resolution 037 of 2017, and its subsequent updates, and for the internal control that management considers relevant for the preparation and correct presentation of the financial statements free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Independent Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the International Auditing Standards accepted in Colombia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing accepted in Colombia, the auditor exercises professional judgment and maintains professional skepticism throughout the audit; also:

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; to design and perform audit procedures responsive to those risks; and to obtain audit evidence that is sufficient and appropriate to provide a basis for the independent auditor's opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- We conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern.

- We evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- We obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the Group's financial statements; We are responsible for the direction, supervision and performance of the group audit; and We remain solely responsible for our opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.

We also provide those charged with governance with a statement that the auditor has complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. The auditor describes these matters in the auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

The consolidated financial statements for the year ended December 31, 2022, which are included for comparative purposes only, were audited by us and we expressed an unqualified opinion in our report of March 27, 2023.

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English translation

These consolidated financial statements, notes to the consolidated financial statements and the independent auditor's report were translated into English for the convenience of readers outside Colombia from financial statements originally issued in Spanish.

Deloitte & Touche Ltda.

DELOITTE & TOUCHE S.A.S.
March 20, 2024.

EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As of December 31, 2023 and 2022

Figures expressed in millions of Colombian pesos

	Notes	2023	2022
Assets			
Non-Current Assets			
Property, plant and equipment, net	5	46,604,510	44,181,617
Investment property	6	194,610	190,574
Goodwill	7	2,977,065	3,693,266
Other intangible assets	7	2,994,207	3,405,647
Right-of-use assets	14	829,895	826,955
Investments in associates	10	1,056,124	1,153,598
Investments in joint ventures	11	17,739	17,166
Deferred tax asset	39	1,519,458	1,217,353
Trade and other receivables	12	3,061,104	2,441,171
Other financial assets	13	2,341,311	3,023,468
Other assets	16	360,309	331,706
Cash and cash equivalents (restricted)	18	59,346	89,065
Total non-current assets		**62,015,678**	**60,571,586**
Current assets			
Inventories	17	760,329	714,643
Trade and other receivables	12	8,463,392	7,504,762
Current tax assets	26	894,782	697,964
Other financial assets	13	517,297	1,047,473
Other assets	16	1,202,032	947,132
Cash and cash equivalents	18	3,244,472	4,038,679
Total current assets		**15,082,304**	**14,950,653**
Total assets		**77,097,982**	**75,522,239**
Debit balances of deferred regulatory accounts	30	137,883	56,115
Total assets and debit balances of deferred regulatory accounts		**77,235,865**	**75,578,354**
Liabilities and Equity			
Equity			
Issued capital	19	67	67
Treasury shares		(52)	(52)
Reserves	19	2,341,067	2,518,114
Accumulated other comprehensive income	20	2,720,926	3,765,881
Retained earnings	19	21,486,694	19,212,331
Net profit for the period	19	3,249,354	3,845,458
Other components of equity	19	84,698	78,565
Equity attributable to owners of the Company		**29,882,754**	**29,420,364**
Non-controlling interests	19	1,433,580	1,566,502
Total equity		**31,316,334**	**30,986,866**

EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As of December 31, 2023 and 2022

Figures expressed in millions of Colombian pesos

	Notes	2023	2022
Liabilities			
Non-current liabilities			
Loans and borrowings	21	23,129,694	25,896,191
Creditors and others accounts payable	22	592,334	676,537
Other financial liabilities	23	1,816,172	888,992
Employee benefits	25	923,520	699,708
Income tax payable	40	33,351	33,351
Deferred tax liabilities	40	2,572,738	2,368,390
Provisions	27	2,195,931	1,240,474
Other liabilities	28	562,122	707,853
Total non-current liabilities		**31,825,862**	**32,511,496**
Current liabilities			
Loans and borrowings	21	4,747,246	3,594,078
Creditors and others account payable	22	5,072,999	4,378,509
Other financial liabilities	23	747,974	686,730
Employee benefits	25	437,502	390,895
Income tax payable	40	368,646	500,396
Taxes contributions and rates payable	26	513,435	511,280
Provisions	27	458,399	582,926
Other liabilities	28	1,706,103	1,418,344
Total current liabilities		**14,052,304**	**12,063,158**
Total liabilities		**45,878,166**	**44,574,654**
Deferred tax liabilities related to balances of deferred regulatory accounts	30	41,365	16,834
Total liabilities and credit balances of deferred regulatory accounts		**45,919,531**	**44,591,488**
Total liabilities and equity		**77,235,865**	**75,578,354**

The accompanying notes are an integral part of the Consolidated Financial Statements.

John Alberto Maya Salazar
General Manager
Certification Attached

Diana Rúa Jaramillo
Executive Vice-President of Finance
and Investments

John Jaime Rodríguez Sosa
Director of Accounting and Costs
Professional Card N° 144842-T
Certification Attached

EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the years ended December 31, 2023 and 2022
Figures expressed in millions of Colombian pesos

	Notes	2023	2022
Rendering of services	31	36,897,753	31,524,554
Sale of goods	31	83,399	55,457
Leases	31	157,935	148,397
Ordinary activities revenue		**37,139,087**	**31,728,408**
Other income	32	392,735	488,409
Income from sale of assets	33	4,894	5,652
Total revenue		**37,536,716**	**32,222,469**
Costs of services rendered	34	(25,066,462)	(20,687,461)
Administrative expenses	35	(3,461,988)	(2,330,073)
net impairment loss on accounts receivable	12	(1,199,656)	(1,106,405)
Other expenses	36	(125,435)	(138,511)
Finance income	37.1	804,674	397,903
Finance expenses	37.2	(3,267,082)	(2,284,882)
Net foreign exchange difference	38	171,188	(103,086)
Share of results of equity investments	10 y 11	(567,722)	(237,266)
Gain on equity investments	39	178,118	70,722
Profit for the period before taxes		**5,002,351**	**5,803,410**
Income tax	40	(1,516,153)	(1,610,791)
Profit for the period after taxes		**3,486,198**	**4,192,619**
Net movement in balances of net regulatory accounts related to the result of the period	30	105,156	(97,743)
Net movement in deferred tax related to deferred regulatory accounts related to the results of the period	30	(29,408)	30,625
Profit for the period and net movement in deferred tax related to deferred regulatory accounts		**3,561,946**	**4,125,501**
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Remeasurement of defined benefit plans	20	(214,930)	126,956
Equity investments measured at fair value through equity	20	(539,451)	(131,035)
Equity method in Associates and Joint Ventures		(105,778)	(2,714)
Income tax related to components that will not be reclassified	20 y 40	180,040	(349,496)
		(680,119)	**(356,289)**
Items that will be reclassified subsequently to profit or loss:			
Cash flow hedges:	**20**	**446,908**	**(595,470)**
Reclassified to profit or loss for the period		(2,096,577)	329,799
Reclassification Adjustment		2,543,485	(925,269)
Exchange differences on translation of foreign operations	20	(1,123,159)	840,297
Equity method in Associates and Joint Ventures	10 y 20	273,052	3,347
Hedges of net investments in foreign operations		283,752	(216,145)
Income tax related to the components that may be reclassified	20 y 40	(250,892)	288,033
		(370,339)	**320,062**
Other comprehensive income for the period, net of taxes		**(1,050,458)**	**(36,227)**
Total comprehensive income for the period		**2,511,488**	**4,089,274**
Result for the period attributable to:			
Owners of the company		3,249,354	3,845,458
Non-controlling interest		312,592	280,043
		3,561,946	**4,125,501**
Total comprehensive income attributable to:			
Owners of the company		2,204,384	3,813,031
Non-controlling interest		307,104	276,243
		2,511,488	**4,089,274**

The accompanying notes are an integral part of the Consolidated Financial Statements.

John Alberto Maya Salazar
General Manager
Certification Attached

Diana Rúa Jaramillo
Executive Vice-President of Finance
and Investments

John Jaime Rodríguez Sosa
Director of Accounting and Costs
Professional Card N° 144842-T
Certification Attached

EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
Years ended December 31, 2023 and 2022
Figures expressed in millions of Colombian pesos

						Ther comprehensive income									
	Issued capital	Treasury shares	Reserves	Retained earnings	Other components of equity	Equity investments	Defined benefit plans	Cash flow hedges	Hedges of net investments in foreign operations	Exchange differences on traslation of foreign operation	Reclassification of property, plant and equipment to investment property	Accumulated share in other comprehensive income of associates and joint ventures business	Attributable to Owners of the Company	Non-controlling interests	Total
	Note 19.1		Note 19.2	Note 19.3		Note 20.3	Note 20.2	Note 20.5	Note 20.6	Note 20.7	Note 20.1	Note 20.4		Note 19.4	
Balance at January 1, 2022	**67**	**(52)**	**2,416,297**	**21,165,517**	**74,520**	**3,064,037**	**(8,724)**	**(342,590)**	**(61,509)**	**1,117,985**	**12,471**	**16,788**	**27,454,807**	**1,295,378**	**28,750,185**
Net profit for the period	-	-	-	3,845,458	-	-	-	-	-	-	-	-	3,845,458	280,043	4,125,501
Other comprehensive income of the period, net of income tax	-	-	-	-	-	(433,769)	73,258	(307,437)	(216,145)	851,032	-	634	(32,427)	(3,800)	(36,227)
Comprehensive income for the period	**-**	**-**	**-**	**3,845,458**	**-**	**(433,769)**	**73,258**	**(307,437)**	**(216,145)**	**851,032**	**-**	**634**	**3,813,031**	**276,243**	**4,089,274**
Surpluses or dividends decreed	-	-	-	(1,850,775)	-	-	-	-	-	-	-	-	(1,850,775)	(195,339)	(2,046,114)
Movement of reserves	-	-	101,816	(101,816)	-	-	-	-	-	-	-	-	-	-	-
Purchases and sales to non-controlling interests	-	-	-	(30)	-	-	-	-	-	-	-	-	(30)	30	-
Transfers and sales to non-controlling interests	-	-	-	149	-	(11)	-	-	-	-	(139)	-	(1)	-	(1)
Income tax related to transactions with owners	-	-	-	-	-	-	-	-	-	-	-		-	-	-
Equity method on variations in equity	-	-	-	-	4,045	-	-	-	-	-	-	-	4,045	-	4,045
Other movement for the period	-	-	1	(714)	-	-	-	-	-	-	-	-	(713)	190,190	189,477
Balance at December 31, 2022	**67**	**(52)**	**2,518,114**	**23,057,789**	**78,565**	**2,630,257**	**64,534**	**(650,027)**	**(277,654)**	**1,969,017**	**12,332**	**17,422**	**29,420,364**	**1,566,502**	**30,986,866**
Balance at January 1, 2023	**67**	**(52)**	**2,518,114**	**23,057,789**	**78,565**	**2,630,257**	**64,534**	**(650,027)**	**(277,654)**	**1,969,017**	**12,332**	**17,422**	**29,420,364**	**1,566,502**	**30,986,866**
Net profit for the period	-	-	-	3,249,354	-	-	-	-	-	-	-	-	3,249,354	312,592	3,561,946
Other comprehensive income of the period, net of income tax	-	-	-	-	-	(430,040)	(134,426)	293,343	186,424	(1,127,545)	-	167,274	(1,044,970)	(5,488)	(1,050,458)
Comprehensive income for the period	**-**	**-**	**-**	**3,249,354**	**-**	**(430,040)**	**(134,426)**	**293,343**	**186,424**	**(1,127,545)**	**-**	**167,274**	**2,204,384**	**307,104**	**2,511,488**
Surpluses or dividends decreed	-	-	-	(1,748,005)	-	-	-	-	-	-	-	-	(1,748,005)	(201,781)	(1,949,786)
Movement of reserves	-	-	(177,047)	177,047	-	-	-	-	-	-	-	-	-	-	-
Purchases and sales to non-controlling interests	-	-	-	12	22	-	-	-	-	-	-	-	34	(34)	-
Equity method on variations in equity	-	-	-	-	6,111	-	-	-	-	-	-	-	6,111	-	6,111
Other movement for the period	-	-	-	(149)	-	15	-	(95,264)	95,264	-	-	-	(134)	(238,211)	(238,345)
Balance at December 31, 2023	**67**	**(52)**	**2,341,067**	**24,736,048**	**84,698**	**2,200,232**	**(69,892)**	**(451,948)**	**4,034**	**841,472**	**12,332**	**184,696**	**29,882,754**	**1,433,580**	**31,316,334**

The accompanying notes are an integral part of the Consolidated Financial Statements.

John Alberto Maya Salazar
General Manager
Certification Attached

Diana Rúa Jaramillo
Executive Vice-President of Finance and Investments

John Jaime Rodríguez Sosa
Director of Accounting and Costs
Professional Card N° 144842-T
Certification Attached

EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the years ended December 31, 2022 and 2021
Figures expressed in millions of Colombian pesos

	Notes	2023	2022
Cash flows from operating activities:			
Profit for the period		**3,561,946**	**4,125,501**
Adjustments to reconcile the net profit for the period to the net cash flows used in operating activities:			
Depreciation and amortization of property, plant and equipment, right-of-use assets and intangible assets	34 y 35	1,874,177	1,524,883
Impairment of property, plant and equipment, right of use assets and intangible assets	8	149,245	88,647
Net impairment loss on accounts receivable	12	1,199,656	1,106,405
Reversal loss of impairment of property, plant and equipment value, right-of-use assets and intangible assets	8	(34)	(117)
Impairment of investments in associates and joint ventures	8	-	6,420
Write-down of inventories, net	34 y 36	3,647	2,023
Result due to foreign exchange difference	38	(171,188)	103,086
Result due to valuation of investment property	32 y 36	(10,012)	(20,383)
Result for valuation of financial instruments and hedge accounting	37.1 y 37.2	(269,693)	25,353
Result of compensation for activities associated with investment flow		(477)	-
Provisions, post-employment and long-term defined benefit plans	35	989,939	317,572
Provisions for tax, insurance and reinsurance obligations and financial updating	35 y 37.2	137,515	86,223
Applied Government subventions	32	(119,939)	(119,985)
Deferred income tax	40	(189,569)	(152,669)
Current income tax	40	1,705,722	1,763,460
Results by Equity method in Associates and Joint Ventures	10 y 11	567,721	237,266
Interest and yield income	37.1	(329,588)	(293,616)
Interest and commission expenses	37.2	2,947,300	2,069,530
Result due to disposal of property, plant and equipment, right-of-use assets, intangibles and investment property	33 y 36	(2,007)	(5,084)
Result from withdrawal of property, plant and equipment, right of use assets, intangible assets and investments	33 y 36	56,093	51,865
Profit or loss from disposal of financial instruments		19	-
Profit or loss at fair value retained interest in equity investments		86	-
Non-cash recoveries	32	(68,570)	(117,643)
Result of deferred regulatory accounts	30	(75,748)	67,117
Result from business combinations		-	(83)
Dividend income from investments	13	(178,222)	(77,059)
		11,778,019	**10,788,712**
Net changes in operating assets and liabilities:			
Change in inventories		(49,595)	(195,929)
Change in trade and other receivables		(3,275,568)	(3,327,709)
Change in other assets		103,042	(562,298)
Change in creditors and other accounts payable		598,615	639,967
Change in employee benefits		26,301	25,369
Change in provisions		(298,874)	(375,632)
Change in other liabilities		(211,163)	1,040,968
Cash generated from operating activities		**8,670,777**	**8,033,448**
Interest paid		(2,947,777)	(1,885,286)
Income tax paid		(1,879,389)	(1,402,809)
Income tax refund		(2,844)	(1,576)
Net cash provided by operating activities		**3,840,767**	**4,743,777**
Cash flows from investing activities:			
Acquisition and capitalization of subsidiaries or businesses		(300,000)	-
Purchase of property, plant and equipment	5	(5,121,817)	(4,952,635)
Disposal of property, plant and equipment	5	63,031	36,677
Purchase of intangible assets	7	(522,597)	(529,382)
Disposal of intangible assets	7	-	10,215
Acquisition of investment properties		(695)	-
Disposal of investment properties		912	802
Disposal of associates and joint ventures		-	122
Purchase of investments in financial assets	13 y 24	(561,074)	(385,474)
Disposal of investments in financial assets	13	1,081,444	841,957
Interest received		618	274
Dividends received from associates and joint ventures	10	-	8,167
Other dividends received	13	178,181	76,981
Compensation received for activities associated with investment flows	5	-	2,521,064
Other cash flows from investment activities		(1,504)	(8,929)
Net cash flow used in investing activities		**(5,183,501)**	**(2,380,161)**
Cash from financing activities:			
Obtaining public credit and treasury	21	6,556,486	3,797,929
Payments public credit and treasury	21	(4,438,676)	(3,516,017)
Transaction costs due to issuance of debt instruments	21	(16,847)	(26,617)
Payments of liabilities for financial leasing	23	(109,816)	(63,672)
Dividends or surpluses paid	19 y 41	(1,748,005)	(1,850,775)
Dividends or surpluses paid to non-controlling interests	9	(96,112)	(172,661)
Capital subventions		150	317
Payments of capital of derivatives designated as cash flow hedges		-	37,233
Payment of pension bonds	23	(47,735)	(61,475)
Other cash from financing activities		3,696	(4,320)
Net cash flows provided / (used in) by financing activities		**103,141**	**(1,860,058)**
Net increase in cash and cash equivalents		**(1,239,593)**	**503,558**
Effects of variations in foreign exchange rates in the cash and cash equivalents		415,667	(465,876)
Cash and cash equivalents at beginning for the period	18	4,127,744	4,090,062
Cash and cash equivalents at end for the year	**18**	**3,303,818**	**4,127,744**
Restricted cash	18	447,930	299,174

The accompanying notes are an integral part of the Consolidated Financial Statements.

John Alberto Maya Salazar	Diana Rúa Jaramillo	John Jaime Rodríguez Sosa
General Manager	Executive Vice-President of Finance and Investments	Director of Accounting and Costs
Certification Attached		Professional Card N° 144842-T
		Certification Attached

Index of notes to the Consolidated Financial Statements

Notes to the Consolidated Financial Statements of EPM Group for the periods ended December 31, 2023 and 2022

(In millions of Colombian pesos, unless otherwise indicated)

Note 1. Reporting entity

Empresas Públicas de Medellín E.S.P. and subsidiaries (hereinafter "Grupo EPM" or "Group") is the parent company of a multi-Latin business group made up of 46 companies and 6 structured entities [1]; with a presence in the rendering of public services in Colombia, Chile, El Salvador, Guatemala, Mexico and Panama.

Empresas Públicas de Medellín ESP (hereinafter EPM), the parent company of the “EPM Group”, is a decentralized entity of the municipal order, created in Colombia through Agreement 58 of August 6, 1955, of the Administrative Council of Medellín, as an autonomous public establishment. It was transformed into an industrial and commercial company of the State of municipal order, by Agreement 069 of December 10, 1997, of the Council of Medellín. Due to its legal nature, EPM is endowed with administrative and financial autonomy and own equity, in accordance with Article 85 of Law 489 of 1998. The capital with which it was established and operates, as well as its equity, is public nature, being its sole owner of the municipality of Medellin. Its main address is at Carrera 58 No. 42-125 in Medellín, Colombia. It does not have an established term of duration.

EPM provides residential public services of aqueduct, sewage, energy, and distribution of fuel gas. It can also provide the residential public services of cleaning, treatment, and use of garbage, as well as the complementary activities of one of these public services.

The Group offers its services through the following segments, whose activities are described in Note 46 Operating Segments: Power Generation and Marketing, Energy Distribution and Commercialization and Electricity Transmission, Natural Gas Distribution and Marketing, Water Supply and Marketing, Wastewater Management and Marketing, Solid Waste Management and Marketing. In addition, the other segment includes participation in the telecommunications business, through the associated company UNE EPM Telecomunicaciones S.A. and its subsidiaries: Edatel S.A. E.S.P, Orbitel Servicios Internacionales S.A. - OSI, Cinco Telecom Corporation – CTC and Colombia Móvil S.A. and the associated Inversiones Telco S.A.S. and its subsidiary Emtelco S.A.; offering voice, data, Internet, professional services, data center, among others.

The Group's consolidated financial statements for the period ended December 31, 2023, were authorized by the Board of Directors for publication on March 20, 2024.

[1] Autonomous Assets of Social Financing of EPM (until November), CHEC, EDEQ, ESSA, CENS, Credieegsa S.A. and Somos, under International Financial Reporting Standards (IFRS) adopted in Colombia, are considered structured entities that are part of the scope of the consolidation of financial statements of the EPM Group.

1.1. Regulations for Colombia

The activity carried out by the group, provision of home public services in Colombia, is regulated in Colombia mainly by Law 142 of 1994, Public Services Law, and Law 143 of 1994, Electricity Law.

The functions of control, inspection and surveillance of the entities that provide residential public services are exercised by the Superintendence of Residential Public Services (SSPD, for its Spanish initials).

EPM, as an issuer of Bonds, is subject to the control of the Financial Superintendence of Colombia under Decree 2555 of 2010, which collects and reissues the regulations on the financial, insurance and securities market sectors and dictates other provisions, establishes that the SIMEV is the set of human resources, technical and managerial measures to be used by the Financial Superintendence of Colombia to enable and facilitate the provision of information to the market. Among these tools, there is the National Registry of Securities and Issuers - RNVE, which aims to have a registry of the issuers of securities and the issues they make. EPM, when issuing bonds, is subject to the control of this Superintendence and to the rules that for financial information purposes are required by its issuance, especially External Circular 038 of 2015 whose reference is: Modification to the deadlines for the transmission of the Quarterly and Year-End Interim Financial Statements under IFRS adopted in Colombia, Individual or Separate and Consolidated and their reporting in XBRL (extensible Business Reporting Language) and which was modified by External Circulars 008, 017 and 037 of 2016; additionally, External Circulars 031 of 2021 on social and environmental matters, including climate issues, and 012 of 2022 on periodic information, in development of Decree 151 of 2021.

For accounting purposes, the Company is regulated by the accounting standards issued by the National General Accounting Office, these standards are based on the IFRS issued by the IASB, as well as the interpretations issued by the IFRIC, as described in the accounting policies section.

For administering the health service as benefits to employees, under the figure of Adapted Health Company - EAS, it is supervised by the National Superintendence of Health.

As a decentralized district entity, EPM is subject to the political control of the District of Medellín, the fiscal control of the Office of the Comptroller General of Medellín, and the disciplinary control of the Office of the Attorney General of the Nation.

1.1.1. Regulation commissions

Law 142 of 1994, in its articles 68 and 69, delegates to the regulation commissions the presidential function of establishing general policies for administration and control of efficiency in residential public services.

These entities are the following:

- The Energy and Gas Regulation Commission (CREG for its Spanish initials), a technical department attached to the Ministry of Mines and Energy (MME), which regulates energy sales rates and aspects related to the operation of the Wholesale Energy Market (MEM) and, more generally, with the provision of electric energy, fuel gas and liquid fuel services.
- The Commission for the Regulation of Drinking Water and Basic Sanitation (CRA for its Spanish initials) regulates the rates of aqueduct, sewerage and cleaning and their conditions of provision in the market. It is a special administrative unit, attached to the Ministry of Housing, City and Territory.

1.2. Regulation by sector

1.2.1.1. Activities of the aqueduct, sewage and sanitation sector

Law 142 of 1994, Public Services Law, defined water, sewage and cleaning services:

Aqueduct: also called home public drinking water service. Activity that consists of the municipal distribution of water suitable for human consumption, including its connection and measurement. Includes complementary activities such as water collection and processing, treatment, storage, conduction, and transportation.

Sewerage: an activity that consists of the municipal collection of waste, mainly liquid, through pipes and conduits. Includes complementary activities of transport, treatment and final disposal of such waste.

Cleaning: an activity that consists of the municipal collection of waste, mainly solid. Includes complementary activities of transport, treatment, use and final disposal of such waste.

For the first two services, the tariff framework is established in Resolutions CRA 688 of 2014 and CRA 735 of 2015. For the public sanitation service, in resolution CRA 720 of 2015. These standards establish quality and coverage indicators, encourage the achievement of goals, and define remuneration mechanisms to guarantee the financial sufficiency of the company.

1.2.2. Activities of the electricity sector

Law 143 of 1994 segmented the electric power service into four activities: generation, transmission, distribution and commercialization, which can be developed by independent or integrated companies in the terms defined in article 298 of Law 1955 of 2019. The legal framework aims to supply the demand for electricity under economic criteria and financial viability and promote an efficient, safe and reliable operation of the sector.

Generation: consists of the production of electricity from different sources (conventional or non-conventional), whether that activity is carried out exclusively or in combination with one or more other activities in the electricity sector, whichever of them is the main activity.

Transmission: the national transmission activity is the transport of energy in the National Transmission System (hereinafter STN for its initials in Spanish). It is made up of a set of lines, with their corresponding connection equipment, which operate at voltages equal to or greater than 220 kV. The National Transmitter is the legal entity that operates and transports electricity in the STN or has established a company whose purpose is the development of that activity.

Distribution: consists of transporting electrical energy through a set of lines and substations, with their associated equipment, which operate at voltages less than 220 kV.

Commercialization: an activity consisting of the purchase of electricity in the wholesale market and its sale to other market agents or to regulated and non-regulated end users, whether this activity is carried out exclusively or combined with other activities in the electricity sector, whichever is the main activity.

1.2.3. Natural gas sector activities

Law 142 of 1994 defined the legal framework for the provision of home public services, an area in which the home public service of fuel gas is defined as:

Set of activities related to the distribution of fuel gas, by pipeline or other means, from a large volume storage site or from a central gas pipeline to the installation of a final consumer, including its connection and measurement. This Law will also apply to complementary commercialization activities from the production and transportation of gas through the main gas pipeline, or by other means, from the generation site to the one where it is connected to a secondary network.

1.2. Regulations for Chile

1.2.1. Health sector activities

The Sanitary Sector is constituted by a set of entities whose functions are related to the services of production and distribution of drinking water and collection and disposal of wastewater, that is, the companies in charge of providing said services and the Superintendence of Services. Sanitary, the regulatory and supervisory body of this sector.

1.2.2. Regulatory framework

In the current regulation scheme, where the normative and supervisory function of the State is separated from the production function, the Superintendence of Sanitary Services is created, a regulatory and supervisory entity of the sector. This agency is a decentralized entity with legal personality and its assets, subject to the supervision of the President of the Republic through the Ministry of Public Works. It exercises the regulatory and supervisory functions of the activity of the companies that operate in this sector.

The regulation model emphasizes two crucial aspects to introduce economic rationality in the operation of the sector: tariffs and the concession regime, both aspects are contained in the legal framework under which the operation of the sector is regulated, being a function of The Superintendence of Sanitary Services apply and enforce the provisions of the respective legal bodies: DFL No. 70 of 1988, Tariff Law, and DFL No. 382 of 1988, General Law of Sanitary Services.

The legal framework of the Chilean health sector is mainly made up of:

- Law of the Superintendence of Sanitary Services - Law 18,902 of 1990 (Modified by Law No. 19,549 of 1998 and Law No. 19,821 of 2002 and Law No. 20,417 of 2010): creates the Superintendence of Sanitary Services as a functionally decentralized service, with legal personality and its own assets, subject to the supervision of the President of the Republic through the Ministry of Public Works.

  The Superintendence of Sanitary Services will be responsible for supervising the providers of sanitary services, compliance with the regulations related to sanitary services and the control of industrial liquid waste that is linked to the benefits or services of the sanitary companies, being able to ex officio or at the request of any interested party, to inspect the sanitary infrastructure works carried out by the providers.

- Decree with Force of Law, of 1988, of the Ministry of Public Works, General Law of Sanitary Services.
- Regulation of the General Law of Sanitary Services, Supreme Decree (DS for its initials in Spanish) of the Ministry of Public Works (MOP for its initials in Spanish) No. 1199, Dec/2004 - Published in the Official Gazette (DO for its initials in Spanish) on Nov 9, 2005: approves the regulation of the Sanitary concessions for the production and distribution of drinking water and the collection and disposal of sewage and the standards on quality of care for users of these services.
- Sanitary services tariff law: Decree with Force of Law MOP No. 70 of 1988 - Published in DO 30-Mar-1988 (modified by Law No. 19,549 of 1998 and Law No. 21,075 of 2018).
- Supreme Decree No. 453, of 1990, of the Ministry of Economy, Regulation of the Sanitary Services Tariff Law
- Supreme Decree No. 214, of 2005, of the Ministry of Public Works, establishes the requirements to which the public bidding processes to which sanitation providers are obliged must comply, by virtue of the provisions of article 67 of the General Law of Services Sanitary.
- Water Code and its amendments: DFL No. 1,122 regulates the ownership and the right to use water. The latest amendments are: Law No. 20,017 of 2005, Law No. 20,099 of 2006, Law No. 20,304 of 2008, Law 20,417 of 2010, Law No. 20,697 of 2013 and Law No. 21,064 of 2018
- Regulation of Residential Drinking Water and Sewage Installations - DS MOP No. 50 of January/2003 (amended by DS MOP No. 669 of 2009).

1.2.3. Regulatory entities

Some of the main regulatory entities for the sanitation sector (drinking water and sewage) in Chile are:

- Ministry of Public Works (MOP): grants concessions and promotes water supply and sanitation in rural areas through its Department of Sanitation Programs. Apart from its own functions, in relation to the health sector, it is responsible for the administration of legislation on water resources, the allocation of water rights and the approval of concession rights to establish, build and operate sanitary services.
- Superintendence of Sanitary Services (SISS for its initials in Spanish): Chilean State agency that regulates and oversees companies that provide drinking water services and the collection and treatment of wastewater for the urban population.
- Ministry of Health: Monitors the quality of water in the sanitary services that are not under the jurisdiction of the Superintendence (which are not public sanitary services) and makes official the quality standards studied under the provisions of the National Institute for Standardization.
- Ministry of Economy, Development and Tourism: Designs and monitors the implementation of public policies that affect the country's competitiveness; promotes and controls activities in the sectors of industry, services and commerce. Its main lines of action are related to the design and promotion of Innovation and Entrepreneurship Policies. In relation to the health sector, it is the setting of regulated prices, at the proposal of the Superintendence.
- The General Head of Waters (DGA for its initials in Spanish): is the State agency in charge of managing, verifying and disseminating the country's water information, especially regarding its quantity and quality, the natural and legal persons who are authorized to use it, the works existing hydraulics and their safety ; with the purpose of contributing to a greater market competitiveness and safeguarding legal and water certainty for the country's sustainable development.

1.3. Regulations for El Salvador

In El Salvador, a restructuring process of the electricity sector was developed, which materialized in a legal and institutional framework that aims to promote competition and the necessary conditions to ensure the availability of an efficient energy supply, capable of supplying the demand under technical, social, economic, environmental, and financial viability, criteria.

In the 1990s, El Salvador promoted a reform process in the energy sector that consisted of the restructuring of the hydrocarbon and electricity sectors, the privatization of most of the state companies that provided energy goods or services, and the deregulation of the markets.

1.3.1. Regulatory framework

The legal framework of the Salvadoran electricity sector is made up of the Law for the Creation of the General Superintendence of Electricity and Telecommunications (SIGET for its initials in Spanish), issued through Legislative Decree 808 of September 12, 1996, which gave legal life to the regulatory entity; as well as by the General Electricity Law (LGE for its initials in Spanish), issued through Legislative Decree 843 of October 10, 1996, and by the Regulations of the General Electricity Law, established through Executive Decree 70 of July 25, 1997, including its modifications.

As a result of the restructuring process of the electricity sector, the Transactions Unit SA (UT for its initials in Spanish), which manages the Wholesale Electricity Market, and the Transmission Company of El Salvador (ETESAL for its initials in Spanish) were created, while the distribution companies were privatized, as well as thermal generation. In addition, hydroelectric and geothermal generation activities were separated.

1.3.2. Regulatory entities

Some of the main regulatory entities at the energy field in El Salvador are:

- Ministry of Economy (MINEC for its initials in Spanish): Central Government institution whose purpose is to promote economic and social development by increasing production, productivity and the rational use of resources. Its responsibilities include defining the country's trade policy, monitoring and promoting Central American economic integration, and heading the National Energy Council. It also contributes to the development of competition and competitiveness of productive activities, both for the internal and external markets.

- General Superintendence of Electricity and Telecommunications (SIGET): is an autonomous non-profit public service institution. Said autonomy includes the administrative and financial aspects and is the competent entity to apply the norms contained in international treaties on electricity and telecommunications in force in El Salvador, as well as in the laws that govern the electricity and telecommunications sectors and their regulations, in addition to knowing of non-compliance with them.
- Transactions Unit (UT): one of its functions is to manage the wholesale electricity market and operate the transmission system, maintaining safety and quality and providing market operators with satisfactory answers for the development of their activities transparently and efficiently. Likewise, it coordinates with the Regional Operator Entity (EOR) the energy transactions carried out by El Salvador with other countries at the Central American and international levels. Finally, it determines responsibilities in case of system failures.
- General Directorate of Energy, Hydrocarbons and Mines (DGEHM for its Spanish initials): Its functions are the formulation, adoption, monitoring and evaluation of compliance with policies, plans and regulations of the energy, hydrocarbons and mining sectors. Likewise, it will authorize, regulate and supervise (including surveillance, oversight, evaluation, inspection and control) the operation of those participating in the activities of these sectors. The Directorate is empowered to prepare the Energy Policy, establish strategies and indicative plans for the short, medium and long term. Formulating, adopting, directing and coordinating the policy on generation, transmission, distribution and commercialization of electric energy.
- National Energy Council (CNE for its initials in Spanish): The CNE is the superior, guiding and regulatory authority of energy policy whose objectives are to develop the National Energy Policy and short, medium and long-term energy planning; promote the existence of regulatory frameworks to promote investment and development of the energy sector, monitor the proper functioning of energy markets; promote the rational use of energy; develop and expand renewable energy resources and promote the integration of regional energy markets.
- The Regional Electricity Interconnection Commission (CRIE for its Spanish initials) is the regulatory and normative entity of the Regional Electricity Market, with its own legal personality, international public law capacity, economic independence, functional independence and technical specialty. The CRIE is part of the Central American Integration System (SICA).
- Regional Operating Entity (EOR for its Spanish initials) Among its functions is to propose to the CRIE the procedures for the operation of the Market and the use of the regional transmission networks, ensure that the operation and regional dispatch of energy is carried out with economic criteria, seeking to achieve adequate levels of safety, quality and reliability, carry out the commercial management of transactions between Market agents, support, through the provision of information, the processes of evolution of the Market, formulate the indicative expansion plan of generation and regional transmission, providing for the establishment of regional reserve margins and make it available to the Market agents.

1.4. Regulations for Guatemala

The Political Constitution of the Republic of Guatemala of 1985 declared the electrification of the country a national urgency, based on plans formulated by the State and the municipalities, in a process that could count on the participation of private initiative.

1.4.1. Regulatory framework

With the Political Constitution as a legal basis, in 1996 the General Electricity Law (Decree No. 93-96) was decreed, by means of which the fundamental legal norms were established to facilitate the performance of the different sectors of the electrical system.

1.4.2. Regulatory entities

Some of the main regulatory entities at the energy field in Guatemala are:

- Ministry of Energy and Mines: it is the most important Guatemalan government entity in the electricity sector. It is responsible for enforcing the General Electricity Law and related regulations, as well as coordinating policies between the National Electric Energy Commission (CNNE for its initials in Spanish) and the Wholesale Market Administrator (AMM for its initials in Spanish). This government agency also has the authority to grant authorization permits for the operation of distribution, transmission and generation companies.
- National Electric Energy Commission (CNNE): The Guatemalan electricity sector is regulated by the CNEE, a regulatory entity created in accordance with the General Electricity Law, as a technical body of the Ministry of Energy and Mines and subordinate to it. It is made up of three members appointed by the President of the Republic from short lists proposed by the rectors of the universities, the Ministry of Energy and Mines and the agents of the Wholesale Market. The duration of each board of directors is five years.
- Wholesale Market Administrator (AMM): is the entity in charge of managing the Guatemalan Wholesale Market, a private entity created by the General Electricity Law, which coordinates the operation of generation facilities, international interconnections and transmission lines that make up the National Interconnected System. Likewise, it is responsible for the safety and operation of the system by carrying out an economically efficient dispatch and managing electricity resources, in such a way as to minimize operating costs, including failure costs, within the restrictions imposed by the electricity system. transmission and quality of service requirements. Also, the AMM is in charge of programming the supply and dispatch of electricity. The regulations of the AMM are subject to the approval of the CNNE. If a generation, transmission, distribution company or an electricity agent or large user does not operate its facilities in accordance with the regulations established by the AMM, the CNNE has the ability to sanction it with fines and, in the event of a serious violation, may require you to disconnect from the National Interconnected System.

1.5. Regulations for Mexico

1.5.1. Regulatory framework of the water and sanitation sector

At the state level, each of the 32 federal entities has its respective water laws, with substantially the same purposes despite the various denominations. Modifications to state legislation associated with the provision of water and sanitation services derived mainly from a series of initiatives promoted by the National Water Commission (CONAGUA for its initials in Spanish) in the 1990s.

The National Water Commission (CONAGUA) is an administrative, regulatory, technical, advisory and decentralized body of the Ministry of the Environment and Natural Resources (Semarnat for its initials in Spanish) created in 1989, with the mission of preserving national waters and their inherent public goods for its sustainable administration and guarantee water security with the responsibility of government orders and society in general.

Various instances at the federal, state and municipal levels, as well as associations of users, companies and institutions of the private and social sector that work together with CONAGUA.

This is how the evolution that since then and until the beginning of this decade has experienced the state legal regime in matters of water and sanitation is summarized:

- Reforms of 1983 to Article 115 of the Constitution, with which the municipal nature of water and sanitation services was ratified and strengthened, which made it necessary to guide the role of state authorities in this matter to assign them a subsidiary role and to some extent regulatory.
- Government policies established to promote the creation of decentralized bodies (creation decrees) of the Municipal Administration, with the technical capacity and administrative and financial autonomy necessary for the efficient provision of services, together with the introduction of private sector participation schemes.
- Greater participation of the state authorities in the administration of national waters, through agreements that, in accordance with the provisions of Article 116 of the Constitution, the federation can sign with the state governments, so that the latter carry out or exercise different tasks or attributions, of exclusive competence of the federal government. This possibility was further reinforced by the amendments and additions to the National Water Law that came into force in 2004.
- In 2012, human rights and access to water and sanitation were elevated to constitutional status through the reform of the sixth paragraph of Article 4 of the Constitution. After its publication in the Official Gazette of the Federation (DOF), a period of 360 days was granted for the issuance of a new General Water Law to be implemented from said constitutional reform, thus replacing the National Water Law of 1992. To date, no such approval has been made and it is still pending in the country, only parts of the Law have been reformed and the debate continues in the Water Resources Commission of the Chamber of Deputies. On March 23, 2021, the Chamber of Deputies approved reforms to the National Water Law, which aims to establish the National Water Program that includes sustainable use, savings and efficient use, which will ensure the availability of the liquid.

  The opinion, which adds a second paragraph to section III of article 9 and amends section VIII of article 14 Bis 3 of the aforementioned ordinance, sent to the Senate for its constitutional effects, adds that the development and implementation of alternative systems for the use and collection of rainwater must be promoted. It includes actions for sustainable development, saving and efficient use of water, and will contribute to scientific research and technological development.
- During 2021, the Water Resources Commission of the Chamber of Deputies has sought to revive the proposal to create a National Water Infrastructure Fund that meets water investment commitments by 2030. In January 2022, the Supreme Court of Justice of the Nation (SCJN) reiterated that the Congress of the Union has committed a legislative omission by not issuing the new General Water Law.
- In the period from May 11, 2022 to May 8, 2023, reforms were made to the National Water Law regarding the Technical Committee of CONAGUA and in terms of mining and water concessions, being the most relevant during that period. Similarly, on October 11, 2023, the Chamber of Deputies approved the opinion that adds a section XXX Bis to article 3 of the National Water Law, to include the concept of "National Inventory of Wetlands", which was turned over to the Senate for review and approval.
- n 2023, the Water Resources Commission of the Chamber of Deputies presented the draft opinion to issue the new General Water Law, so this project is currently in the Senate to review, propose and make the necessary adjustments to the proposal that will replace the current National Water Law, Issued in 1992.

  In view of the above, it was proposed to convene an Open Parliament to remedy the possible deficiencies of the law, by virtue of its importance; In addition, he proposed also convening the Commission on Hydraulic Resources, Drinking Water and Sanitation of the Chamber of Deputies, to harmonize the criteria.

1.5.2. Regulatory entities

Some of the main regulatory bodies in the sanitation sector in Mexico at the federal level are:

- The Committee of the Environment and Natural Resources (SEMARNAT): in the different fields of society and the public function, it incorporates criteria and instruments that ensure optimal protection, conservation and use of the country's natural resources, thus forming a comprehensive environmental policy and inclusive that allows achieving sustainable development, provided that they are not expressly entrusted to another dependency; likewise, in terms of ecology, environmental sanitation, water, environmental regulation of urban development and fishing activity, with the corresponding participation of other dependencies and entities.
- National Water Commission (CONAGUA): with the participation of society, it manages and preserves national waters, to achieve the sustainable use of the resource with the co-responsibility of the three orders of government and society in general. It constitutes an authority with technical quality and promoter of government orders in the integrated management of water resources and their inherent public goods and protects water bodies to guarantee sustainable development and preserve the environment.
- Mexican Institute of Water Technology (IMTA for its initials in Spanish): it is a public center for research and technological development that works in the various areas of water resources management, in the areas of basic and applied research, development and transfer of technology, specialized advice, training of human resources, dissemination and dissemination of knowledge to contribute to protecting and conserving the country's water resources.
- Federal Attorney for Environmental Protection (PROFEPA for its initials in Spanish): PROFEPA's main task is to increase the levels of compliance with environmental regulations, in order to contribute to sustainable development and enforce environmental laws.
- Secretary of Welfare, (formerly Secretary of Social Development): defines the commitments of the administration to advance in the achievement of effective social development. Formulates and coordinates the solidarity and subsidiary social policy of the federal government, oriented towards the common good, and executes it in a co-responsible manner with society.

1.6. Regulations for Panama

The electricity sector in Panama is divided into three areas of activities: generation, transmission and distribution. The country has a regulatory structure in place for the electricity industry, based on legislation passed between 1996 and 1998. This framework creates an independent regulator, the National Public Services Authority (ASEP), and creates a transparent process for setting rates for the sale of energy to regulated customers.

1.6.1. Regulatory framework

The regulatory regime is mainly composed of the following rules:

- Law 6 of February 3, 1997: dictates the regulatory and institutional framework for the provision of public electricity service. It establishes the regime to which the activities of distribution, generation, transmission and commercialization of electrical energy will be subject.
- Law 57 of October 13, 2009: several modifications are made to Law 6 of 1997, among which are: the obligation of generating companies to participate in the processes of purchasing energy or power, the obligation for the Electric Transmission Company SA (ETESA for its initials in Spanish) to buy energy on behalf of the distributors, and the increase in the fines that the regulator can impose up to $20 million balboas, while establishing the right of customers to refrain from paying for the portion they claim and grants a term of 30 days to claim before the regulator in case of not being satisfied with the response given by the distributor.
- Law 58 of May 30, 2011: the articles related to rural electrification are modified, among which are: the modification of the calculation of the subsidy that the Rural Electrification Office (OER for its initials in Spanish) must pay to the distributors for a period of 4 years (before it was paid for 20 years) and the creation of a rural electrification fund for 4 years, which will be made up of

contributions from market agents that sell electricity and will not exceed 1% of their net income before taxes.

1.6.2. Regulatory entities

Some of the main regulatory entities at the energy field in Panama are:

- The Secretary of Energy: its mission is to formulate, propose and promote the national energy policy in order to guarantee the security of supply, the rational and efficient use of resources and energy in a sustainable manner, according to the National Development Plan. It is currently negotiating with the Electricity Transmission Company (ETESA for its initials in Spanish) the formation of an energy matrix with greater and more varied renewable and clean resources (wind, gas, among others).

- The National Public Services Authority (ASEP for its initials in Spanish): established in accordance with the 1996 Public Services Regulatory Entity Law. It is an autonomous entity of the Government with responsibility for regulating, controlling and supervising the provision of water and electricity services and sanitary sewage, telecommunications, radio and television, electricity and natural gas.

  On February 22, 2006, by Decree Law 10, the Regulatory Entity of Public Services (ERSP for its initials in Spanish) was restructured and changed its name, for which since April 2006 it is known as ASEP, with the same responsibilities and functions that it had. the regulatory entity, but with a general administrator and an executive director, each appointed by the President of the Republic of Panama and ratified by the National Assembly. Likewise, it has three national directors under the authority of the general administrator, one for the electricity and water sector, one for the telecommunications sector and one for the user service sector. The national directors are responsible for issuing resolutions related to their respective industries and appeals to them are resolved by the general administrator as the final stage of the administrative process.

- The Planning Unit of the Electricity Transmission Company (ETESA): prepares the reference expansion plans and projects the global energy requirements and the ways to satisfy such requirements, including the development of alternative sources and establishing programs to conserve and optimize the energy use. Public service companies are required to prepare and submit their expansion plans to ETESA.

- The National Dispatch Center (CND): is operated by ETESA. Plans, supervises and controls the integrated operation of the National Interconnected System. Receives offers from generators that participate in the energy sales market (spot), determines energy spot prices, manages the transmission network and provides settlement values between suppliers, producers and consumers, among others.

- The Rural Electrification Office (OER): is responsible for promoting electrification in rural areas that are not served, are not profitable, and are not granted concessions.

Note 2. Significant accounting policies

2.1 Basis for the preparation of the financial statements

The Group's consolidated financial statements are prepared in accordance with the Accounting and Financial Reporting Standards accepted in Colombia (NCIF) and adopted by the General Accounting Office of the Nation through Resolution 037 of 2017, Resolution 056 of 2020, Resolution 035 and 0197 of 2021 and Resolution CGN 267 of 2022 (hereinafter, IFRS adopted in Colombia). These accounting and financial reporting standards are based on the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), as well as the interpretations issued by the Interpretations Committee (IFRIC). These financial statements are harmonized with the accounting principles generally accepted in Colombia enshrined in the Appendix to Decree 2420 of 2015 and its subsequent amendments.

The presentation of the financial statements in accordance with the IFRS adopted in Colombia requires making estimates and assumptions that affect the amounts reported and disclosed in the financial statements, without undermining the reliability of the financial information. Actual results may differ from such estimates. Estimates and assumptions are constantly reviewed. The review of accounting estimates is recognized for the period in which they are reviewed if the review affects said period or in the review period and future periods. The estimates made by Management when applying the IFRS adopted in Colombia, which have a material effect on the financial statements, and those that imply significant judgments for the annual financial statements, are described in greater detail in Note 3 Significant accounting judgments, estimates and causes of uncertainty in the preparation of the financial statements.

EPM and each of the subsidiaries present separate or individual financial statements, as appropriate, for compliance with the control entities and for internal administrative monitoring and providing information to investors.

Assets and liabilities are measured at cost or amortized cost, except for certain financial assets and liabilities and investment properties that are measured at fair value. Financial assets and liabilities measured at fair value correspond to those that are classified in the category of assets and liabilities at fair value through results, some equity investments at fair value through equity, as well as all financial derivative assets and recognized liabilities that are designated as hedged items in a fair value hedge, whose carrying amount is adjusted for changes in fair value attributed to the hedged risks.

2.2 Basis of consolidation

The consolidated financial statements include the financial statements of EPM and its subsidiaries as of December 31, 2023 and 2022. Using the global integration method, EPM consolidates the financial results of the companies over which it exercises control, which are detailed in Note 9 Investments in subsidiaries.

Control is obtained when any of the Group companies controls the relevant activities of the subsidiary, which are generally operating and financing activities, is exposed, or has rights, to the variable returns of the latter and has the ability to use its power on the subsidiary to influence its returns.

There is generally a presumption that a majority of the voting rights result in control. To support this presumption, and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances to assess whether it has power over an investee, including contractual arrangements with other voting holders of the investee, the rights derived from other contractual agreements and the voting rights of the Group as potential voting rights. The Group reassesses whether or not it controls the investee if the facts and circumstances indicate that there are changes in one or more of the three elements of control.

The Group's consolidated financial statements are presented in Colombian pesos, which is both the functional currency and the presentation currency of EPM, the Group's parent company. Each subsidiary of the Group determines its own functional currency and includes the items in its financial statements using that functional currency.

The information of all the companies of the Group was prepared using the same accounting policies of the Group, according to the IFRS adopted in Colombia.

For consolidation purposes, the financial statements of the subsidiaries are prepared under the Group's accounting policies and are included in the consolidated financial statements from the date of acquisition to the date on which the Group loses its control.

Assets, liabilities, equity, income, costs, expenses and intragroup cash flows are eliminated in the preparation of the consolidated financial statements; that is, those related to transactions between the Group Companies, including unrealized internal results, which are eliminated in full.

The consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ends when the Group loses control. Specifically, the income and expenses of a subsidiary acquired or sold during the year are included in the consolidated statement of comprehensive income from the date the Group obtains control until the date it ceases to control the subsidiary.

When the Group loses control over a subsidiary, the assets (including goodwill), liabilities, non-controlling interest and other components of equity are derecognized; any residual participation that is retained is measured at fair value, the gains or losses arising from this measurement are recognized in the result of the period.

Non-controlling interests in the net assets of subsidiaries are presented separately from the Group's equity. Profit for the period and other comprehensive income are also attributed to non-controlling and controlling interests.

Changes in the Group's interest in subsidiaries that do not result in the loss of control are accounted for as equity transactions. The carrying amount of the Group's controlling interests and the non-controlling interest is adjusted to reflect changes in their relative interests in the subsidiaries. Any difference between the amount by which the controlling interest, the non-controlling interest and the fair value of the consideration paid or received are adjusted, is recognized directly in equity.

When the Group loses control over a subsidiary, the profit or loss is recognized in the statement of profit or loss and is calculated as the difference between the sum of the fair value of the consideration received and the fair value of any interest retained and the previous carrying amount of the assets (including goodwill) and liabilities of the subsidiary and any non-controlling interest. All amounts related to the subsidiary, previously recognized in other comprehensive income, are accounted for as if the Group had directly disposed of its related assets or liabilities (that is, reclassified to profit or loss or transferred to another category of equity as permitted, by the applicable IFRS and adopted in Colombia). The fair value of the investment retained in the former subsidiary on the date control is lost is considered as the fair value at initial recognition for subsequent measurement, either as an investment in a financial instrument or an investment in a joint venture or in an associate.

2.3 Classification of assets and liabilities as current or non-current

An asset is classified as a current asset when it is held primarily for trading purposes or is expected to be realized within a period not exceeding one year after the reporting period or is cash and cash equivalents that are not subject to restrictions on their exchange or for their use in settling a liability at least one year after the reporting period. All other assets are classified as non-current assets.

A liability is classified as a current liability when it is held primarily for trading purposes, or when it is expected to be settled within a period not exceeding one year after the reporting period, or when the Group does not have an unconditional right to postpone its liquidation for at least one year after the reporting period. All other liabilities are classified as non-current liabilities.

Derivative instruments that are not subject to hedge accounting are classified as current or non-current, or separated into current and non-current portions, based on an evaluation of the facts and circumstances (that is, the underlying contractual cash flows):

- When the Group maintains a derivative, to which hedge accounting is not applied, for a period of more than twelve (12) months from the presentation date, the derivative is classified as non-current (or divided into portions current and non-current) to correspond to the classification of the underlying item.
- Derivative instruments that are designated as hedging instruments and that are effective are classified consistent with the classification of the underlying hedged item. The derivative instrument is divided into a current and a non-current portion only if such allocation can be made reliably.

2.4 Cash and cash equivalents

Cash and cash equivalents in the consolidated statement of financial position and in the consolidated statement of cash flows include cash on hand and at banks and highly liquid investments, readily convertible into a determined amount of cash and subject to an insignificant risk of changes in value, with a maturity of three months or less from the date of acquisition. Bank overdrafts that are an integral part of the Group's cash management represent a component of cash and cash equivalents in the consolidated statement of cash flows.

2.5 Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence over financial and operating policy decisions, without having control or joint control.

A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

At the acquisition date, the excess of the cost of acquisition over the portion of the net fair value of the identifiable assets, liabilities and contingent liabilities assumed of the associate or joint venture is recognized as goodwill. Goodwill is included in the carrying amount of the investment and is not amortized or individually tested for impairment.

Investments in associates and joint ventures are measured in the consolidated financial statements by the equity method, except if the investment or a portion thereof is classified as held for sale, in which case it is accounted for in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations. Through this accounting methodology, the investment is initially recorded at cost and subsequently adjusted for post-acquisition changes in the investor's portion of the entity's net assets. The Group's profit or loss for the period includes its share of the investee's profit or loss for the period and the Group's other comprehensive income includes its share of the investee's other comprehensive income. When there are changes in the percentages of ownership interest in the associate or joint venture that do not imply a loss of significant influence or joint control, the effect of these changes is recognized directly in equity. When the Group's share of losses of an associate or joint venture exceeds the Group's interest in the associate or joint venture (which includes any long-term interest that, in substance, forms part of the Group's net investment in the associate or joint venture), the Group discontinues recognizing its share of future losses. Additional losses are recognized to the extent that the Group has incurred any legal or constructive obligations or made payments on behalf of the associate or joint venture. When the associate or joint venture subsequently earns profits, the company resumes recognizing its share of those profits only after its share of those profits equals its share of the unrecognized losses.

Investments in associates and joint ventures are accounted for using the equity method from the date on which the investee becomes an associate or joint venture.

Dividends received from the associate or joint venture are recognized as a reduction in the value of the investment when the company's right to receive payment is established.

The Group periodically analyzes the existence of impairment indicators and if necessary, recognizes impairment losses on the investment in the associate or joint venture. Impairment losses are recognized in profit or loss for the period and are calculated as the difference between the recoverable amount of the associate or joint venture, being the higher of its value-in-use and its fair value less costs to sell, and its carrying amount.

When significant influence over the associate or joint control over the joint venture is lost, the Group measures and recognizes any residual investment in the associate or joint venture at fair value. The difference between the carrying amount of the associate or joint venture and the fair value of the retained residual investment, with the value arising from its sale, is recognized in profit or loss for the period.

The Group discontinues the use of the equity method from the date on which the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale. In addition, the Group records all amounts previously recognized in other comprehensive income in respect of that associate or joint venture on the same basis as would have been required if that associate or joint venture sold the financial assets or liabilities directly. Therefore, if a gain or loss previously recognized in other comprehensive income by the associate or joint venture would have been reclassified to profit or loss upon the sale of the related assets or liabilities, the Group would reclassify the gain or loss from equity to profit or loss (as a reclassification adjustment) at the time it discontinues the use of the equity method.

2.6 Joint operation

It is a joint arrangement whereby the parties with joint control of the arrangement have rights to the assets, and obligations for the liabilities, related to the arrangement.

In joint operations, the Group recognizes its participation as follows: its assets, including its participation in the assets held jointly; its liabilities, including its share of jointly incurred liabilities; its revenue from ordinary activities from the sale of its interest in the proceeds arising from the joint operation; its participation in the income from ordinary activities from the sale of the product carried out by the joint operation; and your expenses, including your share of expenses incurred jointly. The Group records the assets, liabilities, income from ordinary activities and expenses related to its participation in a joint operation in accordance with the guidelines applicable to assets, liabilities, income from ordinary activities and expenses.

2.7 Functional currency and foreign currency

The financial statements of the Group are presented in Colombian pesos, which is the functional and presentation currency of the parent company.

Transactions in foreign currency are initially recorded at the functional currency exchange rates in effect on the date of the transaction. Subsequently, monetary assets and liabilities in foreign currency are converted at the functional currency exchange rate in effect at the closing date of the period, non-monetary items that are measured at fair value are converted using exchange rates at the date on which their fair value is determined and the non-monetary items that are measured at historical cost are translated using the exchange rates in force at the date of the original transactions.

All exchange differences are recognized in income for the period, except for adjustments originating from capitalizable interest costs and from loans in foreign currency to the extent that they are considered as adjustments to interest costs.

For the presentation of the consolidated financial statements of the Group, the assets, and liabilities of the foreign businesses, including goodwill and any adjustment to the fair value of the assets and liabilities arising from the acquisition, are translated into Colombian pesos at the rate exchange rate in force at the closing date of the reporting period. Revenues, costs and expenses and cash flows are translated at the average exchange rates for the period.

Exchange differences arising from the conversion of foreign operations are recognized in other comprehensive income, as are exchange differences on long-term accounts receivable or payable that are part of the net investment in the Foreign. In the disposal of the foreign business, the item of other comprehensive income that is related to the foreign business is recognized in the period result.

The adjustments corresponding to goodwill and the fair value of identifiable assets and liabilities acquired generated in the acquisition of a business abroad are considered as assets and liabilities of said operation and are translated at the exchange rate in force at the end of each period on which is reported. The exchange differences that arise will be recognized in other comprehensive income.

Additionally, with respect to the partial disposal of a subsidiary (which includes a foreign operation), the entity will reattribute the proportional part of the accumulated amount of the exchange differences to the non-controlling interests and they are not recognized in profit or loss. In any other partial disposal (that is, partial disposal of associates or joint agreements that do not involve the loss of significant influence and joint control by the Group) the entity will reclassify to profit or loss only the proportional part of the accumulated amount of the differences in change.

2.8 Revenue from ordinary activities

Which is the provision of energy, gas, water supply and sanitation services, and is recognized when the service is provided or at the time of the delivery of goods, to the extent that performance obligations are met by the Group, when the service has been provided and has not been billed, the accrual of income is made as an estimate. Revenues are measured at the value of the consideration received or to be received, excluding taxes or other obligations. Discounts, customer compensation for quality of service and financial components that are granted, are recorded as an adjustment to the value of income. The financing component is only recognized if the contract with customers has a duration of more than one year.

The most representative revenues of the energy business in Colombia are as follows:

Reliability charge: remuneration paid to a generating agent for the availability of generation assets with the characteristics and parameters declared for the calculation of firm energy for the reliability charge - ENFICC, which guarantees compliance with the Firm Energy Obligation - OEF that was assigned in an auction for the assignment of firm energy obligations or in the mechanism that takes its place.

Long-term contracts: contract for the purchase and sale of energy entered between trading agents and generators that is settled in the energy exchange. Under this type of energy contract, generators and traders freely agree on quantities and prices for the purchase and sale of energy. electricity in terms of more than one day.

In the case of long-term energy purchase contracts, which have prices lower than those of the market and whose intention is not to use the energy purchased in the operation but to resell it in a market to obtain benefits, it is considered that it does not comply with the own use exception.

Secondary firm energy market or secondary market: bilateral market in which generators negotiate a support contract among themselves to guarantee, for a certain period, the partial or total fulfillment of the firm energy obligations acquired by one of them.

Sale of non-regulated market energy: It is the energy that is sold in the market to customers whose maximum demand is greater than a value in MW (megawatt for its acronym in English) or a minimum monthly energy consumption in MWh (megawatt per hour per its acronym in English), defined by the regulatory entity, by legalized installation, from which it does not use public electricity transmission networks and uses it in the same property or adjoining properties. Your electricity purchases are made at prices freely agreed between the buyer and the seller.

Sale of regulated market energy: It is the energy that is sold to clients whose monthly consumption is less than a predetermined value and is not empowered to negotiate the price paid for it, since both concepts are established by regulation; It usually uses energy for its own consumption or as an input for its manufacturing processes and not to develop its commercialization activities.

Automatic generation regulation – AGC (for its initials in Spanish): it is a system for the control of secondary regulation, used to monitor load variations through generation, control the frequency within an operating range and scheduled exchanges. The AGC can be programmed in a centralized, decentralized, or hierarchical mode.

Firm energy: is the incremental contribution of a company's generation plants to the interconnected system, which is carried out with a reliability of 95% and is calculated based on a methodology approved by the Commission and on the operational planning models used in the national interconnected system.

Gas revenues come from the distribution and sale of natural gas to the regulated and unregulated market.

In the water business, revenues come from the provision of aqueduct and sewage services.

The other countries where the Group provides its services, including energy services, have their own regulations, which are described for each country in the Legal and regulatory framework in note 1.

At the time of revenue recognition, the Group evaluates based on specific criteria to identify when it acts as principal or commission agent and thus determines whether revenue should be recognized gross or net for marketing activities.

2.9 Contract with customers

When the results of the contract can be measured reliably, the Group recognizes the income and expenses associated with contracts with customers, measuring the degree of progress in the satisfaction of the performance obligations using the input method based on the proportion that the incurred costs represent for work performed to date and the estimated total costs to completion.

The cost incurred comprises the costs, including borrowing costs, directly related to the contract, until the work has been completed. Administrative costs are recognized in income for the period.

On the other hand, the incremental costs incurred by the Group to obtain or fulfill contracts with customers are recognized as an asset in the statement of financial position under other assets and are amortized on a straight-line basis over the term of the contract, provided that the term of the contract exceeds one year. Otherwise, the Group recognizes it directly in the result of the period.

Payments received from the client before the corresponding work has been carried out are recognized as a liability in the statement of financial position as other liabilities.

The difference between the income recognized in the result of the period and the billing is presented as an asset in the statement of financial position called Trade debtors and other accounts receivable, or as a liability called other liabilities.

In the initial recognition of an account receivable from a contract with a customer, the difference between the measurement of the account receivable and the value of the corresponding income is presented as an expense in the statement of comprehensive income called Impairment of accounts receivable.

2.10 Premiums issued and acquisition costs

Premiums issued comprise the total premiums receivable for the coverage period. Income from premiums issued is recognized proportionally, throughout the duration of the policy; the income from these premiums is reduced by cancellations and annulments; In the case of cancellations, it corresponds to the amount of the premium accrued until the moment of cancellation due to the expiration of the term for payment.

Income from premiums accepted in reinsurance is accrued at the time of receiving the corresponding account statements from the reinsurers.

Unearned premiums are calculated separately for each individual policy to cover the remaining portion of premiums issued.

2.11 Deferred income reinsurance commission

The deferred commissions in the development of its reinsurance activity are recorded in the Group, where the income for the amounts collected is deferred from the commissions to the reinsurers for the cessions of premiums made each month. The reinsurer pays the ceding company a commission on the premiums it receives to offset the costs of capturing the business and maintaining the portfolio. The value of the commission is established as a percentage of the premium and will depend on the negotiation made.

2.12 Reinsurance

The Group considers reinsurance as a contractual relationship between an insurance company and a reinsurance company, in which the former totally or partially transfers to the reinsurer the risk(s) assumed with its policyholders.

Premiums corresponding to ceded reinsurance are recorded in accordance with the conditions of the reinsurance contracts and under the same criteria as direct insurance contracts.

All accounts receivable and accounts payable generated in the relationship with the reinsurer are handled independently and are not subject to compensation.

2.13 Government grants

Government grants are recognized at fair value when there is reasonable assurance that they will be received, and all conditions attached to them will be met. Grants intended to offset costs and expenses, already incurred, without subsequent related costs, are recognized in income for the period in which they become payable. When the grant is related to an asset, it is recorded as deferred income and recognized in profit or loss on a systematic basis over the estimated useful life of the corresponding asset. The benefit of a state loan at a below-market interest rate is treated as a government grant, measured as the difference between the amounts received and the fair value of the loan based on the market interest rate.

2.14 Taxes

The tax structure of each country where the Group companies are located, the regulatory frameworks and the plurality of operations carried out by the companies make each company subject to national and territorial taxes, fees and contributions. They are obligations that arise from the Nation, the departments, municipal entities and other active subjects, once the conditions provided for in the corresponding issued regulations are met.

The most relevant taxes include income tax and sales tax:

Income tax

- **Current:** current assets and liabilities for income tax for the period are measured by the values that are expected to be recovered or paid to the tax authority. The income tax expense is recognized in the current tax according to the filtering carried out between the tax income and the accounting profit or loss affected by the income tax rate of the current year and in accordance with the provisions of the tax regulations from the country. The tax rates and regulations used to compute these values are those that are enacted or substantially approved at the end of the reporting period, in the country in which the Group operates and generates taxable profits.

  Taxable profit differs from profit reported in profit or loss due to income and expense items that are taxable or deductible in other years, and items that will not be taxable or deductible in the future.

  Current assets and liabilities for income tax are also offset if they relate to the same tax authority and it is intended to settle them at net value or to realize the asset and settle the liability simultaneously.

- **Deferred:** deferred income tax is recognized using the liability method calculated on the temporary differences between the tax bases of assets and liabilities and their carrying amounts. Passive deferred tax is generally recognized for all taxable temporary differences, while active deferred tax is recognized for all deductible temporary differences and for future offsetting of unused tax credits and tax losses to the extent that future tax gains are likely to be available against which they can be allocated. Deferred taxes are not deducted.

  Deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition of an asset or a liability in a transaction that does not constitute a business combination and that, at the time of the transaction, affected neither accounting profit nor tax gain or loss; and in the case of the deferred tax liability when it arises from the initial recognition of goodwill.

  Deferred tax liabilities related to investments in subsidiaries, associates and interests in joint ventures are not recognized when the timing of the reversal of temporary differences can be controlled and it is probable that those differences will not be reversed in the near future. Deferred tax assets related to investments in subsidiaries, associates and interests in joint ventures are recognized only to the extent that it is probable that the temporary differences will be reversed in the near future, and it is probable that future taxable profits will be available against which These deductible differences will be charged.

The carrying amount of deferred tax assets is reviewed at each reporting date and is reduced to the extent that it is no longer probable that there will be sufficient taxable profit to use all or part of the deferred tax asset. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it is probable that future tax gains will allow their recovery.

Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied in the period in which the asset is realized, or the liability is canceled based on the tax rates and regulations that were approved at the presentation date. or whose approval procedure is close to being completed by that date. The measurement of deferred tax assets and liabilities will reflect the tax consequences that would arise from the way in which the entity expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities should be presented as non-current.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to do so and they are with the same tax authority.

Deferred tax is recognized in income for the period, except for that related to items recognized outside income; in this case, it will be presented in the other comprehensive income or directly in equity.

For measuring deferred tax liabilities and deferred tax assets for investment properties that are measured using the fair value model, the carrying amount of such properties is presumed to be fully recovered through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all the economic benefits generated by the investment property over time, and not through sale. The directors reviewed the Group's investment property portfolio and concluded that none of the Group's investment properties are held under a business model whose objective is to consume substantially all the economic benefits generated by the investment properties over time and not through sale. Therefore, the directors have determined that the presumption of “sale” established in the amendments to IAS 12 Income Tax applies.

When the current tax or deferred tax arises from the initial accounting of the business combination, the tax effect is considered within the accounting of the business combination.

- **Sales tax - VAT:** the companies of the Group located in Colombia, which make sales of movable property and provide taxable services or obtain exempt income from exports, are liable for the common regime of this tax; the sale or assignment of rights over intangible assets, associated with industrial property and the importation of tangible goods are also acts subject to VAT. Currently, in Colombia, energy, aqueduct, sewerage, public sanitation services, and public garbage collection services and household gas services are excluded from this tax.

  The general rate is 19% and there is a differential rate of 5%.

  In Colombia, in the generation of income excluded in the case of residential public services, the VAT paid on purchases is part of a higher cost value. Likewise, when taxable income is generated, that is, when taxable goods or services are sold, the VAT paid on the purchase or acquisition of inputs for these sales will be deductible from the value of the tax payable. When the company generates income that is excluded from VAT, but at the same time generates income that is exempt and taxed, it must make an apportionment of the VAT paid to determine the percentage of VAT to be deducted.

  In Panama, the Tax on the Transfer of Material Goods and Services (ITBMS) is generated by the transfer of movable tangible property, the provision of services, the leasing of movable property located in the country and the importation of goods from abroad. The general tax rate is 7%, but there are also 10% and 15% rates.

  In Guatemala, the alienation of movable property, the provision of services, imports, leasing of movable and immovable property, dation in payment of movable and immovable property, self-consumption of goods and other operations with real estate, such as the first sale of them that generate Value Added Tax. The fee is 12%; but it is reduced to 5% in the sales of small taxpayers, there are exempt goods with a 0% rate and in the sale of used vehicles a fixed amount is charged. The tax period is monthly, and its effect is translational towards the final consumer.

The Value Added Tax in El Salvador has a general rate of 13% and there are exempt goods (0% rate). The tax is levied on the transfer of tangible personal property and the provision of services; the importation of services; the import and export of tangible personal property; and the self-consumption of inventories or the transfer of tangibles for promotional purposes. However, the transfer of fixed assets that have been used for four years or more is not subject to tax.

In Mexico, Value Added Tax is levied in its territory for acts or activities such as the sale of goods, the provision of independent services, the temporary use or enjoyment of goods, the export and import of goods and services, and the offer of digital services provided by residents abroad. The general rate is 16%, however, there are acts taxed at 0%, exempt and not subject to the tax.

The value added tax (VAT) in Chile is applied to sales and other transfer operations of tangible movable and immovable property, except land; to the provision of services, provided or used in the country; to the import of goods; to withdrawals from inventory, contributions in kind and leasing of personal property; as well as the recurring or habitual sale of real estate, but the land is exempt, so it must be subtracted from the VAT tax base to determine the tax. The general tax rate is 19%.

2.15 Property, plant, and equipment

Property, plant, and equipment are measured at cost, net of accumulated depreciation, and accumulated impairment losses if any. The cost includes the acquisition price, the costs directly related to the location of the asset in the place and the necessary conditions for it to operate in the manner intended by the Group, the costs for loans of the projects under construction that take a substantial period to be completed, if the recognition requirements are met, and the present value of the expected cost of dismantling the asset after use if the recognition criteria for a provision are met.

Construction in progress is measured at cost less any recognized impairment loss and includes those expenditures that are essential and directly related to the construction of the asset, such as professional fees, supervision, civil works, and, in the case of those qualifying assets, borrowing costs are capitalized. Such construction in progress is classified into the appropriate categories of property, plant, and equipment at the time of its completion and when it is ready for use. The depreciation of these assets begins when they are ready for use according to the same basis as in the case of other items of property, plant, and equipment.

The Group capitalizes as a higher value of the assets, the additions or improvements made on them, if they meet any of the following conditions: a) they increase the useful life, b) they extend the productive capacity and operating efficiency of the same and c) reduce costs for the Group. All other repair and maintenance costs are recognized in the statement of comprehensive income as incurred.

Inventories of spare parts for specific projects, which are not expected to rotate in one year and meet the criteria to be capitalized, known as replacement assets, are presented under other property, plant, and equipment. They are depreciated considering the time spent in the warehouse and the technical useful life of the asset once its use begins.

Depreciation begins when the asset is available for use and is calculated on a straight-line basis over the estimated useful life of the asset as follows:

Plants, ducts and tunnels	
Civil work	50 to 100 years
Equipment	10 to 100 years
Networks, lines, and cables	
Electric transmission network	30 to 40 years
Power distribution network	30 to 40 years
Aqueduct network	40 to 80 years
Network Wastewater	30 to 80 years
Gas network	60 to 80 years
Buildings	50 to 100 years
Communication and computer equipment	5 to 40 years
Machinery and equipment	7 to 40 years
Furniture, fixtures and office equipment	10 to 15 years
Land (1)	10 to 20 years

(1) Corresponds to the subsidiary Emvarias that exhausts the land on which it carries out the final disposal activity due to the detriment it suffers with the disposal of solid waste, degradation and environmental recovery period that goes beyond 20 years.

Useful lives are determined considering, among others, the manufacturer's technical specifications, the knowledge of the technicians who operate and maintain the assets, the geographical location, and the conditions to which it is exposed.

The Group calculates depreciation by components, which implies individually depreciating the parts of the asset that have different useful lives. The depreciation method used is straight line; the residual value calculated for the assets is not part of the depreciable amount.

A component of property, plant, and equipment and any significant part initially recognized is derecognized upon disposal or when future economic benefits are not expected from their use or disposal. The gain or loss at the time of derecognition of the asset, calculated as the difference between the net value of the disposal and the carrying amount of the asset, is included in the statement of comprehensive income.

Assets classified temporarily out of service continue to depreciate and are tested for impairment within the CGU to which they are assigned.

Depreciation methods, useful lives, and residual values are reviewed at each reporting date and adjusted if required.

2.16 Leases

The determination of whether an arrangement constitutes or contains a lease is based on the substance of the arrangement at its commencement date, considering whether fulfillment of the arrangement requires the use of an asset and whether it transfers the right to control the use of that asset by a period of time, in exchange for a consideration.

On the start date of the lease contract, the Group acting as lessee recognizes an asset for right of use and a liability for lease, except for leases with a term of less than 12 months or those whose new value of the underlying asset is less than 15 (fifteen) current legal minimum wages (SMMLV for its Spanish initials).

The Group acting as lessor classifies the lease as operating or financial. A lease is classified as a finance lease when the risks and rewards inherent to ownership of the leased asset are substantially transferred to the lessee; otherwise, it is classified as an operating lease.

EPM Group as lessee

Right-of-use assets are recognized and presented as assets in the statement of financial position at the inception of the lease at cost, which includes the value of the lease liability, initial direct costs, payments made in advance, incentives, estimated decommissioning costs, among others. The corresponding liability is included in the statement of financial position as a lease liability, which is measured as the present value of future lease payments discounted using the interest rate implicit in the contract, if readily determinable, otherwise the Company's incremental borrowing rate is used. Future lease payments comprise fixed payments, variable payments, incentives receivable, residual value guarantees expected to be paid, the purchase option price and the payment of penalties for early termination of the contract.

Right-of-use assets are amortized over the useful life of the asset using the straight-line method, if ownership of the underlying asset is transferred at the end of the contract or if a purchase option is exercised. If ownership of the underlying asset is not transferred at the end of the lease term or an option to purchase the asset is not exercised, the asset is amortized only to the end of its useful life or lease term, whichever comes first.

Lease payments are divided between financial expenses and debt repayment. Financial charges are recognized in income for the period unless they can be directly attributable to qualifying assets, in which case they are capitalized in accordance with the Group's policy for borrowing costs. Variable lease payments, which depend on an index or a rate, are included in the measurement of the lease liability. Leases with a duration of less than 12 months or those whose new value of the underlying asset is less than 15 (fifteen) SMMLV are recognized as operating leases in the result of the period throughout the term of the lease.

EPM Group as lessor

Assets leased under financial leases are not presented as property, plant, and equipment since the risks associated with the property have been transferred to the lessee, instead, an account receivable is recognized for a value equal to the net investment in the lease.

When a lease agreement includes components of land and buildings together, the Group assesses the classification of each component separately as a financial or operating lease. If the lease payments cannot be allocated reliably between these two components, the entire lease is classified as a finance lease, unless it is clear that both components are operating leases, in which case the entire lease is classified as an operating lease.

Variable lease income, which depends on an index or rate, is included in the valuation of net lease investment.

The initial direct costs, such as commissions, fees, legal and internal costs that are incremental and directly attributable to the negotiation and contracting of the lease, are included in the measurement of the net investment in the lease at the beginning and are reflected in the calculation of the implicit interest rate.

When the lease is classified as an operating lease, lease payments are recognized as revenue on a straight-line basis or on another systematic basis, provided that it is more representative of the structure by which the benefit from the use of the underlying asset is diminished.

2.17 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction, or production of an asset that necessarily take a substantial period of time to prepare for its intended use or sale, are capitalized as part of the cost of the respective assets until the asset is ready for its intended use. The income received for the temporary investment in specific pending loans to be consumed in qualifying assets is deducted from the costs for loans suitable for capitalization. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs incurred by the Group in connection with borrowing funds. To the extent that the funds come from generic loans and are used to obtain a qualifying asset, the value of the costs eligible for capitalization is determined by applying a capitalization rate (weighted average of the costs for loans applicable to the general loans outstanding during the period) to the disbursements made on that asset.

The capitalization of borrowing costs begins on the date on which the following conditions are met:

- Disbursements are incurred in relation to the asset.
- Borrowing costs are incurred, and
- Activities necessary to prepare the asset for its intended use or for sale are carried out.

The capitalization of loan costs is suspended during periods in which the activities of a qualified asset are interrupted for periods greater than one year. However, the capitalization of borrowing costs is not interrupted for a period if important technical or administrative actions are being carried out. Capitalization of borrowing costs is also not suspended when a temporary delay is necessary as part of the process of preparing a qualifying asset for use or sale.

Capitalization of borrowing costs is completed when substantially all activities necessary to prepare the qualifying asset for use or sale have been completed. When the asset has components that can be used separately while construction continues, the capitalization of borrowing costs on such components is stopped.

2.18 Investment property

Investment property is land or buildings or part of a building or both, held to earn rentals or for capital appreciation (including investment property under construction for such purposes). Investment properties are initially measured at cost, including transaction costs. The carrying amount includes the cost of replacement or substitution of a part of an existing investment property at the time the cost is incurred if the recognition criteria are met and excludes the costs of daily maintenance of the investment property.

After initial recognition, investment properties are measured at fair value reflecting market conditions at the reporting date. Gains and losses arising from changes in the fair values of investment properties are included in the statement of comprehensive income in the section results for the period in the period in which they arise.

Investment properties are derecognized, either at the time of disposal, or when permanently withdrawn from use, and no future economic benefit is expected. The difference between the net value obtained from the disposal and the carrying amount of the asset is recognized in the statement of comprehensive income in the section results for the period in the period in which it was written off.

Transfers to or from investment properties are made only when there is a change in their use. In the case of a transfer from an investment property to property, plant, and equipment, the cost considered for subsequent accounting is the fair value at the date of the change in use. If a property, plant, and equipment become an investment property, it will be accounted for at its fair value, the difference between the fair value and the carrying amount will be recorded as a revaluation applying IAS 16 Property, plant, and equipment.

2.19 Intangible assets

Intangible assets acquired separately are initially measured at cost. The cost of intangible assets acquired in business combinations is their fair value at the acquisition date. After initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment loss. Intangible assets generated internally are capitalized if they meet the criteria for recognition as an asset and the generation of the asset must be classified into the research phase and development phase; If it is not possible to distinguish the research phase from the development phase, the disbursements must be reflected in the statement of comprehensive income in the period in which they are incurred.

The useful lives of intangible assets are determined as finite or indefinite. Intangible assets with finite useful lives are amortized over their economic useful life in a straight line and are evaluated to determine if they had any impairment in value, whenever there are indications that the intangible asset could have suffered such impairment. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each period. Changes in the expected useful life or in the expected pattern of consumption of the future economic benefits of the asset are accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The expense for amortization of intangible assets with finite useful lives is recognized in the statement of comprehensive income in the section results for the period in the category of expenses that is consistent with the function of the intangible asset.

Intangible assets with indefinite useful lives are not amortized, but rather are subject to annual tests to determine if they have suffered an impairment in value, either individually or by cash-generating unit - CGU. The indefinite life assessment is reviewed annually to determine if the indefinite life is still valid. If it is not, the change of useful life from indefinite to finite is made prospectively.

The useful lives of intangible assets are:

Similar concessions and rights	Depending on the term of the contract
Easements	Indefinite
Capitalized development costs	Indefinite
Software and computer applications	Indefinite/Finite 3 to 5 years
Licenses	Indefinite/Finite 3 to 5 years
Rights	Depending on the term of the contract
Other intangible assets	Indefinite/Finite 7 to 15 years

An intangible asset is derecognized upon disposal, or when no future economic benefits are expected from its use or disposal. The gains or losses that arise are measured by the difference between the value obtained in the disposal and the carrying amount of the asset, and are recognized in the statement of comprehensive income, section results for the period.

Research and development costs

Research costs are expensed as incurred. Disbursements for development in an individual project are recognized as an intangible asset when the Group can demonstrate:

- The technical feasibility of finalizing the intangible asset so that it is available for use or sale.
- Your intention to complete the asset and your ability to use or sell the asset.
- How the asset will generate future economic benefits, considering, among others, the existence of a market for the production generated by the intangible asset or for the asset itself, or the usefulness of the asset for the entity.
- The availability of technical and financial resources to complete the asset and to use and sell it.
- The ability to reliably measure disbursement during development.

In the statement of financial position, the asset for disbursements for development is recognized from the moment in which the element meets the conditions for its recognition established above, and they are recorded at cost less accumulated amortization and accumulated losses due to impairment of value.

When the development of an intangible asset related to a power generation project begins, the costs are accrued as construction in progress.

Asset amortization begins when development is complete, and the asset is available for use. It is amortized over the period of expected future economic benefit. During the development period, the asset is tested annually to determine if its value is impaired.

Research costs and development costs that do not qualify for capitalization are recorded as expenses in the statement of comprehensive income, results for the period section.

Goodwill

Goodwill represents the difference between the cost of a business combination and the fair value at the time of acquisition of the assets acquired, the liabilities assumed and the contingent liabilities of the acquiree.

Goodwill is not amortized, is measured at cost less any accumulated impairment loss and is subject to annual impairment tests or more frequently when there are indicators of impairment. Value impairment losses are recognized in the statement of comprehensive income in the section results for the period.

For CGUs that have goodwill assigned, value impairment is evaluated annually, which implies the calculation of the value-in-use of the CGUs to which it is being assigned. The calculation of the value-in-use requires the determination of the future cash flows that must arise from the CGUs and an appropriate discount rate to calculate the present value. When actual future cash flows are less than expected, an impairment loss may arise.

2.20 Financial instruments

financial instrument is a contract that gives rise to a financial asset in one entity and, simultaneously, to a financial liability or capital instrument in another entity.

Financial assets and liabilities are recognized in the statement of financial position when the Group becomes a party in accordance with the contractual conditions of the instrument.

2.20.1 Financial assets

The Group initially recognizes its financial assets at fair value. Transaction costs directly attributable to the financial asset are added to or deducted from their fair value if they are subsequently measured at amortized cost or fair value through other comprehensive income or are recognized immediately in the statement of comprehensive income if the assets are measured at fair value through profit or loss.

For subsequent measurement, financial assets are classified at amortized cost or at fair value (through other comprehensive income or through profit or loss) depending on the Group's business model for managing the financial assets and the characteristics of the contractual cash flows of the instrument.

- **Financial assets at fair value through profit or loss**

  Financial assets at fair value through profit or loss are assets whose contractual cash flows are highly liquid. The Group classifies a financial asset in this category if it is acquired mainly for the purpose of being sold in the short term.

  Investments made to optimize liquidity surpluses are included, that is, all those resources that are not immediately allocated to the development of the activities that constitute the corporate purpose of the company. The investment of excess liquidity is made under the criteria of transparency, security, liquidity and profitability, under the guidelines of adequate control and under market conditions without speculative spirit (EPM General Management Decree 2015-DECGGL-2059 of February 6 of 2015). Gains and losses arising from changes in fair value are included in the statement of comprehensive income under Financial Income or Expenses, in the period in which the mentioned changes in fair value occur.

  Dividend income is recognized when the Group's right to receive payment is established.

  At the same time, the Group can irrevocably designate a financial asset as measured at fair value through profit or loss.

- **Financial assets at fair value with changes in other comprehensive income**

  Assets measured at fair value with changes in other comprehensive income are classified as debt instruments that are held under a business model whose objective is to hold to collect the contractual cash flows and then sell the instruments, in addition, the instrument grants, on specific dates, cash flows that correspond solely to payments of principal and interest on the value of the outstanding principal.

  Variations in the fair value of the investment are recorded in other comprehensive income, except for impairment losses or recoveries, interest income and foreign exchange gains and losses, which are recognized in profit or loss for the period.

  The Group has made the irrevocable election to present in other comprehensive income the subsequent changes in the fair value of some investments in equity instruments that are not held for trading. Dividends from this type of investment are recognized in income for the period when the right to receive payment is established.

  In the disposal of equity investments at fair value through other comprehensive income, the accumulated value of gains or losses is transferred directly to retained earnings and is not reclassified to income for the period.

- **Financial assets at amortized cost**

  A financial asset is subsequently measured at amortized cost using the effective interest rate[2] if the asset is held within a business model whose objective is to hold it to obtain the contractual cash flows and the contractual terms of the same that grant, on specific dates, cash flows that are solely payments of principal and interest on the principal value outstanding.

Impairment of financial instruments

At each reporting date, the Group recognizes value adjustment for expected credit losses on financial assets that are measured at amortized cost or at fair value with changes in other comprehensive income, including accounts receivable from leases, contract assets or loan commitments. and financial guarantee contracts to which the value impairment requirements are applied during the life of the asset.

Expected credit losses are estimated considering the probability that a bad debt loss may or may not occur and are recognized as a gain or loss in profit or loss for the period against a lower value of the financial asset. The Group assesses the credit risk of accounts receivable on a monthly basis at the time of reporting to determine the value adjustment for expected credit losses on financial assets and whether the general or simplified approach is used.

The Group assesses on a collective basis the expected losses for financial assets that are not individually significant. When the collective evaluation of expected losses is carried out, accounts receivable is grouped by similar credit risk characteristics, which allow identifying the debtor's payment capacity, in accordance with the contractual terms of negotiation of the account receivable.

The Group determines that the credit risk of a client increases significantly when there is a breach of the financial agreements by the counterparty, or when internal information or information obtained from external sources indicates that payment by the debtor is unlikely, without considering the guarantees held.

[2] The effective interest rate method is a method of calculating the amortized cost of a financial asset and allocating revenue over the relevant period. The effective interest rate is the discount rate that exactly matches the future cash flows of a financial asset (including all fees, commissions, and points paid or received that are an integral part of the effective interest rate, transaction costs, and other premiums and discounts) over the expected life of the instrument. or, if appropriate, a shorter period, at its book value at initial recognition.

Non-compliance with the agreements is generally measured in accordance with what is indicated in the service provision contracts and the regulations of the subsidiary in each country, however, there are individual agreements or contracts that indicate non-compliance immediately, the obligation is no longer met.

The Group determines that a financial asset is credit-impaired when there is a breach of the financial agreements by the counterparty, or when internal information or information obtained from external sources indicates that payment by the debtor is unlikely, without considering the guarantees maintained.

Credit risk is affected when there are changes in financial assets, the Group's policy to reassess the recognition of credit losses is: when there is a breach of financial agreements by the counterparty; o Information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, in full, without regard to the collateral maintained. The Group derecognizes the financial asset when there is information indicating that the counterparty is in severe financial difficulties and there is no realistic prospect of recovery, for example, where the counterparty has been placed into liquidation or has commenced bankruptcy proceedings or, in the case of accounts receivable, when the amounts exceed two years in arrears, whichever comes first.

Impaired financial assets may continue to be subject to collection execution activities under the Group's recovery procedures, considering legal collection where appropriate. The recoveries made are recognized in income for the period.

Derecognition of financial assets

A financial asset or part of it is derecognized from the statement of financial position when it is sold, transferred, expires or the Group loses control over the contractual rights or the cash flows of the instrument.

The Group derecognizes a financial asset when there is information indicating that the counterparty is in severe financial difficulties and there are no realistic prospects for recovery, when the counterparty has been put into liquidation or has initiated bankruptcy proceedings or, in the case of accounts receivable, when amounts exceed two years past due, whichever occurs first.

If the Group does not transfer or retain substantially all the risks and rewards inherent to ownership and continues to retain control of the transferred asset, the Group recognizes its share in the asset and the associated obligation for the amounts it would have to pay, likewise, if the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognize the financial asset and also recognizes a collateralized loan for the income received.

In the total derecognition of a financial asset measured at fair value through profit or loss, the difference between the carrying amount of the asset and the sum of the consideration received and to be received is recognized in profit or loss for the period. For financial assets measured at fair value through other comprehensive income, the difference between the carrying amount of the asset and the sum of the consideration received and receivable is recognized in profit or loss for the period, and the gain or loss that would have been recognized in other comprehensive income is reclassified to retained earnings.

Credit refinancing

When the contractual cash flows of a financial asset are renegotiated or otherwise modified and the renegotiation or modification does not result in the derecognition of that financial asset in accordance with IFRS 9 adopted in Colombia, the Group recalculates the gross carrying amount of the financial asset and recognizes a change gain or loss in profit or loss for the period. The gross carrying amount of the financial asset is recalculated as the present value of the modified or renegotiated contractual cash flows that are discounted at the original effective interest rate of the financial asset (or credit quality-adjusted effective interest rate for credit impairment financial assets purchased or originated) or, where applicable, the revised effective interest rate. Any costs or fees incurred adjust the carrying amount of the modified financial asset and are amortized over the remaining duration of the modified financial asset.

2.20.2 Financial liabilities

On initial recognition, the Group measures financial liabilities at fair value. The transaction costs directly attributable to the acquisition or obtaining of the financial liability are deducted from their fair value if these are subsequently measured at amortized cost or are recognized in the result of the period if the liabilities are measured at their fair value. Subsequently, financial liabilities are measured as follows:

- **At fair value through profit or loss,** include liabilities held for trading, financial liabilities designated at the time of initial recognition as at fair value through profit or loss, and derivatives. Gains or losses on liabilities held for trading are recognized in profit or loss for the period. On initial recognition, the Group designated financial liabilities as at fair value through profit or loss.
- **At amortized cost,** they are measured using the effective interest rate. Gains and losses are recognized in income for the period.

Compound instruments

Financial instruments that contain both a liability and an equity component (compound financial instruments) are recognized and accounted for separately. Therefore, for the initial measurement, the liability component is determined by the fair value of future cash flows and the residual value is assigned to the equity component.

For subsequent measurement, the liability component is measured at amortized cost including the effect of amortization costs, interest, and dividends. The equity component retains the initial recognition measurement.

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those that require a specific payment to be made to reimburse the holder for the loss incurred when a specified debtor defaults on its payment obligation, in accordance with the terms of a debt instrument. Financial guarantee contracts are initially recognized as a liability at fair value, adjusted for transaction costs directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of (i) the amount of the allowance for expected losses and (ii) the initially recognized value less the cumulative value of recognized income.

Derecognition of financial liabilities

A financial liability or part of a financial liability is derecognized from the statement of financial position when the contractual obligation has been settled or has expired.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or if the terms of an existing liability are substantially modified, such exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability and the difference in the respective carrying amounts is recognized in profit or loss.

The terms will be substantially different if the present value of the cash flows under the new terms, including any fees paid net of any fees received, discounted at the original effective interest rate, differs by at least 10% from the present value of the cash flows remaining on the original financial liability.

In determining fees paid net of fees received, the Company includes only fees paid or received between the Company and the lender, including those paid or received by one on behalf of the other or vice versa.

In the event that the changes are not material, the Group recalculates the gross carrying amount of the financial liability and recognizes a gain or loss on modification in profit or loss for the period. The gross carrying amount of the financial liability is recalculated as the present value of the modified or renegotiated contractual cash flows that are discounted at the original effective interest rate of the financial liability or, where appropriate, the revised effective interest rate. Any costs or fees incurred adjust the carrying amount of the modified financial liability and are amortized over the remaining life of the liability.

2.20.3 Equity instruments

An equity instrument consists of any contract that evidences a residual interest in the assets of an entity, after deducting all its liabilities. Equity instruments issued by Group companies are recognized by the income received, net of direct issuance costs.

The repurchase of the Group companies' own equity instruments is recognized and deducted directly in equity, which means that no gain or loss is recognized in the results from the purchase, sale, issue, or cancellation of the equity instruments. assets of the Group companies.

2.20.4 Derivative financial instruments

A financial derivative is an instrument whose value varies in response to changes in a variable such as an interest rate, exchange rate, the price of a financial instrument, a credit rating, or an index. This instrument does not require an initial investment or is less than other financial instruments with a similar response to changes in market conditions and is generally settled at a future date.

The Group uses derivative financial instruments, such as forward contracts, futures contracts, financial swaps (swaps), and options to hedge various financial risks, mainly the risk of interest rate, exchange rate, and price of basic products (commodities). Such derivative financial instruments are initially recognized at their fair value on the date the derivative contract is entered into and are subsequently remeasured at their fair value. Derivatives are recorded as financial assets when their fair value is positive, and as financial liabilities when their fair value is negative, in the statement of financial position.

Commodity contracts that meet the definition of a derivative but are entered into in accordance with the Group's expected purchase requirements, are recognized in profit or loss as cost of sales.

Any gain or loss arising from changes in the fair value of derivatives is recognized directly in income for the period, except for those that are under hedge accounting.

In general, derivatives embedded in host contracts are treated as separate derivatives as long as they meet the definition of a derivative, and their risks and characteristics are not closely related to those host contracts and the contracts are not measured at fair value through changes in results. However, the derivatives embedded in contracts where the host is a financial asset within the scope of IFRS 9 adopted in Colombia are never separated. Instead, the hybrid financial instrument as a whole is assessed for financial asset classification.

Hedge accounting

At the beginning of a hedging relationship, the Group formally designates and documents the hedging relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for hedging. The documentation includes the identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the Group will assess the effectiveness of changes in the fair value of the hedging instrument in offsetting the exposure to changes in the fair value of the hedged item or in the cash flows attributable to the hedged risk. Hedges are expected to be highly effective in offsetting changes in fair value or cash flows, and for this purpose they are continually evaluated throughout the reporting periods for which they were designated.

For hedge accounting purposes, hedges are classified and accounted for as follows, once the strict criteria for their accounting are met:

- **Fair value hedges,** when they hedge the exposure to changes in the fair value of recognized assets or liabilities or unrecognized firm commitments.

  The change in the fair value of a derivative that is a hedging instrument is recognized in the result of the period as financial cost or income. The change in the fair value of the hedged item attributable to the hedged risk is recorded as part of the carrying amount of the hedged item and is also recognized in profit or loss as financial cost or income.

For fair value hedges that relate to items carried at amortized cost, adjustments to carrying amount are amortized through profit or loss over the remaining term to maturity. Amortization of the effective interest rate may begin as soon as there is an adjustment to the carrying amount of the hedged item but must begin no later than when the hedged item is no longer adjusted for changes in its fair value attributable to the risk being considered. covering. Amortization of carrying amount adjustments is based on the recalculated effective interest rate on the amortization start date. If the hedged item is derecognized, the unamortized fair value is recognized immediately in profit or loss for the period.

When an unrecognized firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognized as an asset or liability with its corresponding gain or loss recognized in profit or loss.

- **Cash flow hedges,** when they cover the exposure to the variation in cash flows attributed, either to a particular risk associated with a recognized asset or liability or a highly probable forecast transaction, or to the exchange rate risk in a commitment unrecognized firm.

  The purpose of cash flow hedge accounting is to recognize in other comprehensive income the changes in the fair value of the hedging instrument to apply them to the income statement when and at the rate that the hedged item affects them.

  The portion of the gain or loss on the hedging instrument that is determined to be an effective hedge will be recognized in equity within other comprehensive income.

  The effective part will be equal (in absolute terms) to the value that is less between:

  - The difference between the fair value at the time of valuation and the inception date of the hedging instrument; and,
  - The difference between the fair value (present value) of the expected future cash flows of the hedged item at the measurement date and at the commencement date

  The ineffective part of the gain or loss of the hedging instrument will be recognized in the result of the period.

  The ineffective part shall be the difference between:

  - The difference between the fair value at the time of valuation and the inception date of the hedging instrument; and
  - The effective part of the coverage.

  The measurement of the effectiveness of the hedges is carried out monthly.

  The amounts recognized in other comprehensive income are reclassified to income for the period when the hedged transaction affects the result, as well as when the hedged financial income or expense is recognized, or when the forecast transaction takes place. When the hedged item constitutes the cost of a non-financial asset or liability, the values recognized in other comprehensive income are reclassified to the initial carrying amount of the non-financial asset or liability. If the forecast transaction or firm commitment is no longer expected to occur, the cumulative gain or loss previously recognized in other comprehensive income is reclassified to profit or loss.

  If the hedging instrument expires or is sold, terminated, or exercised without successive replacement or renewal of one hedging instrument with another hedging instrument, or if its designation as a hedge is revoked, any cumulative gain or loss previously recognized on the other comprehensive income remains in the other comprehensive income until the planned operation or firm commitment affects the result.

- **Hedges of a net investment abroad**, when they cover the exposure to the volatility in the conversion of foreign operations to the presentation currency of the Group associated with the exchange rate risk.

  The objective of the net investment hedge in foreign currency is to cover the exchange rate risks that a Principal or Intermediate Holding Company that has business abroad may have on the impact on the conversion of financial statements from the functional currency to the currency of presentation. The foreign currency net investment hedge is a hedge of the foreign currency exposure, not a fair value hedge of changes in the value of the investment.

  Effectiveness and ineffectiveness are accounted for in a similar way to cash flow hedges.

  Gains or losses on the hedging instrument that are related to the effective portion of the hedge are recognized in other comprehensive income, while any gain or loss related to the ineffective portion is recognized in profit or loss. Upon disposition of the business abroad, the accumulated value of the gains or losses recorded in the other comprehensive income is reclassified to profit or loss.

2.20.5 Offset of financial instruments

Financial assets and liabilities are offset so that the net value is reported in the statement of financial position, only if (i) there is, at the present time, a legally enforceable right to offset the recognized values, and (ii) there is an intention to liquidate them at net value, or to realize the assets and cancel the liabilities simultaneously.

2.21 Inventories

Goods acquired with the intention of selling them in the ordinary course of business or consuming them in the process of rendering services are classified as inventories.

Inventories are valued at cost or net realizable value, whichever is lower. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to affect the sale.

Inventories include merchandise in stock that does not require transformation, such as energy, gas and water meters and supplies. They include materials such as minor spare parts and accessories for the provision of services and goods in transit and in the possession of third parties.

Inventories are valued using the weighted average method and their cost includes the costs directly related to the acquisition and those incurred to bring them to their current condition and location.

2.22 Impairment of non-financial assets

At each reporting date, the Group assesses whether there is any indication that a tangible or intangible asset may be impaired in value. The Group estimates the recoverable value of the asset or CGU, at the time it detects an indication of impairment, or annually (as of November 30 and it is reviewed if there are relevant or significant events presented in December that merit analysis and inclusion in the calculation of the impairment) for intangible assets with indefinite useful lives and those not yet in use.

The recoverable value of an asset is the higher of the fair value less costs to sell, whether of an asset or a CGU, and its value-in-use is determined for an individual asset, unless the asset does not generate cash flows. cash that are substantially independent of those of other assets or groups of assets, in this case the asset must be grouped into a CGU. When a reasonable and consistent basis of distribution is identified, common/corporate assets are also allocated to individual CGUs or distributed to the smallest group of CGUs for which a reasonable and consistent basis of distribution can be identified. When the carrying amount of an asset or a CGU exceeds its recoverable value, the asset is considered impaired and its value is reduced to its recoverable amount.

In calculating value-in-use, the estimated cash flows, whether from an asset or a CGU, are discounted to their present value using a pre-tax discount rate that reflects market considerations of the time value of money and the asset-specific risks. To determine fair value less costs to sell, an appropriate valuation model is used.

Value impairment losses are recognized in the statement of comprehensive income in the section results for the period in those expense categories that correspond to the function of the impaired asset. Impairment losses attributable to a CGU are assigned proportionally based on the carrying amount of each asset to the non-current assets of the CGU after exhausting goodwill. The CGU is the smallest identifiable group of assets that generates cash inflows in favor of the Group, which are largely independent of the cash flows derived from other assets or groups of assets. In the Group, CGUs were defined considering: 1) the existence of income and costs for each group of assets, 2) the existence of an active market for the generation of cash flows and 3) how they are managed and monitored. the operations.

For the purposes of assessing value impairment losses, assets are grouped into the following CGUs:

Subsidiary	CGU
Central Hidroeléctrica de Caldas S.A. E.S.P. (CHEC)	Generation
Electrificadora de Santander S.A. E.S.P. (ESSA)	
Empresas Públicas de Medellín E.S.P. (EPM)	
Hidroecológica del Teribe S.A. (HET)	
Central Hidroeléctrica de Caldas S.A. E.S.P. (CHEC)	Transmission
Centrales Eléctricas del Norte de Santander S.A. E.S.P. (CENS)	
Electrificadora de Santander S.A. E.S.P. (ESSA)	
Empresas Públicas de Medellín E.S.P. (EPM)	
Transportista Eléctrica Centroamericana S.A. (TRELEC)	
Almacenaje y Manejo de Materiales Eléctricos S.A. (AMESA)	Distribution
Caribemar de la Costa S.A.S. E.S.P. (AFINIA)	
Central Hidroeléctrica de Caldas S.A. E.S.P. (CHEC)	
Centrales Eléctricas del Norte de Santander S.A. E.S.P. (CENS)	
Comercializadora Eléctrica de Guatemala S.A. (COMEGSA)	
Crediegsa S.A. (CREDIEGSA)	
Distribuidora de Electricidad del Sur (DELSUR)	
Electrificadora de Santander S.A. E.S.P. (ESSA)	
Elektra Noreste S.A. (ENSA)	
Empresa de Energía del Quindío S.A. E.S.P. (EDEQ)	
Empresa Eléctrica de Guatemala S.A. (EEGSA)	
Empresas Públicas de Medellín E.S.P. (EPM)	
Enérgica S.A. (ENERGICA)	
ENSA Servicios S.A.	
Inmobiliaria y Desarrolladora Empresarial de América S.A. (IDEAMSA)	
Empresas Públicas de Medellín E.S.P. (EPM)	Gas
Aguas de Antofagasta S.A.	Water Supply
Aguas de Malambo S.A. E.S.P.	
Aguas Regionales EPM S.A. E.S.P.	
Empresa de Aguas del Oriente Antioqueño S.A. E.S.P.	
Empresas Públicas de Medellín E.S.P. (EPM)	
Empresas Públicas de Rionegro S.A. E.S.P. (EP RIO)	
Aguas de Antofagasta S.A.	Sanitation

Subsidiary	CGU
Aguas de Malambo S.A. E.S.P.	Sanitation
Aguas Nacionales EPM S.A. E.S.P.	
Aguas Regionales EPM S.A. E.S.P.	
Aquasol Morelia S.A. de C.V.	
Corporación de Personal Administrativo S.A. de C.V.	
Desarrollos Hidráulicos de Tampico S.A. de C.V.	
Ecoagua de Torreón S.A. de C.V.	
Ecosistema de Ciudad Lerdo S.A. de C.V.	
Ecosistemas de Celaya S.A. de C.V.	
Ecosistemas de Colima S.A. de C.V.	
Ecosistemas de Tuxtla S.A. de C.V.	
Empresa de Aguas del Oriente Antioqueño S.A. E.S.P.	
Empresas Públicas de Medellín E.S.P. (EPM)	
Empresas Varias de Medellín S.A. E.S.P.	
Proyectos de Ingeniería Corporativa S.A. de C.V.	
Tecnología Intercontinental S.A. de C.V. TICSA	
Gestión de Empresas Eléctricas S.A. (GESA)	Others
Innova Tecnología y Negocios S.A. de C.V.	
Maxseguros EPM Ltd.	
Promobiliaria S.A.	

Impairment of value for goodwill is determined by evaluating the recoverable value of each CGU (or group of CGUs) to which the goodwill is related. Impairment losses related to goodwill cannot be reversed in future periods.

For assets in general, excluding goodwill, at each reporting date an assessment is made as to whether there is any indication that previously recognized impairment losses no longer exist or have decreased. If there is such an indication, the Group calculates an estimate of the recoverable value of the asset or the CGU. A previously recognized impairment loss is only reversed if there has been a change in the assumptions used to determine the recoverable value of an asset since the last time the impairment loss was recognized. The reversal is limited so that the asset's carrying amount does not exceed its recoverable amount, nor does it exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset. in previous years. Such reversal is recognized in the statement of comprehensive income in the section results for the period.

2.23 Provisions

Provisions are recorded when the Group has a present legal or implicit obligation because of a past event. It is likely that the Group will have to dispose of resources embodying economic benefits to settle the obligation, and a reliable estimate of the value of the obligation can be made. In cases where the Group expects the provision to be reimbursed in whole or in part, the reimbursement is recognized as a separate asset, but only in cases where such reimbursement is practically certain, and the amount of the asset can be measured reliably. reliability. In the Group, each provision is used only to meet the disbursements for which it was originally recognized.

Provisions are measured by management's best estimate of the disbursements required to settle the present obligation, at the end of the reporting period, considering the corresponding risks and uncertainties. When a provision is measured using the estimated cash flow to settle the present obligation, its carrying amount corresponds to the present value of said cash flow, using for the discount a rate calculated with reference to the market yields of the bonds issued by the National Government of the country in which the subsidiary is located. In Colombia, the yield of the TES Bonds (public debt securities issued by the General Treasury of the Nation) at the end of the reporting period must be used.

The expense corresponding to any provision is presented in the statement of comprehensive income in the section results for the period, net of any reimbursement. The increase in the provision due to the passage of time is recognized as a financial expense.

Dismantling cost provision

The Group recognizes as part of the cost of a fixed asset, whenever there is a legal or implicit obligation to dismantle or restore, the estimate of the future costs in which the Group expects to incur to carry out the dismantling or restoration and its counterpart the recognized as a provision for Dismantling or restoration costs. The cost of dismantling is depreciated over the estimated useful life of the fixed asset.

Dismantling or restoration costs are recognized at the present value of the expected costs to settle the obligation using estimated cash flows. Cash flows are discounted at a pre-tax rate, which must be determined by reference; for subsidiaries in Colombia, in terms of risk-free rates, the yield of TES Bonds (public debt securities issued by the General Treasury of the Nation) is used; For the subsidiaries in Panama, the market yields of the bonds issued by the National Government are used, and in El Salvador for the rate of loans with a term of more than 1 year to companies, an average rate of the banking financial system (the yield of the notes of the Government is temporarily not considered a risk-free rate due to the deterioration of the credit quality of the country).

Estimated future costs for Dismantling or restoration are reviewed annually. Changes in estimated future costs, in the estimated dates of disbursements or in the discount rate applied are added to or deducted from the cost of the asset, not to exceed the carrying amount of the asset. Any excess is recognized immediately in the result of the period. The change in the value of the provision associated over time is recognized as a financial expense in the statement of comprehensive income in the section results for the period.

Onerous contracs

The Group recognizes present obligations arising from an onerous contract as provisions and their balancing entry is in the statement of comprehensive income in the profit or loss for the period section. An onerous contract is one in which the unavoidable costs of fulfilling the obligations it entails exceed the economic benefits expected to be received from it. The unavoidable costs are those that reflect the lower net costs of honoring the contract, i.e., the lower value between the net cost of complying with its clauses and the value of any compensation or penalties arising from non-compliance.

Contingent liabilities

Possible obligations arising from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not entirely under the control of the Group or present obligations arising from past events but not it is probable, if not possible, that an outflow of resources that includes economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability, they are not recognized in the statement of financial position and, instead, are disclosed as contingent liabilities. Contingent liabilities arising from a business combination are recognized at fair value at the acquisition date.

Contingent assets

Assets of a possible nature, arising as a result of past events, whose existence has to be confirmed only by the occurrence, or in its case by the non-occurrence, of one or more uncertain events in the future, which are not entirely under the control of the Group, are not recognized in the statement of financial position, instead they are disclosed as contingent assets when their occurrence is probable. When the contingent event is true, the asset and the associated income are recognized in income for the period. Contingent assets acquired in a business combination are initially measured at their fair values on the acquisition date. At the end of subsequent reporting periods, such contingent assets are measured at the higher of the amount that would have been recognized and the amount initially recognized less recognized accumulated amortization.

2.24 Employee benefits

2.24.1 Post-employment benefits

Defined contribution plans

Contributions to defined contribution plans are recognized as expenses in the statement of comprehensive income in the section results for the period at the time the employee has rendered the service that gives him the right to make the contributions.

Defined benefit plans

Post-employment benefit plans are those in which the Group has a legal or constructive obligation to respond for the payment of benefits for which it is responsible.

For defined benefit plans, the difference between the fair value of plan assets and the present value of the plan obligation is recognized as an asset or liability in the statement of financial position. The cost of providing benefits under the defined benefit plans is determined separately for each plan, through the actuarial valuation method of the projected credit unit, using actuarial assumptions at the date of the reporting period. Plan assets are measured at fair value, which is based on market price information and, in the case of listed securities, is the published purchase price.

Actuarial gains or losses, return on plan assets and changes in the effect of the asset ceiling, excluding from these values included in net interest on the net defined benefit liability (asset), are recognized in the other Integral result. Actuarial gains or losses comprise the effects of changes in actuarial assumptions, as well as experience adjustments.

Net interest on the net defined benefit liability (asset) comprises interest income on plan assets, interest costs on the defined benefit obligation and interest on the effect of the asset ceiling and is recognized in profit or loss of the period.

The cost of current service, the cost of past service, any liquidation or reduction of the plan is recognized immediately in the statement of comprehensive income in the section results for the period in which they arise.

2.24.2 Short-term benefits

The Group classifies as short-term employee benefits those obligations with employees, which it expects to settle within the twelve months following the end of the accounting period in which the obligation was generated, or the service was provided. Some of these benefits are generated by current labor regulations, by collective agreements or by non-formalized practices that generate implicit obligations.

The Group recognizes short-term benefits at the time the employee has rendered his services as:

A liability, for the value that will be paid to the employee, deducting the amounts already paid previously, and its counterpart as an expense for the period, unless another chapter requires or allows the inclusion of payments in the cost of an asset or inventory, for example, if the payment corresponds to employees whose services are directly related to the construction of a work, these will be capitalized to that asset.

The amounts already paid in advance correspond, for example, to salary advances and per diem advances, among others, which, if they exceed the corresponding liability, the Group must recognize the difference as an asset in the expense account paid in advance, to the extent that the payment in advance gives rise to a reduction in payments to be made in the future or to a cash refund.

In accordance with the foregoing, the accounting recognition of short-term benefits is made at the time the transactions occur, regardless of when they are paid to the employee or third parties to whom the Group has entrusted the provision of certain services.

2.24.3 Long-term benefits

The Group classifies as long-term employee benefits those obligations that it expects to settle after the twelve months following the end of the accounting year or the period in which the employees provide the related services, that is, from the thirteenth month onwards; they are different from short-term benefits, post-employment benefits, and termination benefits.

The Group measures long-term benefits in the same way as post-employment defined benefit plans. Although its measurement is not subject to the same degree of uncertainty, the same methodology for its measurement shall be applied as follows:

- The Group shall measure the surplus or deficit in a long-term employee benefit plan, using the technique applied for post-employment benefits for both the estimation of the obligation and the assets of the plan.
- The Group shall determine the value of net long-term employee benefits (liabilities or assets) by finding the deficit or surplus of the obligation and comparing the asset cap.
- Changes in the measurement of long-term employee benefits are recognized in the income statement.

The benefits received by employees year after year throughout their working lives should not be considered “long-term”, if at the close of the accounting year of each year the Group has delivered them in full.

2.24.4 Termination benefits

The Group recognizes as termination benefits, the consideration granted to employees, payable as a result of the company's decision to terminate an employee's employment contract before the normal retirement date or the decision of an employee to accept voluntary resignation in exchange for those benefits.

2.25 Reserves reinsurance activities

The assets and liabilities for reinsurance contracts represent for the Group the best estimate of the future collections and payments to be made for the risks assumed and ceded in the reinsurance obligations; which are measured and recognized through technical reserves:

2.25.1 Unearned premium subscribed and ceded reserve

They are constituted for the fulfillment of future obligations derived from the commitments assumed and assigned in the current policies. They correspond to the portion of the premium that, at the calculation date, has not been recognized as income or expense by the reinsurer. Its purpose is to adjust the result so that the profit is assigned to the period in which the premium was earned, regardless of when it was issued. This reserve is calculated policy by policy, as the result of the total premium assumed divided by the number of days the policy is in force, multiplied by the number of days corresponding to the time the risk has not been run on the calculation date. Likewise, the part of the reserve corresponding to the retrocession is calculated, considering the premium that has been assigned.

2.25.2 Reserve of losses or claims notified

This reserve is a provision of money that the Group must set up to cover the costs derived from claims already reported and pending payment. Its purpose is to establish adequate reserves to guarantee the payment of claims that have not been resolved during the accounting year. This reserve is constituted per claim, on the date in which the insurer becomes aware of the occurrence of the claim and corresponds to the best technical estimate of its cost. The amount of the reserve constituted is readjusted to the extent that more information is available and if there are reports from internal or external liquidators. The reserve includes the settlement expenses incurred to address the claim, including the costs of attorneys' fees for those claims that are in court.

2.25.3 Reserve for unreported incurred losses (IBNR)

It represents an estimate of the number of resources that the Group must allocate to meet future payments of claims that have already occurred at the date of calculation of this reserve, but have not been notified or for which there is not enough information. To calculate this reserve, the following methodologies are used: the Bornhuetter - Ferguson method and the Chain-ladder method. The Bornhuetter - Ferguson method is a standard actuarial method used to estimate final claims costs. The technique combines; (a) an initial benchmark or market estimate of final losses; and (b) a final loss estimate based on actual claims experience to date. The first is based on a measure of exposure, such as premiums or the number of policies. The second is based on claims paid or incurred to date. The two estimates are combined using a formula that gives more weight to the experience-based estimate as time goes on. The Chain Ladder method is a standard actuarial method that can be applied to premiums, claims paid, reserves for ongoing claims or claims incurred, or number of claims. The method involves analysis of historical claim development factors (the ratio of amounts accrued in one development period to the previous development period). Based on this analysis, a development pattern is selected which is used to estimate future claims/premium development.

2.26 Liabilities adequacy test

The technical provisions recorded by the Group are regularly subject to a reasonableness test to determine their sufficiency. If, because of the test, it is revealed that they are insufficient, they are adjusted with a charge to the result for the period.

2.27 Service concession arrangements

The Group recognizes service concession arrangements in accordance with the requirements of the IFRIC interpretation 12 Service Concession Arrangements.

This interpretation is applicable for concessions in which:

- The grantor controls or regulates what services the operator must provide with the infrastructure, to whom it must provide them, and at what price.
- The grantor controls, through ownership, right of use or otherwise, any significant residual interest in the infrastructure at the end of the term of the agreement.

The Group does not recognize these infrastructures as property, plant, and equipment, it recognizes the consideration received in the contracts that meet the above conditions at fair value, as an intangible asset to the extent that the Group receives a right to charge users of the service, as long as these rights are conditional on the degree of use of the service, or as a financial asset, to the extent that there is an unconditional contractual right to receive cash or another financial asset, either directly from the assignor or from a third party. In cases where the Group is paid for construction services, partly through a financial asset and partly through an intangible asset, each component of the consideration is accounted for separately.

Financial assets of service concession arrangements are recognized in the consolidated statement of financial position and subsequently measured at amortized cost, using the effective interest rate. The evaluation of the impairment of these financial assets is carried out in accordance with the policy of impairment of financial assets.

Intangible assets from service concession arrangements are recognized in the consolidated statement of financial position as intangible assets called “intangible assets from service concession arrangement” and are amortized on a straight-line basis over the term thereof.

Revenue from ordinary activities and costs related to operating services are recognized in accordance with the accounting policy for revenue from ordinary activities and services related to construction or improvement services in accordance with the accounting policy for construction contracts. The contractual obligations assumed by the Group for the maintenance of the infrastructure during its operation, or for its return to the transferor at the end of the concession arrangement under the conditions specified therein, to the extent that it does not involve an activity that generates income, It is recognized following the accounting policy for provisions.

2.28 Fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. A fair value measurement of a non-financial asset shall consider the market participant's ability to generate economic benefits by using the asset to its fullest and best use or by selling the asset to another market participant who would use the asset to its fullest and best use.

To determine the fair value, the Group considers the characteristics of the asset or liability in the same way that market participants would consider when setting the price of said asset or liability on the measurement date. Fair value for measurement and disclosure purposes in the financial statements is determined on that basis, except for share-based payment transactions, lease transactions, and measurements that have certain similarities to fair value but are not fair value, such as net realizable value or value-in-use. The fair value of all financial assets and liabilities is determined at the date of presentation of the financial statements, for recognition and disclosure in the notes to the financial statements.

The fair value is determined:

- Based on quoted prices in active markets for identical assets or liabilities that the Group can access on the measurement date (level 1).
- Based on inputs applied to valuation methodologies commonly used by market participants, which are different from quoted prices that are observable for assets or liabilities, directly or indirectly (level 2).
- Based on internal cash flow discount valuation techniques or other valuation models, using variables estimated by the Group that are unobservable for the asset or liability, in the absence of variables observed in the market (level 3).

Note 44 Measurement of fair value on a recurring and non-recurring basis provides an analysis of the fair values of financial instruments and non-financial assets and liabilities and greater detail of their measurement.

2.29 Operating segment

An operating segment is a component of the Group that develops business activities from which it can obtain income from ordinary activities and incur costs and expenses, about which financial information is available and whose operating results are regularly reviewed by the highest authority. in the Group's operating decision-making, which is the Board of Directors to decide on the allocation of resources to the segments and the Management Committee to evaluate their performance.

The financial information of the operating segments is prepared under the same accounting policies used in the preparation of the Group's consolidated financial statements.

2.30 Dividends and surpluses in cash distributed to the shareholders and owner of the Group

The Group recognizes a liability to make distributions to shareholders and owners of the Group in cash when the distribution is authorized and is no longer at the Group's discretion. The corresponding amount is recognized directly in equity.

2.31 Changes in accounting estimates, policies and errors

2.31.1 Changes in accounting policies

During 2023, the accounting practices applied in the Group's consolidated financial statements are consistent with 2022, except for the following changes:

<u>**New standards implemented**</u>

During 2023, the Group implemented the changes accepted by Resolutions 035 and 197 of 2021, issued by the General Accounting Office of the Nation, which incorporate the changes in IFRS (new standards, amendments or interpretations), issued by the International Accounting Standards Board (IASB), which are mandatory for the annual period beginning on or after January 1, 2023.

IAS 1 - Presentation of Financial Statements—Classification of Liabilities as Current or Non-current
This amendment issued in January 2020, clarifies that the classification of liabilities as current or non-current is based on the rights that existed at the end of the reporting period, it specifies that the classification as current or non-current liabilities is not affected by the expectations about whether or not the entity will exercise the right to defer settlement of the liability, specifies that the rights exist if payment arrangements have been met at the end of the reporting period; Additionally, the amendment clarifies that the settlement of a liability refers to the transfer to the counterparty of cash, equity instruments or other economic resources.

The modification to IAS 1 will be mandatory for annual periods beginning on or after January 1, 2023, retroactively. Permit your anticipate app.

The group did not identify any impacts from the adoption of this amendment.

IAS 1 - Disclosure of accounting policies and IFRS Practice Statement 2
This amendment issued in February 2021, requires companies to disclose significant accounting policy information rather than a description of their accounting policies. The amendment also makes an adjustment to Practice Statement 2 Making Materiality Judgments regarding how to apply the concept of materiality to disclosures of accounting policies and adjusts paragraph 21 of IFRS 7 Disclosures of Financial Instruments, specifying the disclosure of significant accounting policies.

The amendment will be mandatory to apply prospectively for annual periods beginning on or after January 1, 2023. Early application is permitted.

The group did not identify any impacts from the adoption of this amendment.

IFRS 4 - Extension of the Temporary Exemption from the Application of IFRS 9
This amendment issued in June 2020, aims to achieve the alignment of the expiration date of the temporary exemption by delaying the application of IFRS 9 and the effective date of IFRS 17 that replaces IFRS 4, given that the IASB concluded that the benefit of expanding the availability of the exemption to continue allowing some insurers to apply IFRS 17 and IFRS 9 for the first time at the same time outweighs the disadvantages of the additional delay of the application of IFRS 9.

The amendment to IFRS 4 adds paragraphs 20A, 20J and 20O, and also made modifications to the Basis for Conclusions of said IFRS by adding footnotes at the end of paragraphs BC267, BC275 and BC276 and adding paragraphs BC277A to BC277C.

The modification to the aforementioned paragraphs allows further extension of the temporary exemption from not applying IFRS 9 for periods beginning before January 1, 2023, the date on which IFRS 17 comes into effect replacing IFRS 4, and in its default may temporarily apply, before said date, IAS 39 Financial Instruments: Recognition and Measurement.

The Group did not identify impacts from the adoption of this amendment, because as a reinsurance company it has been applying IFRS 4 and as of the date of the amendment IFRS 9 had already been implemented.

IAS 8 - Definition of accounting estimates

This amendment issued in February 2021, updates the definition of accounting estimates in order to differentiate changes in estimates from changes in accounting policies, given their prospective or retroactive effect, respectively. To do this, it indicates that accounting estimates are monetary amounts in the financial statements that are subject to measurement uncertainty. Sometimes the application of accounting policy will require the application of estimates.

The amendment is mandatory to apply prospectively for annual periods beginning on or after January 1, 2023. Early application was permitted.

The Group is not impacted by this amendment because it has been applying the definition of accounting estimates under the same criteria as specified in the amendment.

IAS 12 - Deferred tax related to assets and liabilities arising from a single transaction

This amendment issued in April 2021, clarifies that the exception brought by IAS 12 of not applying deferred tax when an asset or liability is initially and simultaneously recognized, which generates equal temporary differences, would not apply in the case of leases. (IFRS 16) and in the dismantling (IAS 37 and IAS 16), cases in which, if IAS 12 must be applied for deferred tax. The added paragraph 22A provides that, depending on the applicable tax legislation, equal taxable and deductible temporary differences may arise on the initial recognition of the asset and liability in such a transaction. The exemption provided by paragraphs 15 and 24 does not apply to such temporary differences and an entity recognizes any resulting deferred tax liabilities and assets.

This amendment is mandatory for annual reporting periods beginning on or after January 1, 2023. Early application was permitted.

The Group is not impacted by this amendment because it has been applying this interpretation.

2.31.2 Application of new and revised standards

The changes to the IFRS (new standards, modifications, and interpretations), which have been published in the period, but which have not yet been implemented by the group, are detailed below:

Standard	Mandatory Application Date by IASB	Exchange rate
IFRS 17 - Insurance Contract	January 1, 2023 Not incorporated in Colombia by the public sector	Standard

Standard	Mandatory Application Date by IASB	Exchange rate
IFRS 17 – Insurance Contract - Initial application with IFRS 9 and comparative information	January 1, 2023 Not incorporated in Colombia by the public sector	Amendment
IAS 12 - International Tax Reform—Pillar Two Model Rules	January 1, 2023 Not incorporated in Colombia by the public sector	Amendment
IFRS 16 - Leases - Lease liability on a sale-lease	January 1, 2024	Amendment
IAS 1 - Presentation of Financial Statements - Non-current liabilities with agreed terms	January 1, 2024	Amendment
IAS 7 and IFRS 7 - Supplier financing agreements	January 1, 2024	Amendment
IAS 21 – Effects of Changes in Foreign Currency Exchange Rates - Lack of Interchangeability	January 1, 2025	Amendment

IFRS 17 Insurance Contract

Issued in May 2017, replacing IFRS 4 which was addressed as an interim standard, which was being developed in phases.

IFRS 17 solves the comparison drawbacks generated by the application of IFRS 4, since it was allowed to apply local standards and historical values in insurance contracts, now with this new standard, all insurance contracts will be recorded in a consistent manner and at current values, generating more useful information for stakeholders. This will allow a better understanding of the financial position and profitability of insurance companies, providing a more uniform approach to presentation and measurement for all insurance contracts.

Initially, IFRS 17 was defined as mandatory for annual periods beginning on or after January 1, 2021 but, at the request of international insurers, the IFRS Foundation, through the amendment issued in June 2020, extended its application for two additional years, to be enforceable for annual periods beginning on or after January 1, 2023. Early application was allowed if IFRS 9 is applied. It has not been incorporated in Colombia for public sector companies.

The group is evaluating the impacts that could be generated by the application of this amendment, although it is estimated that the future adoption will not have an impact on the financial statements since this type of transaction is not presented.

IFRS 17 - Insurance Contract - Initial application with IFRS 9 and comparative information

Issued in December 2021, in order to reduce temporary accounting mismatches between financial assets and insurance contract liabilities that may arise in the comparative information presented by the initial application of IFRS 17, when IFRS 9 also applies to the entity, overlapping classification of the financial asset is permitted, in order to improve the usefulness of comparative information for investors.

This will allow insurers to have an option for the presentation of comparative information on financial assets. The classification overlay allows the entity to align the classification and measurement of a financial asset in the comparative information with what the entity expects the classification and measurement of that financial asset to be performed in the initial application of IFRS 9, considering the business model and the characteristics of the cash flow it generates. Any difference for this application would go to retained earnings.

If, for example, using classification overlap, an entity presented a financial asset previously measured at amortized cost rather than measured at fair value through profit or loss, the carrying amount of that asset on the date of transition to IFRS 17 would be its fair value measured on that date. Applying paragraph C28D of IFRS 17, any difference in the carrying amount of the financial asset at the transition date resulting from the application of the classification overlap would be recognized at the opening of retained earnings.

This amendment adds paragraphs C28A to C28E and C33A; and became effective on the initial implementation date of IFRS 17, which is January 1, 2023. It has not been incorporated in Colombia for public sector companies.

The Group is evaluating the impacts that could be generated by the application of this amendment, although it is estimated that the future adoption will not have an impact on the financial statements given that this type of transaction is not presented.

IAS 12 - International Tax Reform—Pillar Two Model Rules

This amendment was issued in May 2023 with the purpose of aligning the content of IAS 12 with the implementation of rules of Pillar Two Model Rules published by the Organisation for Economic Co-operation and Development (OECD), which establishes at the global level the creation of an "additional and complementary minimum national tax" that will be applied to profits in any jurisdiction as long as the effective tax rate, determined on a jurisdictional basis, is lower than the minimum rate of 15% required by Pillar Two thus avoiding the erosion of the tax base in international transactions operating in a digitalised economy. Each jurisdiction will determine its second pillar legislation for tax purposes.

This amendment aims to improve the usefulness of the information to the investor through the realization of three key disclosures and in turn, while evolving and knowing the effects of this pillar worldwide on organizations and the market, an exception to recognize and disclose deferred tax assets and liabilities generated by Pillar Two can be temporarily applied. The disclosures set forth in the paragraphs of the standard are: 88A – The entity must disclose whether it applied the Pillar Two exception in the deferred tax (assets and liabilities); 88B – The entity must separately disclose the income and expenses of Pillar Two in the current tax; 88C and 88D – The entity shall disclose the possible impacts or exposure of the entity to the Pillar Two in case there are standards (firm drafts or standards) but are not yet in force, providing qualitative and quantitative information according to the example given in the standard.

The amendments are effective as per the paragraphs, for paragraphs 4A and 88A immediately with retroactive application under IAS 8 and paragraphs 88B to 88D retroactively as of January 1, 2023. It has not been incorporated in Colombia for public sector companies.

The Group is evaluating the impacts that could be generated by the application of this amendment, although it is estimated that the future adoption will not have an impact on the financial statements since this type of transaction is not presented.

IFRS 16 - Leases - Lease liability on a sale-lease
It is intended to establish the accounting for a sale of a leaseback asset after the transaction date of the sale.

The amendment specifies the requirements that a seller-lessee must use to quantify the lease liability that arises on the sale and subsequent lease so that the seller-lessee does not recognize any gains or losses related to the right of use that it retains. The amendment is intended to improve the recording requirements for sale and lease under IFRS 16, as IFRS 16 did not specify the measurement of liabilities arising in a sale-lease transaction.

This change will not change the posting of leases that do not arise in a sale transaction with a subsequent lease.

The amendment adds paragraphs 102A, C1D and C20E and amends paragraph C2. A new heading is added before paragraph C20E. New text is underlined, and deleted text is crossed out.

The Group is evaluating the impacts that could be generated by the application of this amendment, although it is estimated that the future adoption will not have an impact on the financial statements since this type of transaction is not presented.

The amendment will be mandatory prospectively for annual periods beginning on or after January 1, 2024. Early application is permitted.

IAS 1 - Presentation of Financial Statements - Non-current liabilities with agreed terms
This amendment was issued in October 2022 with the purpose of improving the information that companies provide on long-term debt with financial conditions, also known as "covenants", so that the investor can understand the risk they face when a company has liabilities with agreed conditions and that are classified as non-current, but that due to non-compliance with the covenants, the debt must be repaid within twelve months, for which a company is required to disclose information about these agreements in the notes to the financial statements, improving the information provided on long-term debt with agreed terms, allowing investors to understand the risk that such debt may become repayable early. Accordingly, this amendment requires an entity to review its loan agreements in order to determine whether the classification of the loan agreements will change on the cut-off date, based on the circumstances, data and contexts available at that time, under an informed judgment, and not on management's expectations as set out in paragraphs 74 and 75A.

The amendment adds paragraphs 72B, 76ZA and 139W and amends paragraphs 60, 71, 72A, 74 and 139U. It makes adjustments to the previous amendment to IAS 1 published in January 2020 entitled "Classification of Liabilities as Current or Non-Current" and requires a simultaneous application of these last two amendments in the same period.

If an entity applies such modifications for a prior period after the issuance of Non-Current Covenanted Liabilities (see paragraph 139W), it shall also apply Non-Current Covenanted Liabilities for that period. If an entity applies the classification of Liabilities as Current or Non-Current for a prior period, it will disclose that fact.

The amendments are effective for annual periods beginning on or after 1 January 2024 retroactively in accordance with IAS 8, with early adoption permitted.

The Group is evaluating the impacts that could be generated by the application of this amendment, although it is estimated that the future adoption will not have an impact on the financial statements since it is not expected to occur.

IAS 7 and IFRS 7 - Supplier Financing Agreements
Amendment published in May 2023 to enable users to obtain from financial statements the information they need to understand the effects of supplier financing arrangements on an entity's financial statements and compare entities with others.

The disclosures are intended to provide users with information that allows them to assess how supplier financing arrangements affect an entity's liabilities and cash flows and to understand the effect of supplier financing arrangements on an entity's exposure to liquidity risk and how the entity might be affected if the arrangements were no longer available to it.

The amendment states that arrangements that are solely credit enhancements to the entity (e.g., financial guarantees, including letters of credit used as collateral) or instruments used by the entity to settle amounts owed directly with a supplier (e.g., an entity uses a credit card to settle the amount owed to a supplier and, instead, you will have an obligation to pay the issuing bank) are not supplier financing arrangements.

This amendment requires entities to provide information on these financial obligations arising from specific supplier agreements, including details such as expected settlement timelines, important contractual terms, and any other relevant elements related to these agreements.

The Group is in the process of assessing the potential impacts of the implementation of this amendment.

IAS 21 – Effects of Changes in Foreign Currency Exchange Rates - Lack of Interchangeability
This amendment, issued in August 2023, aims to establish a consistent approach when assessing whether a currency is convertible to another currency and if not, what procedure to apply when the conversion does not occur and what type of disclosures must be provided in order to provide useful financial information.

The amendment establishes that a currency is convertible to another currency if there is an exchange for another currency in an administratively normal delay, under a market or exchange mechanism that allows for the generation of enforceable rights or obligations and its amount is not negligible.

The conversion of the currency is given at the time of measurement or for a specific purpose, for which two steps are applied: evaluating whether the currency is convertible and estimating the spot exchange rate. This is given through an assessment question whether the currency is convertible, which, if so, applies the requirements set out in IAS 21 and if not, a spot exchange rate estimate is applied, which represents the exchange rate used in an immediate delivery transaction and between market participants.

The amendment to IAS 21 is mandatory for annual periods beginning on or after January 1, 2025, it does not apply to the restatement of comparative information that rather guidelines are given in its replacement and its early application is allowed.

The Group is evaluating the impacts that could be generated by the application of this amendment, although it is estimated that future adoption will have no impact on the financial statements.

2.32. Presentation Changes

During the 2023 period, changes were made in the presentation of some items of the consolidated statement of financial position, for comparative purposes the comparative figures presented as of December 31, 2022 are also adjusted, these changes do not affect decision-making, since they mainly consist of reclassifications between items of the same financial statement and are intended to facilitate the reading of the same by users.

The items reclassified were as follows:

Concept	Current presentation	Previous presentation	2023	2022
Statement of financial position				
Revenue received in advance	Creditors and others accounts payable	Other liabilities	5,275,962	5,361,571
	Other liabilities	Creditors and others accounts payable	1,905,281	1,819,672

- *Amounts stated in millions of Colombian pesos* -

Note 3. Significant accounting judgments, estimates and causes of uncertainty in the preparation of the financial statements

The following are the significant judgments and assumptions, including those that involve accounting estimates, that the Group's management used in the application of the accounting policies under IFRS adopted in Colombia, and that have a significant effect on the values recognized in the consolidated financial statements.

The estimates are based on historical experience and based on the best information available on the facts analyzed at the cut-off date. These estimates are used to determine the value of assets and liabilities in the consolidated financial statements when it is not possible to obtain said value from other sources. The Group evaluates its estimates regularly. Actual results may differ from these estimates.

The significant estimates and judgments made by the Group are described below:

- **Evaluation of the existence of impairment indicators for assets, goodwill, and asset valuation to determine the existence of impairment losses.**

On each reporting date, the status of the assets is reviewed to determine if there are indications that any of them have suffered an impairment loss. If there is an impairment loss, the asset's recoverable amount is affected; if the estimated recoverable amount is lower, it is reduced to its recoverable value and the impairment loss is recognized immediately in profit or loss for the period.

The evaluation of the existence of value impairment indicators is based on external and internal factors, and in turn on quantitative and qualitative factors. The evaluations are based on financial results, the legal, social and environmental environment and market conditions; significant changes in the scope or manner in which the asset or CGU is used or expected to be used and evidence of the obsolescence or physical deterioration of an asset or CGU, among others.

Determining whether goodwill has been impaired involves calculating the value-in-use of the CGUs to which it has been assigned. The calculation of the value-in-use requires the entity to determine the future cash flows that should arise from the CGUs and an appropriate discount rate to calculate the present value. When actual future cash flows are less than expected, an impairment loss may arise. (See note 8 Impairment of assets).

- **The assumptions used in the actuarial calculation of post-employment obligations with employees.**

The assumptions and hypotheses used in actuarial studies include: Demographic assumptions and financial assumptions, the former refer to the characteristics of current and past employees, are related to the mortality rate and turnover rates among employees, the latter relate to the discount rate, future wage increases, and changes in future benefits. (See note 25 Employee benefits).

- **The useful life and residual values of property, plant and equipment and intangibles.**

In the assumptions and hypotheses used to determine the useful lives of property, plant and equipment and intangibles, technical aspects such as: periodic maintenance and inspections performed on assets, failure statistics, environmental conditions and operational environment are considered. protection systems, replacement processes, obsolescence factors, manufacturer recommendations, climatic and geographical conditions and the experience of the technicians who know the assets. To determine the residual value, aspects such as: market values, reference magazines and historical sales data are considered. (See note 5 Property, plant and equipment, net; note 7 Goodwill and other intangible assets).

- **The assumptions used to calculate the fair value of financial instruments, including credit risk.**

The Group discloses the fair value corresponding to each class of financial instrument in a manner that allows comparison with the carrying amounts. Macroeconomic projections calculated within the Group company are used. The investment portfolio is valued at market price. When this is absent, a similar one is sought in the market and if not, the following assumptions are used.

- Derivatives are estimated at fair value. (See note 24 Derivatives and hedges).

- Accounts receivables are estimated at the prevailing market rate for similar loans. (See note 12 Trade debtors and other accounts receivable).

- Accounts receivable from employees are valued similarly to mass debtors, except for housing loans. (See note 12 Trade debtors and other accounts receivable).

- For equity investments, the methodology is cash flow; it is estimated at market price for those listed on the stock exchange. (See note 13 Other financial assets).

- **The probability of occurrence and the value of liabilities of uncertain value or contingent.**

The assumptions used for uncertain or contingent liabilities include the qualification of the legal process by the "expert opinion" of the professionals in the areas, the type of contingent liability, possible legislative changes and the existence of jurisprudence of the high courts that are applied to the specific case, the existence within the Group of similar cases, the study and analysis of the merits of the matter, the guarantees existing at the time of the occurrence of the facts. The Group discloses and does not recognize in the financial statements those obligations classified as possible; obligations classified as remote are not disclosed or recognized. (See note 27 Provisions, contingent assets, and liabilities).

- **Future disbursements for dismantling and asset retirement obligations.**

In the assumptions and hypotheses used to determine future disbursements for dismantling and asset retirement obligations, aspects such as: estimation of future disbursements in which the Group must incur for the execution of activities associated with dismantling of the assets on which legal or implicit obligations have been identified, the initial date of dismantling or restoration, the estimated date of completion and the discount rates. (See note 27 Provisions, contingent assets, and liabilities).

- **Determination of the existence of financial or operating leases based on the transfer of risks and benefits of the leased assets.**

The significant assumptions that are considered for the determination of the existence of a lease include the evaluation of the conditions if the right to control the use of the asset is transferred for a period of time in exchange for a consideration, that is, the existence of an identified asset; the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use; the right to direct how and for what purpose the asset is used throughout the period of use; right to operate the asset throughout the period without changes in the operating instructions. (See note 14 Leases).

- **The recoverability of deferred tax assets.**

The deferred tax asset in the Group has been generated by temporary differences, which generate future tax consequences in the financial situation of the Group companies. These differences are fundamentally represented in tax assets that exceed the assets under IFRS adopted in Colombia, and in tax liabilities, lower than the liabilities under IFRS adopted in Colombia, as is the case of the components of the pension liability, amortized cost of bonuses, finance lease and other sundry provisions and for contingencies.

The deferred tax asset generated by each Group Company is recovered in the net income taxed on the current income tax of the Group Company that generated it to the extent that it is likely to be recovered, i.e. it is likely that in the future there will be a tax benefit against which it can be used. (See Note 40 Income Tax).

- **Determination of impairment of trade receivables**

To calculate the expected credit loss, each obligation is assigned an individual probability of non-payment that is calculated based on a probability model that involves sociodemographic, product, and behavioral variables.

The model will be applied based on the table of scores (Scorecard) developed taking into account the information of each company in the Group. The models are defined according to the information available and the characteristics of the population groups for each one. Although the methodology applies to all accounts with a balance, some exclusions should be considered, such as: charged-off accounts; self-consumption; contributions; public lighting and in general charges from third parties. For its calculation, the moment from which an obligation is considered to have been breached and will not be recovered is previously defined.

To calculate the credit loss of trade and other accounts receivable (except trade receivables from related parties) the following formula is used:

PE = SE x PI x PDI, where:

Where, Exposed Asset Balance (SE): corresponds to the capital balance, interest balance, and other current charges of the obligations. Probability of Default (PI): corresponds to the result of a statistical model that provides the probability that each account defaults in the following twelve months. This individual probability is located within a range found to attenuate the fluctuations in the value of the general provision from one month to the next and stabilize its behavior, which results in a standard PI by range.

Loss due to default (PDI): this is defined as the economic deterioration that the entity would incur in the event of any of the default situations materializing. It is a percentage obtained as a result of the historical analysis of the defaulted balances and their respective monthly collection, which is applied to the population according to their payment behavior. Based on the result of the impairment, the forward looking effect is defined, evaluating the relationship between the total value of the impairment and the behavior of macroeconomic variables; To this end, estimated lower and upper limits are established for the forecasted period where the real value of the provision is compared with the forecasted value and in the case of deviations outside the confidence limits, adjustments would be made with the assumptions of the market or macroeconomic scenario. (See Note 12 Trade Receivables and Other Accounts Receivable).

- **Revenue estimate**

The Group recognizes revenue from the sale of goods and the rendering of services to the extent that the performance obligations are satisfied by the Group, regardless of the date on which the corresponding invoice is prepared, to make this estimate the information of the contracts or agreements with customers is taken and thus the value to be recognized in revenue is established.

When there is uncertainty about the moment in which the revenue should be recognized, the Group decides to recognize it at the moment in which the performance obligation is fulfilled, for those performance obligations that are satisfied over time, it is common to use the resource method calculated as executed costs compared to estimated costs.

For concepts other than the provision of residential public services, the Group estimates and recognizes the value of revenue from the sale of goods or provision of services based on the terms or conditions of interest rate, term, among others, of each contract that causes the sale.

In the month after the estimated revenue is registered, its value is adjusted by the difference between the value of the actual revenue already known against the estimated revenue. (See note 31 Income from ordinary activities).

- **Risks and uncertainty arising from climate change**

Considerating that the largest participation in the energy market that EPM has in Colombia is from hydraulic generation that can be affected by climate changes, currently in the business financial scheme we have a risk coverage called "Climate Derivative" whose objective is to have with the protection coverage of the risk in income due to the occurrence of extreme climatic events that affect the rainfall and therefore the contractual commitments of energy generation. Likewise, it serves to protect exposure to risk due to purchases on the energy exchange in said periods, which consequently also increases.

It is important to note that under this coverage, all the impact that the company could receive due to non-generation and non-compliance with contractual commitments is transferred to the reinsurance market.

- **Operating segments**

To determine the operating segments, the information that is regularly provided to the highest decision-making authority of the Group is based on the information and the segmentation of this information is identified. Once these segments have been identified, the capacity of the identified groups to generate revenue and incur costs and expenses is analyzed. Likewise, it is verified if the highest decision-making authority reviews the returns and allocates resources based on this segmentation, finally, it is examined if there is disaggregated financial information that supports this segmentation. In addition to the above factors, the Group's approach and management are analysed in order to consider possible segments that may arise in the future, according to its strategy. (See Note 46 Operating Segments).

Note 4. Significant transactions carried out and other relevant aspects that occurred during the period

As of December 31, 2023, significant transactions and other relevant aspects that occurred during the period, other than those of the Group's normal course of business, are related to:

4.1 Expenses and other expenses related to the contingency of the Ituango hydroelectric power plant:

- The progress of the works for the commissioning of the Project continues according to the proposed schedules.

- Hidroituango is 92.56% complete (December 31, 2022: 90.35%).

- Cost and progress of the construction of the Ituango Hydroelectric Power Plant for $6,750,357 (see Note 5).

With regard to the contingency, the Group has recognized the following items in its consolidated financial statements as of December 31, 2023:

- Litigation provision balance of $37,584 for the care of those affected in Puerto Valdivia, for compensation for consequential damages, loss of earnings and moral damages, due to the rising waters of the Cauca River as a result of the blockage of the project on April 28, 2018. During 2023, the provision was adjusted by $6,730 as a provision expense and financial expense, and payments have been made for $3,285. (see Note 27.1.5).

- Litigation provision balance of $38,656 for environmental and social contingency, established by the specific action plan for the recovery of the parties affected by the events of the blockage of the Cauca River diversion tunnel that the project had on April 28, 2018 and by the closure of gates that decreased the flow of the river downstream of the project. During 2023, the provision was adjusted by $10,832 as a provision expense and financial expense and payments have been made for $28,373. (see Note 27.1.1).

- During 2023, the provision for non-compliance to the transporter Intercolombia for the months following the entry into operation of the connection infrastructure of the Ituango hydroelectric plant has been adjusted by $9,566 for recovery income and $6,119 for financial expense and payments have been made for $102,607. On the cut-off date, the obligation was met and the balance of the provision remained at zero. (see Note 27.1.4).

- Litigation provision balance of $447,576 corresponding to group actions of downstream communities affected by the contingency. During 2023, the provision has been adjusted by $81,821 for provisioning and financial expense and $317 as recovery income, no payments have been made.

- Balance of litigation provision - Penalty clause of Milestone 7, derived from the arbitration award Hidroituango - EPM, in which EPM is ordered to pay for the concept of "Penal Clauses of Enforcement for Breach of Milestones". In December 2023, provision for $781,829 was recognized.
- In addition, other expenses of $482 and $24 have been recognized in the comprehensive income statement during 2023 as recovery income for the care of the community affected by the contingency.

4.2 Arbitration Tribunal instituted by Sociedad Hidroeléctrica Ituango against EPM:

Within the framework of the Arbitral Tribunal instituted by Sociedad Hidroeléctrica Ituango S.A. E.S.P – Hidroituango – Hidroituango – against EPM, on December 7, 2023, the award was issued, in which it was declared that EPM had breached the BOOMT (Build, Own, Operate, Maintain and Transfer) Contract. As a result of the declaration of non-compliance, the Court ruled that EPM is obliged to assume the costs, increased costs and expenses of all kinds, including financial expenses due to the cause or occasion of the collapse of the diversion work called Auxiliary Diversion System - SAD - and its Auxiliary Diversion Gallery - GAD - (called Contingency Costs). until its complete overcoming and restitution. This means that EPM will not be able to transfer these costs to be incorporated into the actual cost of the project for the purposes of calculating the remuneration to Hidroituango; however, this did not imply any recording in the Financial Statements.

In addition, the Arbitral Tribunal ordered EPM to pay Hidroituango $781,829 million pesos, for the concept of the "Penal Clauses of Enforcement for Breach of Milestones". Specifically, non-compliance with Milestone 7 of the BOOMT Contract, relating to the "closing of gates and beginning of the filling of the reservoir", was declared. The Court indicated that this sum of money could be paid, at EPM's option, in money or be discounted as a lower cost of the project for the purposes of calculating the remuneration. After a rigorous analysis, EPM decided and communicated to Hidroituango on December 22, 2023, that it chose to pay the sum, as a lower value of the project cost for the purposes of calculating the remuneration. This obligation was recognized in EPM's Financial Statements as of December 2023 as a provisioned expense in the comprehensive income statement and as a provisioning liability in the statement of financial position. In this way, with the information in force to date, there is no impact on the company's liquidity in the medium term and no additional sources of financing are required.

4.3 Construction of the final civil works of Hidroituango (generation units 5 to 8):

On December 20, 2023, the order was given to start the CYS Consortium (made up of: Yellow River CO., LTD Sucursal Colombia and Schrader Camargo S.A.S.), which was selected through the CW 276532 process and awarded on October 11, for an approximate value of 1 trillion seventy-five billion pesos and will have an execution period of 1,125 calendar days.

Note 5. Property, plants and equipment, net

The following is a detail of the carrying amount of property, plant, and equipment:

Property, plant, and equipment	2023	2022
Cost	61,754,128	58,954,033
Accumulated depreciation and impairment loss	(15,149,618)	(14,772,416)
Total	**46,604,510**	**44,181,617**

- Amounts stated in millions of Colombian pesos -

The following is a detail of the carrying value of property, plant, and equipment temporarily out of service:

Properties, plant, and equipment temporarily out of service	2023	2022
Networks, lines, and cables	13,980	6,540
Plants, ducts, and tunnels	43,704	46,623
Lands and buildings	17,279	17,524
Machinery and equipment	201	226
Communication and computer equipment	4	5
Other Properties, plant, and equipment	30	1
Total properties, plant, and equipment temporarily out of service	**75,198**	**70,919**

Amounts stated in millions of Colombian pesos-

The Group owns properties, plant and equipment that have been withdrawn from use and that have not been classified as non-current assets held for sale corresponding to: for EPM, the Sonson1 and Sonson2 plants, which are projected to come into operation on February 27, 2025, the Rio Piedras plant, which went from Generation to Water Supply, whose business strategy is to recover the mini power plant, the Cucarachos Los Naranjos pumping station that is expected to have a modernization, the land of the Porce IV and Espíritu Santo projects that has not yet been commissioned and assets of different substations that are temporarily out of service waiting to be used; for CENS, CHEC and ESSA assets associated with networks, lines and cables and plants, pipelines and tunnels. The carrying amount of these assets is as follows: for 2023 the cost amounts to $229,472 (2022: $130,932), the accumulated depreciation is $154,255 (2022: $59,998), the accumulated impairment is $41 (2022: $23) and the impairment depreciation is $22 (2022: $8).

The movement in cost, depreciation and impairment of property, plant and equipment is detailed below:

2023	Networks, lines and cables	Plants, ducts and tunnels	Construction in Progress [1]	Lands and buildings	Machinery and equipment	Communication and computer equipment	Furniture and fixtures and office equipment	Other Property, Plant and Equipment [2]	Total
Initial Balance	18,677,076	17,124,288	10,197,406	10,069,042	1,558,316	604,385	194,061	529,459	58,954,033
Additions [3]	72,089	90,130	5,035,127	29,366	133,735	44,093	3,976	115,608	5,524,124
Advances delivered (amortized) to third parties	(3,186)	-	83,038	-	-	369	-	750	80,971
Transfers (-/+)[4]	1,645,154	1,884,466	(4,150,211)	260,029	92,780	23,485	3,408	100,323	(140,566)
Provisions (-)	(90,587)	-	(4,025)	(3,173)	(34)	(339)	(47)	(5,321)	(103,526)
Withdrawals (-)	(89,768)	(45,001)	(6,895)	(2,374)	(36,193)	(35,432)	(1,912)	(4,260)	(221,835)
Foreign currency conversion effect	(1,298,824)	(430,683)	(185,177)	(127,908)	(186,472)	(48,283)	(11,079)	(24,106)	(2,312,532)
Other Changes	54,465	(57,635)	(18,457)	(2,201)	4,367	819	(33)	(7,866)	(26,541)
Final cost balance	**18,966,419**	**18,565,565**	**10,950,806**	**10,222,781**	**1,566,499**	**589,097**	**188,374**	**704,587**	**61,754,128**
Accumulated depreciation and impairment loss									
Accumulated depreciation and impairment loss	(6,956,340)	(5,166,607)	(2,181)	(1,133,535)	(812,609)	(385,432)	(112,629)	(203,083)	(14,772,416)
Period depreciation	(614,675)	(458,249)	-	(182,995)	(82,775)	(61,780)	(9,140)	(18,452)	(1,428,066)
Capitalized depreciation	-	-	-	(268)	(13)	(1)	-	-	(282)
Impairment for the period	(34,535)	(12,056)	(36,556)	(7,042)	(14,593)	(1,000)	(382)	(9,831)	(115,995)
Dispositions (-)	59,899	-	-	470	31	253	46	4,588	65,287
Withdrawals (-)	51,071	18,602	-	1,600	24,685	34,459	1,857	3,558	135,832
Transfers (-/+)	-	-	-	3	14	214	-	(232)	(1)
Foreign currency conversion effect	554,111	255,486	-	29,976	91,930	36,374	7,797	16,543	992,217
Other changes	6	2,127	-	(23,029)	(5,222)	224	(33)	(267)	(26,194)
Final Accumulated depreciation and impairment loss	**(6,940,463)**	**(5,360,697)**	**(38,737)**	**(1,314,820)**	**(798,552)**	**(376,689)**	**(112,484)**	**(207,176)**	**(15,149,618)**
Total balance, properties, plant, and equipment, net	**12,025,956**	**13,204,868**	**10,912,069**	**8,907,961**	**767,947**	**212,408**	**75,890**	**497,411**	**46,604,510**
Advances delivered to third parties									
Initial Balance	3,815	-	48,586	-	-	993	-	498	53,892
Movement (+)	-	-	(48,528)	-	-	-	-	-	(48,528)
Movement (-)	(3,186)	-	131,566	-	-	369	-	750	129,499
Difference in conversion adjustment change	(363)	-	(10,964)	-	-	(288)	-	-	(11,615)
Final Balance	**266**	**-**	**120,660**	**-**	**-**	**1,075**	**-**	**1,248**	**123,249**

- *Amounts stated in millions of Colombian pesos -*

2022	Networks, lines and cables	Plants, ducts and tunnels	Construction in Progress [1]	Lands and buildings	Machinery and equipment	Communication and computer equipment	Furniture and fixtures and office equipment	Other Property, Plant and Equipment (2)	Total
Initial Balance	16,200,672	13,962,107	13,122,500	6,324,920	1,260,280	511,360	162,892	477,957	52,022,688
Additions [3]	369,137	96,186	4,706,471	34,674	109,425	51,560	4,833	89,230	5,461,516
Advances delivered (amortized) to third parties	(3,723)	-	(462)	-	-	800	-	-	(3,385)
Transfers (-/+) [4]	1,213,455	2,738,171	(7,776,960)	3,642,857	101,852	26,621	10,582	(23,108)	(66,530)
Provisions (-)	(35,654)	(3,201)	(664)	(2,896)	(632)	(1,913)	(211)	(3,476)	(48,647)
Withdrawals (-)	(64,628)	(49,875)	(810)	(19,077)	(45,363)	(19,054)	(2,275)	(8,881)	(209,963)
Foreign currency conversion effect	992,616	356,899	145,466	105,034	150,868	36,293	8,902	19,105	1,815,183
Other Changes	5,201	24,001	1,865	(16,470)	(18,114)	(1,282)	9,338	(21,368)	(16,829)
Final cost balance	**18,677,076**	**17,124,288**	**10,197,406**	**10,069,042**	**1,558,316**	**604,385**	**194,061**	**529,459**	**58,954,033**
Accumulated depreciation and impairment loss									
Accumulated depreciation and impairment loss	(6,028,576)	(4,604,026)	(2,552)	(1,030,909)	(680,125)	(321,928)	(100,751)	(178,641)	(12,947,508)
Period depreciation	(551,618)	(351,673)	-	(86,116)	(76,587)	(56,574)	(8,278)	(16,486)	(1,147,332)
Impairment for the period - See note 8	(724)	(20,882)	-	(10,041)	(9,662)	(22)	(3)	(16)	(41,350)
Dispositions (-)	12,122	1,294	-	20	190	1,750	210	1,775	17,361
Withdrawals (-)	36,508	15,782	-	18,687	29,206	18,504	2,080	4,445	125,212
Transfers (-/+)	-	(371)	371	(30)	-	195	-	30	195
Foreign currency conversion effect	(423,764)	(206,887)	-	(22,622)	(73,125)	(27,218)	(5,993)	(13,465)	(773,074)
Other changes	(288)	156	-	(2,524)	(2,506)	(139)	106	(725)	(5,920)
Final Accumulated depreciation and impairment loss	**(6,956,340)**	**(5,166,607)**	**(2,181)**	**(1,133,535)**	**(812,609)**	**(385,432)**	**(112,629)**	**(203,083)**	**(14,772,416)**
Total balance, properties, plant, and equipment, net	**11,720,736**	**11,957,681**	**10,195,225**	**8,935,507**	**745,707**	**218,953**	**81,432**	**326,376**	**44,181,617**
Advances delivered to third parties									
Initial Balance	7,282	-	49,048	-	-	-	-	498	56,828
Movement (+)	-	-	(38,910)	-	-	-	-	-	(38,910)
Movement (-)	(3,723)	-	38,448	-	-	800	-	-	35,525
Difference in conversion adjustment change	256	-	-	-	-	193	-	-	449
Final Balance	**3,815**	**-**	**48,586**	**-**	**-**	**993**	**-**	**498**	**53,892**

- *Amounts stated in millions of Colombian pesos* -

1 It includes capitalization of borrowing costs of $247,965 (2022: $404,627), the weighted average rate used to determine the amount of borrowing costs was 9.85% in pesos (2022: 10.73%) in pesos and the rate in dollars 4.51%, (2022: 4.50%). Additionally, it includes right-of-use assets associated with ongoing construction amounting to $2,611 (2022: $4,095).

The main projects under construction are as follows:

Project	2023	2022
Future Ituango Hydroelectric plant(1.1)	6,751,530	6,853,978
Other EPM projects	1,242,196	1,109,790
Power Distribution Lines - CARMAR	574,684	132,037
Construction, expansion, remodeling and maintenance of substations, networks, lines and cables for DECA and subsidiaries	502,722	709,168
TEPUY Photovoltaic Solar Park - EPM	262,450	33,939
Replacement of Poles and Trafos - EPM	164,157	120,119
Expansion and Reinforcement of Conduction Oriental Machado - EPM	151,981	96,797
Expansion of STN, STR, networks, lines and CENS loss control	143,184	103,461
Cadena de Occidente - EPM	139,664	132,868
Substations, Lines, Network Growth, Loss Reduction and ENSA Technology Replacement	136,237	164,515
Adaptation of Drinking Water Plant - EPM	131,050	88,867
Replacement and Expansion of Substations, Networks, Lines and ESSA Loss Control	126,992	151,489
CHEC Substations, Networks, Lines & Loss Control	114,662	75,636
Other Group Subsidiary Projects	107,602	14,329
Caldas la Estrella Interconnection - EPM	99,602	36,677
Distribution networks, quality compensation FISDL-SIGET and others Delsur	57,995	69,037
Yulimar Manantiales Circuit Expansion - EPM	55,733	31,493
Construction of water treatment plants and WWTPs, Aqueduct and sewerage networks Regional Waters	43,077	35,817
EMVARIAS Projects - Vaso Altair (phase 3), leachate treatment plant and others	38,901	31,507
Expansion and replacement of EDEQ substations, networks, lines and cables	20,641	13,796
Replenishment & Expansion SDL - EPM	16,779	20,323
Connection to Uraba New Hill Secluded Substation	15,530	67,733
Ayurá Plant Modernization - EPM	11,268	42,928
Envigado Sector Capiro Expansion - EPM	3,432	58,925
Total	**10,912,069**	**10,195,229**

-Amounts stated in millions of Colombian pesos -

1.1 As of December 31, 2023, the construction of the Ituango Hydroelectric Power Plant was 92.56% complete (2022: 90.35%), the physical progress presented as of the date of the period on which the separate financial statements are reported corresponds to the January 2023 version of the schedule, which includes the effects that the Project has suffered due to the health emergency caused by COVID-19, In addition, to the extent that inspections are carried out on the missing and post-contingency work fronts, the requirements for additional work are defined to guarantee the stability of the Project, a situation that forced us to reconfigure longer deadlines and include additional work activities within the schedule.

In January 2023, the contractor Schrader Camargo continued with the civil works necessary for the entry into operation of units 3 and 4, advanced with the following activities: The construction of the lower elbow of pipeline No.4 was completed, the concrete of the straight section of pipeline No.3 was completed, and unit 3 was delivered to the contractor GE. The assembly of the elevator in the north services building was 88% complete.

In February 2023, the pouring of slab 217.45 of unit No. 4 was carried out, the concrete of the straight section of pipeline No.3 was completed, the civil works of unit 4 were handed over to the contractor GE to continue the equipment assembly works, the assembly of the elevator in the north services building was completed, in the turbine of the U3 ¬ progress was made with the assembly of the upper deck, the cylindrical valve and its servo motors and in the U4 turbine, positioning of the hydraulic unit level 211.90 was carried out, as well as the descent to level 199 of the 4 segments of the lower deck.

In March 2023, the connecting gantry of the bar gallery 3 with powerhouse was delivered to the contractor GE, the assembly of ferrule 24 in the lower conduction of unit 4 began, in unit 4, concrete pouring was carried out at the bases of the equipment and stator No.1, 2, 7 and 8, work was resumed to remove material from the Cauca River in the area of discharges 3 and 4, the area of ferrule 24 was freed to give continuity to the civil works, the concrete of embedding ferrules 1 to 4 of the upper pipeline No.3 was completed, in the lower branch 4 concrete pouring of layer 1 for the definitive plug for subsequent assembly of armor of the lower driving elbow, in unit 3 verticality control and leveling of the turbine shaft was carried out, in unit 4 the upper cover with the cylindrical valve was assembled.

In April 2023, the assembly of the armor in pipeline No.3 was completed, positioning of the support cone and operations ring in the shaft of unit 3 was carried out, the concrete pouring in the plug of the upper elbow 3 was completed, assembly of the armor in shaft 3 (lower elbow, vertical shaft, upper elbow) was completed, The rotor unit 3 was ready to descend into the generator enclosure, the machining of the upper deck of unit 4 and the pouring of concrete for embedding ferrule 24 of unit 4 was completed, bathymetry was carried out against discharges 1 and 2, preparations for the heating of the rotor of unit 4 were advanced, Compressed air cleaning was carried out on the stator of unit 4 and electrical tests were carried out on the transformers of bank No.7 and No.8.

In May 2023, in the turbine dismantling covers units 3 and 4, the installation and presentation of turbine dismantling covers in the opening area was carried out, in U3 and Y4, self-compacting concrete of 35 Mpa was poured into the EL.217, 45 slab. In the covers of the U4 generator, the installation of mesh and concrete pouring was carried out for 8 modules of the generator covers, EL.217, 45. In pipeline 4, the shielding of the lower elbow and the straight section was completed, as well as the embedded concrete, in bar galleries 3, 35 Mpa self-leveling concrete was poured for restitution of supports, for anchoring insulated phase bar ducts. In unit 3, the installation of the distributor servo motor on the north side, in Rotor-Stator U3, in addition to the lowering of the rotor to unit 3, as well as the positioning of the upper bracket and the anchor pins and bolts, in addition, the installation of the upper cover of the unit, mechanical rotation of the assembly (RUN OUT) was carried out for linear verification and concentricity to the rotor assembly, U4 shaft and impeller and turbine shaft and impeller assembly.

In June 2023, the cutting of slabs 424.5 and 435 in gate shaft 3 was completed, for the entry of demolition teams concrete plug, the cutting of slabs 424.5 and 435 in gate shaft 4 was completed, for the entry of demolition teams concrete plug, the concrete pouring of the plug in the upper elbow No.3 is completed, the arrival at the site of the mechanical bulkhead for the upper conduction No.3 is recorded, the assembly of the mechanical bulkhead for catchment 3 began, in unit 3, the definitive positioning of the external tank and thrust bearing was carried out, in addition to the pouring of tertiary concrete in corbels and thrust bearing, in unit 3, was completed, The leveling and alignment of servo motors of the distributor was completed, on the north and south side, insulation resistance tests and electrical tests were carried out on the rotor of unit 4, descent of the rotor assembly of unit 4 from the assembly room to the generator enclosure (definitive site).

In July 2023, the mechanical bulkhead for catchment 3 was assembled, the immersion of the mechanical bulkhead of catchment 3 was carried out, its leveling and final alignment was completed and the fixing of the ring platens began, the arrival at work of the mechanical bulkhead for upper conduction No.4 was recorded, the assembly of the mechanical bulkhead for catchment 4 began, completed the lowering and coupling of the generator rotor of Unit 4, completed the hot-tapping drilling in the upper conduction 3, completed the run-out of the generation unit 4, completed the assembly of the generator and the assembly of the turbine of unit 3.

In August 2023, in unit 3, the activities corresponding to the assembly stage (100%) were completed, which includes: embedded equipment, turbine, generator, electrical systems and instrumentation, mechanical systems and insulated phase pipes and ducts, in unit 4, the assembly of the embedded equipment was completed, the remaining parts are 96.4% complete (turbine, generator, electrical and mechanical systems), the isolated phase ducts an advance of 95.2%, the assembly of the shielding and concretes in conduits 3 and 4 (lower elbow, vertical shaft and upper elbow) was completed, the pouring of the definitive concrete plugs located in upper bends 3 and 4 was completed, the "hot tapping" perforations for the demolition of the temporary concrete plugs of upper conduits 3 and 4 were completed, The construction of the system for the management of infiltration water was completed, in addition, the entry and installation of equipment for the demolition of the temporary plug in pipes 3 was carried out, the fixing in the rock of the bulkheads of catchments 3 and 4 was carried out, by means of the fixed stops with the installed bolts.

In September, units 3 and 4 completed the activities corresponding to the assembly stage that includes: embedded equipment, turbine, generator, electrical systems and instrumentation, mechanical systems and insulated phase pipes and ducts, in units 3 and 4 the dry tests were completed, in upper pipes 3 and 4 the installation of the mechanical bulkheads as well as the injection of grouting was completed, In addition, underwater activities were freed to proceed with the depressurization in the upper conduits 3 and 4, the depressurization process was carried out in the upper conduit 3, the demolition of the temporary concrete plug in the upper conduit 4 was completed, the demolition of the temporary concrete plug began, presenting an advance of 71% (231 m^3), in the upper pipeline 3, the concrete repairs were completed, the removal of industrial networks is in process, the contracting process for "Slope stabilization works of km 0+900 left bank substitute road of the Ituango Hydroelectric Project" was awarded to the firm Estyma Estudios y Manejo S.A, the contracting process for civil works for the plugging of the right diversion tunnel and closure of the diversion of the Ituango Hydroelectric Project" to the firm Schrader Camargo S.A.S.

In October, the civil works inside the upper conduits 3 and 4 were completed, with which the removal of the mechanical bulkheads began, the demolition of the temporary concrete plugs in conduits 3 and 4 was completed, then the filling of upper conduits 3 and 4 began, Water tests were carried out in generation units 3 and 4, successfully completing the synchronization of both units. After performing the sequence tests in automatic start and load rejection, 1200 MW were generated with the 4 synchronized units. Unit 3 began commercial operation on October 28, 2023, at 0:00 a.m. and Unit 4 began commercial operation on October 31, 2023 at 6:00 p.m. Subsequently, they were registered in the National Interconnected System, for which the operator XM Compañía de Expertos en Mercados S.A. E.S.P. approved their commissioning since they complied with the regulatory requirements of the country. In addition, on October 23, 2023, the contract for the plugging of the right diversion tunnel – TDD with the firm Schrader Camargo S.A.S. began.

For the construction of the final civil works for the entry into operation of units 5 to 8, EPM accepted the offer of the CYS Consortium (made up of: Yellow River Co., Ltd. Sucursal Colombia, and Schrader Camargo S.A.S.) on October 11, 2023, whose final value was $1,075,895.

In November, the contractor Schrader Camargo S.A. carried out the provisional installations of equipment and supplies for the execution of works in the Capitanes sector associated with the contract for the plugging of the right diversion tunnel – TDD, the launch of spheres in pre-plug 2 was restarted and the pumping tests of plastic filter material for the definitive plugging of the TDD were completed. The contract for the stabilization of the slope at km 0 + 900 on the dam-Ituango substitute road was initiated with the firm Estyma Estudios y Manejos S.A., carrying out the mobilization and installation of the contractor and progress was made in the assembly of the cooling system of generating units 5 to 8.

In December, the civil works activities for the assembly of units 3 and 4 were completed, therefore, the contract with the firm Schrader Camargo S.A.S. was terminated, subsequently on December 20, 2023, the order was given to start the CYS Consortium for the construction of the final civil works for the entry into operation of units 5 to 8. Currently, activities are being carried out to mobilize equipment and adapt facilities, in the contract for the plugging of the right diversion tunnel – TDD continued with the mobilization of equipment, adaptations of facilities in the Capitanes square and concrete plant. In pre-plug 2, the filling of the annular space in the micropiles began, in micropile N°50 water tests were carried out and the assembly of the platform of the primary pumping system continued. In addition, a topographic survey of the state of the infiltration channel on the left bank of the TDI was carried out. In the stabilization of the slope at km 0 + 900, a substitute road on the left bank of the Ituango project, the contractor's mobilization, adaptation, cleaning, loading and removal of material in the drainage gallery and zones A and D of the slope continued.

Due to the entry into operation of units 3 and 4 of the Ituango Power Plant, the accounting transfer of the assets that entered into operation was carried out for a value of $1,597,981.

[2] Includes equipment and vehicles of the vehicle fleet, medical and scientific equipment, property, plant and equipment in assembly, property, plant and equipment in transit and replacement assets, transportation, traction and lifting equipment, dining equipment, kitchen, pantry and hospitality.

[3] Includes purchases, capitalizable disbursements that meet the recognition criteria, assets received from third parties, and costs for dismantling and removal of items of property, plant, and equipment. At the end of December 2023 and December 2022, no government grants were received.

[4] Corresponds to the transfers to operation, the most representative being the Ituango project for a value of $1,597,981. It also includes transfers of projects from national energy subsidiaries, the most representative being those of ESSA, CENS and Caribe Mar.

Property, plant and equipment additions of $5,524,123 (2022: $5,437,587), plus the movement of advances of $80,971 (2022: -$3,385), less borrowing costs of $247,965 (2022: $404,627), minus the movement of environmental provisions and dismantling of $234,553 (2022: $104,758), and other items of $-282 (2022: $3,389) are taken as effective items.

The assets subject to operating leases are the following: networks, lines and cables, the electrical infrastructure for the installation of networks by telecommunications operators, specifically poles. Plants, ducts and tunnels Ecopetrol's connection contract to the STN (Magdalena Medio Substation) with a net book value of $49,682 (2022: $71,400).

At the end of the period, an impairment test was carried out on assets linked to CGUs that in turn have intangibles with an indefinite useful life, resulting in impairment of some components, which implied their recognition in the financial statements (see Note 8)

As of December 31, 2023, there are restrictions on the realization of the properties, plant and equipment associated with the parent company's vehicle fleet due to pending lifting due to theft and $1 (2022: $2) have been affected as a guarantee for the fulfillment of obligations.

The Group's most significant commitments for the acquisition of property, plant and equipment as of the cut-off date amount to $4,090,472 (2022: 3,229,904).

The following is the historical cost of fully depreciated property, plant and equipment still in operation as of December 31, 2023 and 2022:

Group	2023	2022
Communication and computer equipment	69,434	86,530
Plants, ducts and tunnels	43,151	26,907
Other properties, plant and equipment	22,842	21,228
Machinery and equipment	16,971	20,270
Networks, lines and cables	5,913	10,684
Buildings	4,535	5,052
Total	**162,846**	**170,671**

- Amounts stated in millions of Colombian pesos -

Note 6. Investment property

The fair value of the investment properties is based on an appraisal made by appraisers who have recognized professional capacity and recent experience on the category of the real estate investments object of the appraisal; this value has been determined by appraisers of the Real Estate Assets Negotiation and Administration Unit of EPM; this activity is performed at least once a year. For the determination of the fair value of investment properties, the comparative or market method is used, which consists of deducting the price by comparison of transactions, supply and demand and appraisals of similar or comparable properties, after adjustments for time, conformation and location; the residual method, which is applied only to buildings and is based on the determination of the restated construction cost less depreciation due to age and state of conservation; and the rental method, which is used to determine the possible value of an asset according to its capacity to generate income, taking into account the probable value of the monthly rent that lessees would be willing to pay in the leasing market. See note 44 Fair value measurement on a recurring and non-recurring basis:

Investment properties	2023	2022
Initial balance	190,574	167,329
Purchase	695	-
Net gain or loss from fair value adjustments [1]	9,100	20,383
Disposals (-)	-	(802)
Effect of foreign currency translation	(4,152)	3,310
Transfers (-/+)	(1,607)	354
Final balance	**194,610**	**190,574**

- Amounts stated in millions of Colombian pesos -

[1] See details in note 32. Other income and note 36. Other expenses.

As of December 31, 2023, investment property lease income for the period was $607 (2022: $510) and direct expenses for the period related to investment properties were $319 (2022: $266).

As of December 31, 2023, there are restrictions on the property located in the Mamatoco sector of the municipality of Santa Marta, a direct reparation process is currently being carried out against said municipality, due to the fact that by omission of the municipal administration a process of massive invasion of the property was generated, which makes it difficult to recover it through police protection processes; Fair value is $1,392 (2022: $1,392).

Note 7. Goodwill and other intangible assets

The following is a detail of the carrying amount of intangible assets:

Intangible assets	2023	2022
Cost		
Goodwill	3,250,166	3,955,113
Concessions and franchises	3,371,169	3,865,191
Rights	114,240	28,606
Licenses	238,504	237,728
Software	773,067	788,663
Easements	286,072	269,998
Costs Development Phases	101,835	64,137
Client-related intangibles	427,099	558,115
Other intangibles	19,696	24,254
Impairment amount		
Goodwill	**(273,101)**	**(261,847)**
Accumulated depreciation and impairment amount		
Concessions and franchises	(1,415,619)	(1,552,663)
Rights	(5,814)	(5,079)
Licenses	(145,148)	(135,652)
Software	(502,431)	(431,346)
Easements	(9,761)	(10,673)
Client-related intangibles	(218,772)	(253,081)
Other intangibles	(39,930)	(42,551)
Total	**5,971,272**	**7,098,913**

- *Amounts stated in millions of Colombian pesos* -

The movement in the cost, amortization and impairment of intangible assets is detailed below:

2023	Goodwill	Similar concessions and rights	Capitalized development costs	Software and computer applications	Licenses	Rights	Other intangible assets [1]	Total
Initial balance, cost	3,955,113	3,865,391	64,137	788,663	237,728	28,607	852,165	9,791,804
Additions [(2)]	-	296,706	44,543	31,117	11,159	-	8,048	391,573
Transferences (-/+)	-	(4,164)	(6,845)	35,932	11,902	90,187	15,151	142,163
Disposals (-)	-	-	-	-	-	(129)	-	(129)
Derecognition (-)	-	(9)	-	(1,368)	(3,201)	-	-	(4,578)
Effect of foreign currency translation	(704,947)	(786,348)	-	(81,277)	(18,097)	(4,425)	(141,927)	(1,737,021)
Other changes	-	(207)	-	-	(987)	-	(770)	(1,964)
Final balance, cost	**3,250,166**	**3,371,369**	**101,835**	**773,067**	**238,504**	**114,240**	**732,667**	**8,581,848**
Initial balance, accumulated amortization and impairment	(261,847)	(1,552,662)	-	(431,346)	(135,653)	(5,079)	(306,304)	(2,692,891)
Charge of amortization for the period [(3)]	-	(153,498)	-	(120,667)	(24,596)	(1,806)	(32,987)	(333,554)
Impairment of the period (Note 8)	(25,325)	-	-	(1,739)	(1,160)	(270)	-	(28,494)
Disposals (-)	-	-	-	-	-	129	16	145
Derecognition (-)	-	7	-	1,367	3,216	-	-	4,590
Effect of foreign currency translation	14,071	290,449	-	49,957	12,504	458	71,397	438,836
Other changes	-	86	-	(4)	539	755	(584)	792
Final balance accumulated amortization and impairment	**(273,101)**	**(1,415,618)**	**-**	**(502,432)**	**(145,150)**	**(5,813)**	**(268,462)**	**(2,610,576)**
Ending balance intangible assets, net	**2,977,065**	**1,955,751**	**101,835**	**270,635**	**93,354**	**108,427**	**464,205**	**5,971,272**
Advances to third parties	-	-	-	-	-	-	-	-
Initial balance	-	200	-	-	-	-	-	200
Final balance	**-**	**200**	**-**	**-**	**-**	**-**	**-**	**200**

- *Amounts stated in millions of Colombian pesos* -

2022	Goodwill	Similar concessions and rights	Capitalized development costs	Software and computer applications	Licenses	Rights	Other intangible assets [1]	Total
Initial balance, cost	3,425,374	3,070,766	35,016	635,659	209,691	25,196	718,779	8,120,481
Additions [2]	-	244,281	31,383	58,361	8,607	-	7,058	349,690
Transferences (-/+)	-	11,554	(1,972)	31,518	7,748	-	17,533	66,381
Disposals (-)	-	-	-	-	-	(112)	-	(112)
Derecognition (-)	-	(837)	-	(47)	(692)	-	-	(1,576)
Effect of foreign currency translation	529,739	550,236	-	61,252	14,313	3,523	104,722	1,263,785
Other changes	-	(10,609)	(290)	1,920	(1,939)	-	4,073	(6,845)
Final balance, cost	**3,955,113**	**3,865,391**	**64,137**	**788,663**	**237,728**	**28,607**	**852,165**	**9,791,804**
Initial balance, accumulated amortization and impairment	(206,572)	(1,190,144)	-	(322,880)	(107,153)	(3,999)	(224,562)	(2,055,310)
Charge of amortization for the period [3]	-	(155,092)	-	(74,051)	(19,708)	(490)	(35,583)	(284,924)
Capitalized amortization	-	-	-	(263)	-	-	-	(263)
Impairment of the period (Note 8)	(47,085)	-	-	-	(1)	(212)	-	(47,298)
Disposals (-)	-	-	-	-	(20)	112	-	92
Derecognition (-)	-	224	-	47	479	-	-	750
Transferences (-/+)	-	-	-	(195)	-	-	-	(195)
Effect of foreign currency translation	(8,189)	(202,328)	-	(33,967)	(9,234)	(340)	(51,464)	(305,522)
Other changes	-	(5,322)	-	(37)	(16)	(150)	5,305	(220)
Final balance accumulated amortization and impairment	**(261,847)**	**(1,552,662)**	**-**	**(431,346)**	**(135,653)**	**(5,079)**	**(306,304)**	**(2,692,891)**
Ending balance intangible assets, net	**3,693,266**	**2,312,729**	**64,137**	**357,317**	**102,075**	**23,528**	**545,861**	**7,098,913**
Advances to third parties	-	-	-	-	-	-	-	-
Initial balance	-	200	-	-	-	-	-	200
Final balance	**-**	**200**	**-**	**-**	**-**	**-**	**-**	**200**

- *Amounts stated in millions of Colombian pesos* -

[1] It includes easements, customer-related intangibles and other intangibles corresponding to premiums at Gas Service Stations.

[2] It includes purchases, capitalizable disbursements that meet the recognition criterion, and concessions. The additions in development disbursements are mainly represented in the SAPHIRO project for the implementation of the new ERP.

[3] See Note 34. Costs for the provision of services and Note 35. Administrative costs.

At the end of the periods, an impairment test was carried out on the assets for those intangibles with an indefinite useful life. The breakdown of the impairment recognized in the statement of comprehensive income can be found in Note 8. Impairment of assets.

The amortization of intangibles is recognized as costs and expenses in the statement of comprehensive income, profit or loss section for the period, under the lines costs for the provision of services and administrative expenses.

Disbursements of research and development projects recognized as expenses in the result of the period during the period amounted to $7,724 (2022: $13,338).

The carrying amount at the cut-off date and the remaining amortization period for significant intangibles is:

Significant intangible assets	Useful life	Remaining amortization period	2023	2022
Goodwill	Indefinite	-	2,976,620	3,693,266
Chile Concession	Defined	12 years	2,639,750	1,868,478
Elektra Noreste S.A. - Commercial Management System and SAP ERP and Other Software	Defined	9 years	283,533	298,837
AGUAS REGIONALES S.A. E.S.P - Concessions and franchises	Defined	11 - 75 years	138,273	116,412
Ecosystem city of Lerdo S.A de C.V. de Mexico - Water treatment plant	Defined	35 years	86,001	86,791
Distribución Eléctrica Delsur - SAP Commercial Management System	Defined	2-5 years	73,953	79,208
Easements of corridor lines 53	Indefinite	-	63,040	63,040
Deca- Smart Metering System & Customer Service System	Defined	1-5 years	47,993	55,035
ELECTRIFICADORA DE SANTANDER S.A. E.S.P - Easements	Indefinite	-	41,875	33,846
Circuito Bello Distribution Network	Defined	39 years	37,923	38,671

- *Amounts stated in millions of Colombian pesos* -

The following intangible assets have an indefinite useful life: trade credits and easements, the latter of which are agreed in perpetuity. By definition, an easement is a perpetual or temporary right in rem over another person's property, by virtue of which it can be used, or certain rights of disposition can be exercised, or the owner may be prevented from exercising some of his property rights (Art. 2970 of the Civil Code). In EPM, easements are not treated individually, since they are constituted for public service projects, where the general interest prevails over the particular, considering that the objective is to improve the quality of life of the community; The aforementioned projects do not have a defined temporality, so they are constituted in perpetuity supported in their use. However, there are some easements with a defined useful life, because they are tied to the useful life of the main asset that the easement requires.

Intangible assets with an indefinite useful life	2023	2022
Goodwill		
Waters of Antofagasta	1,420,441	1,887,833
Empresa eléctrica de Guatemala S.A.	1,084,368	1,318,538
Ituango Generation Power Plant Project	177,667	177,667
Elektra Noreste S.A.	127,519	142,157
Espíritu Santo	82,981	82,981
Empresas Varias de Medellín S.A. E.S.P	78,642	78,642
Empresa de Energía del Quindío S.A. E.S.P.	5,135	5,135
Surtigás Necoclí	303	303
Caldas Hydroelectric Power Plant S.A. E.S.P	10	10
Goodwill subtotal	**2,977,065**	**3,693,266**
Other intangible assets		
Easements	258,064	246,918
Subtotal Other Intangible Assets	**258,064**	**246,918**
Total intangible assets with indefinite useful life	**3,235,129**	**3,940,184**

- *Amounts stated in millions of Colombian pesos* -

The variation with respect to 2022 is mainly due to the decrease in exchange rates that generates a lower value of the goodwill of international subsidiaries.

Note 8. Impairment of assets

8.1 Impairment of investments in associates and joint ventures

The following table presents the cumulative effect of impairment losses recognized:

Investment	Carrying amount		Loss (reversal) of impairment	
	2023	2022	2023	2022
Associate				
UNE EPM Telecomunicaciones S.A.	961,227	1,065,566	-	-
Inversiones Telco S.A.S.	76,266	73,611	-	-
Hidroeléctrica Ituango S.A. E.S.P.	18,631	17,281	-	6,420
Hidroeléctrica del Río Aures S.A. E.S.P.	-	2,564	-	
Total associates	**1,056,124**	**1,159,022**	**-**	**6,420**
Joint ventures				
Parques del Río S.A.S.	25	36	-	-
Centro de Servicios Compartidos S.A.S	17,714	17,130	-	-
Total joint ventures	**17,739**	**17,166**	**-**	-

- *Amount stated in millions of Colombian pesos* -

8.2 Impairment of Cash Generating Units

The carrying value of goodwill and intangible assets with indefinite useful lives associated with each CGU are detailed below:

Cash Generating Unit	Carrying amount		Loss (reversal) of impairment	
	2023	2022	2023	2022
Energy Generation Segment				
Goodwill	260,647	260,647	-	-
Easements	1,655	966	-	-
Rights	-	-	-	212
Licenses	-	-	-	1
Buildings	-	-	-	10,041
Plants, ducts and tunnels	-	-	-	20,882
Networks, lines and cables	-	-	-	724
Machinery and equipment	-	-	-	9,091
Furniture, fixtures and office equipment	-	-	-	2
Communication and computer equipment	-	-	-	4
Transport, traction and lifting equipment	-	-	-	16
Energy Generation	**262,302**	**261,613**	-	**40,973**
Energy Transmission Segment				
Easements	129,226	129,226	-	-
Energy Transmission	**129,226**	**129,226**	-	**-**
Energy Distribution Segment				
Goodwill	1,217,032	1,465,841	-	-
Easements	128,189	114,652	-	-
Software	-	-	1,739	-
Lands	-	-	715	-
Constructions in progress	-	-	36,556	-
Machinery, plant and equipment in assembly	-	-	887	-
Buildings	-	-	1,088	-
Plants, Pipelines & Tunnels	-	-	12,056	-
Networks, Lines & Cables	-	-	34,535	-
Machinery & Equipment	-	-	14,593	-
Office furniture, fixtures and equipment	-	-	174	-
Communication & Computer Equipment	-	-	237	-
Rights of use Buildings	-	-	523	117
Rights of Use Transport, Traction and Lifting Equipment	-	-	553	-
Power Distribution	**1,345,221**	**1,580,493**	**111,639**	**117**
Gas Segment				
Goodwill	303	303	-	-
Easements	3,698	3,693	-	-
Gas	**4,001**	**3,996**	-	-
Water Supply Segment				
Goodwill	1,292,490	1,717,820	20,911	43,206
Easements	10,398	7,728	-	-
Water Supply	**1,302,888**	**1,725,548**	**20,911**	**43,206**
Wastewater Management Segment				
Goodwill	127,951	170,013	4,414	3,879
Easements	1,825	1,745	-	-
Rights	-	-	270	-
Licenses	-	-	1,160	-
Land	-	-	5,240	-

Cash Generating Unit	Carrying amount		Loss (reversal) of impairment	
	2023	2022	2023	2022
Machinery, plant and equipment in assembly	-	-	79	-
Machinery & Equipment	-	-	-	571
Office furniture, fixtures and equipment	-	-	208	1
Communication & Computer Equipment	-	-	763	17
Transport, Traction and Lifting Equipment	-	-	883	-
Rights of use Buildings	-	-	1,542	-
Rights of use: Office furniture, fixtures and equipment	-	-	216	-
Rights of use Communication and computer equipment	-	-	889	-
Rights of Use Transport, Traction and Lifting Equipment	-	-	1,031	-
Wastewater Management	**129,776**	**171,758**	**16,695**	**4,468**
Solid Waste Management Segment				
Goodwill	78,642	78,642	-	-
Solid Waste Management	**78,642**	**78,642**	-	-
Total	**3,252,056**	**3,951,276**	**149,245**	**88,530**

- Amount stated in millions of Colombian pesos -

Goodwill is mainly allocated to the following segments or CGUs:

Cash Generating Unit	2,023	2,022	Generated as a result of
Water Supply Adasa	1,390,828	1,857,721	Business combination in the acquisition of Aguas de Antofagasta by Inversiones Hanover
Energy Distribution EEGSA	1,084,367	1,318,539	Business combination in the acquisition of Deca II Group by EPM
Energy Generation EPM	260,647	260,647	Liquidation of the subsidiary EPM Ituango S.A. E.S.P. and Espíritu Santo whose assets were transferred to EPM.
Energy Distribution ENSA	127,519	142,157	Business combination in the Grupo PDG acquisition by EPM
Solid Waste Management Emvarias	78,642	78,642	Business Combination in EPM's Acquisition
Wastewater Management Adasa	29,613	30,112	Business combination in the acquisition of Aguas de Antofagasta by Inversiones Hanover
Energy Distribution EDEQ	5,135	5,135	Business combination in the acquisition made by EPM Inversiones
Gas EPM	303	303	Business combination with Surtidora de Gas del Caribe S.A. E.S.P. carried out by EPM.
Energy Distributiona CHEC	10	10	Business combination in the acquisition made by EPM Inversiones
Total	**2,977,064**	**3,693,266**	

- Amount stated in millions of Colombian pesos -

Easements intangible assets are mainly allocated to the following segments or CGUs:

Cash Generating Unit	2023	2022
EPM Energy Transmission	129,189	12,919
EPM Energy Distribution	46,897	38,611
ESSA Energy Distribution	38,221	37,141
ENSA Energy Distribution	22,791	20,739
EPM Water Supply	9,834	7,412
CHEC Energy Distribution	8,821	7,544
EPM Gas	3,698	3,693
EPM Energy Generation	1,206	444
EPM Wastewater Management	1,097	1,018
CENS Energy Distribution	1,033	9,266
EEGSA Energy Distribution	874	1,096
Wastewater Management National Waters	597	597
Adasa Water Supply	564	315
Teribe Hydroecological Energy Generation	281	353
EDEQ Energy Distribution	256	256
CHEC Energy Generation	169	169
Malambo Water Wastewater Management	130	130
ESSA Energy Transmission	36	36
Total	**274,991**	**258,010**

- Amount stated in millions of Colombian pesos -

For the calculation of the recoverable amount of assets, the value in use is the criterion used by the Group.

To estimate the value in use of cash-generating units that have been assigned goodwill and intangible assets with an indefinite useful life, the Group is based on future cash flow projections considering expectations regarding the market, legal, economic, and technological environment. The last financial projection approved by the Board of Directors of the subsidiary with a 20-year projection is used and the discount rate used corresponds to the cost of capital of the business.

Impairment of assets and intangible assets - Provision Agua de Antofagasta CGU

Aguas de Antofagasta calculated the impairment of its assets based on IAS 36, seeking to ensure that the value of the assets recorded on December 30, 2023 reflects their recoverable value through their use or sale.

Value-in-use: For this purpose, an estimate was made of the future cash flows that the company expects to obtain on the assets, considering the expectations of possible variations in the value, based on the most recent financial projections, the cash flow was calculated until 2033, the year in which the operating contract ends. The discount rate used for the valuation considers the return that the owner would require for this type of investment.

Based on the above, and on the analysis of the fixed assets subject to impairment allocation, the value of the impairment on the assets as of December 31 amounts to CLP 4,630,387,297 and results from:

Value-in-use:	778,445,081,537	Chilean pesos
Carrying amount of the CGU:	783,075,468,835	Chilean pesos
Comparison amount:	4,630,387,297	Chilean pesos
Impairment amount:	4,630,387,297	Chilean pesos
Conversion rate cost impairment	4.32	COP / CLP

The key assumptions used by the Group for both segments in determining value-in-use/fair value less costs to sell are as follows:

Concept	Key assumption
Revenue	They were projected considering the markets in which it participates, consumption and growth are estimated according to historical trends and urban real estate dynamics, in the long term the rates of the regulated market are maintained without modification, only adjusted for inflation. Revenues are estimated from the entry into operation of greater capacity and the renewal of current contracts, this information is included in the approved business plan and on which expenditures have been made and/or commitments have been acquired.
Costs and expenses	It behaves in line with the growth of demand in the regulated and non-regulated market, maintaining the company's current operating indicators.
Investment	Investments in the replacement and expansion of networks are estimated to maintain the provision of the service in the same conditions of quality and continuity, based on experience and knowledge of the infrastructure. It is considered to materialize expansions in the desalination capacity to meet the needs of the regulated market, the most important and material already has associated expenditures. In the long term, and whenever the capacity is filled by the vegetative growth of the population, new expansions are considered since they are commitments present in the concession contract. The recovery of the Non-Remunerated Income at the end of the concession is considered, as defined in the contract signed with ECONSSA.

Impairment of assets and intangibles - Gestión Aguas de Antofagasta Wastewater CGU

In Aguas de Antofagasta, the impairment of its assets was calculated based on IAS 36, seeking to ensure that the value of the assets that are accounted for as of December 31, 2023 reflects their recoverable value through their use or sale.

Use value: For this purpose, the estimation of the future cash flows that the company expects to obtain on the assets was made; Considering the expectations about possible variations in value, in addition to being based on the most recent financial projections, the cash flow was calculated until 2033, the year in which the operating contract ends. The discount rate used for the valuation considers the return that the owner would demand from this type of investment.

Based on the above, and on the analysis of the fixed assets subject to impairment allocation, the value of the impairment of the assets as of December 31 amounts to CLP 977,419,871 and results from:

Value-in-use:	74,410,422,314	Chilean pesos
Carrying amount of the CGU:	75,387,842,185	Chilean pesos
Comparison amount:	977,419,871	Chilean pesos
Impairment amount:	977,419,871	Chilean pesos
Conversion rate cost impairment	4.32	COP / CLP

The key assumptions used by the group in determining value-in-use/fair value less costs of sale are as follows:

Concept	Key assumption
Revenue	Considering the markets in which it participates, consumption and growth are estimated according to historical trends and urban real estate dynamics, in the long term the rates of the regulated market are maintained without modification, only adjusted for inflation. Revenues are estimated from the entry into operation of greater capacity and the renewal of current contracts, this information is included in the approved business plan and on which expenditures have been made and/or commitments have been acquired.
Costs and expenses	They behave in line with the growth of demand in the regulated and non-regulated market, maintaining the company's current operating indicators.
Investment	Investments in the replacement and expansion of networks are estimated to maintain the provision of the service in the same conditions of quality and continuity, based on experience and knowledge of the infrastructure. It is considered to materialize expansions in the desalination capacity to meet the needs of the regulated market, the most important and material already has associated expenditures. In the long term, and whenever the capacity is filled by the vegetative growth of the population, new expansions are considered since they are commitments present in the concession contract. The recovery of the Non-Remunerated Income at the end of the concession is considered, as defined in the contract signed with ECONSSA.

Impairment of assets and intangibles - Afinia UGE

At Afinia, the impairment of its assets was calculated based on IAS 36, ensuring that the value of the assets that are accounted for as of December 31, 2023 reflects their recoverable value through their use or sale.

Use value: For this purpose, the estimation of the future cash flows that the company expects to obtain on the assets was made; Considering expectations about possible changes in value, and based on the most recent financial projections, the cash flow was calculated at 20 years with continuity value given the useful life of the assets. The discount rate used for the valuation reflects the company's capital structure, which considers the return that the owner would demand from this type of investment.

Based on the above, and on the analysis of fixed assets subject to impairment allocation, the value of the impairment of the assets as of December 31 amounts to $111,638,349,223 and results from:

Value-in-use:	$3,883,843,993,427 Pesos
Carrying amount of the CGU:	$3,995,482,342,650 Pesos
Comparison amount:	$111,638,349,223 Pesos
Impairment amount:	$111,638,349,223 Pesos

The key assumptions used by the group in determining value-in-use/fair value less costs to sell are as follows:

Concept	Key assumption
Income	Rate projections were made based on the current regulatory framework applicable to Afinia's market. Compared to customers with historical series, a trend growth applicable to the area was estimated. In terms of demand, the growth of the main variables took into account the application of the loss plan, the customer normalization campaigns and the collection evolution plan.
Costs and expenses	The cost and expense projection considered the current conditions of the Afinia market, and the efforts needed to develop the different commercial and operational strategies approved by the management, the evolution of the investment and the growth of the population. These costs evolve in real terms, as indicated above and in nominal terms due to inflation or by the respective indexer.
Investment	The CAPEX projection considered the current market conditions of Afinia and its infrastructure, as well as what it needs to execute to meet regulatory obligations, signed management obligations, strategies defined by the administration and population growth. These investments grow in real terms, as indicated above and in nominal terms due to inflation or the respective indexer.

Impairment of assets and intangibles - TICSA UGE

TICSA Constructora calculated the impairment of its assets based on IAS 36, seeking to ensure that the value of the assets that are accounted for as of December 31, 2023 reflects their recoverable value through their use or sale.

Use value: For this purpose, the estimation of the future cash flows that the company expects to obtain on the assets was made; Considering expectations about possible changes in value, and based on the most recent financial projections, cash flow was calculated at 20 years with continuity value. The discount rate used for the valuation reflects the company's capital structure, which considers the return that the owner would demand from this type of investment.

Con base en lo anterior, y en el análisis de los activos fijos susceptibles de asignación de deterioro, el valor del deterioro de los activos a 31 de diciembre asciende a MXP 52,418,882 y que resulta de:

Value-in-use:	586,217,225	Mexican pesos
Carrying amount of the CGU:	638,636,107	Mexican pesos
Comparison amount:	52,418,882	Mexican pesos
Impairment amount [(1)]:	52,418,882	Mexican pesos
Conversion rate cost impairment	225.90	COP / MXP

[(1)] Corresponds to the maximum impairment that could be assigned to the assets of the CGU in accordance with IAS 36.

The key assumptions used by the group in determining value-in-use/fair value less costs of sale are as follows:

Concept	Key assumption
Income	Revenue comes primarily from two lines of business, EPC construction line and BOT businesses. In the short term, they are estimated according to the projects awarded and in the medium and long term according to the expectations of new businesses.
Costs and expenses	Costs and expenses are projected considering inflation and the level of historical profitability margins.
Investment	Investments are considered for BOMT type businesses in which long-term operation, maintenance and return on investment are proposed.

Impairment of assets and intangibles - UGE Gestión Aguas de Morelia Wastewater

In Aguas de Morelia, the impairment of its assets was calculated based on IAS 36, ensuring that the value of the assets that are accounted for as of December 31, 2023 reflects their recoverable value through their use or sale.

Use value: For this purpose, the estimation of the future cash flows that the company expects to obtain on the assets was made; considering the expectations about possible variations in value, in addition to the most recent financial projections, the operating contract ends in November 2024 and cash flows are estimated until 2026 for the recovery of working capital and the settlement of the SPV and taxes. The discount rate used for the valuation considers the return that the owner would demand from this type of investment.

Based on the above, and on the analysis of the fixed assets subject to impairment allocation, the value of the impairment of the assets as of September 30, 2023 amounts to MXP 945,342 and results from:

Value-in-use:	64,180,156	Mexican pesos
Carrying amount of the CGU:	91,626,084	Mexican pesos
Comparison amount:	27,445,928	Mexican pesos
Impairment amount [(1)]:	983,916	Mexican pesos
Conversion rate cost impairment	241.49	COP / MXP

[(1)] It corresponds to the maximum impairment that could be assigned to the assets of the CGU in accordance with IAS 36.

The key assumptions used by the group in determining value-in-use/fair value less costs to sell are as follows:

Concept	Key assumption
Income	The revenues come from the operation of the Atapaneo and Itzicuaros Wastewater Treatment Plant, projected until the expiration of the contract and based on historical consumption.
Costs and expenses	Costs and expenses were estimated in compliance with the maintenance of the plant, main inputs such as electricity, chemicals and personnel, assuming in this last point, an increase at the end of the projection since the closure of the company is assumed.
Investment	No additional investments are estimated in addition to those to sustain the infrastructure.

Note 9. Investments in subsidiaries

The detail of the Group's subsidiaries as of the date of the reporting period is as follows:

Name of the subsidiary	Ref.	Location (Country)	Main Activity	*Percentage of ownership and voting rights*		*Non-controlling party share percentage*		Date of establishment
				2023	2022	2023	2022	
Empresa de Energía del Quindío S.A. E.S.P. (EDEQ)		Colombia	It provides electric power utilities for the purchase of electric power and sale and distribution.	92.85%	92.85%	7.15%	7.15%	22/12/1988
Caldas Hydroelectric Power Plant S.A. E.S.P. (CHEC)		Colombia	It provides public energy services, operating electric power generation plants, transmission and subtransmission lines and distribution networks, as well as the marketing, importing, distribution and sale of electricity.	80.10%	80.10%	19.90%	19.90%	9/09/1950
Electrificadora de Santander S.A. E.S.P. (ESSA)		Colombia	It provides public services of electric energy, purchase, sale, commercialization and distribution of electric energy.	74.05%	74.05%	25.95%	25.95%	16/09/1950
Centrales Eléctricas del Norte de Santander S.A. E.S.P. (CENS)		Colombia	It provides public electric power services, purchases, exports, imports, distributions and sales of electric power, construction and operation of generating plants, substations, transmission lines and distribution networks.	91.52%	91.52%	8.48%	8.48%	16/10/1952
Caribemar de la Costa S.A.S. E.S.P. (AFINIA)	(1)	Colombia	It provides public services for the distribution and commercialization of electricity, as well as the performance of all related activities, works, services and products.	100%	100%	-	-	1/10/2020
Elektra Noreste S.A. (ENSA)		Panama	It acquires energy, transports, distributes to customers, transforms voltage, installs, operates and maintains public lighting, and is authorized to generate energy up to a limit of 15% of the maximum demand in the concession area.	51.17%	51.16%	48.84%	48.84%	19/01/1998
Hidroecológica del Teribe S.A. (HET)		Panama	It finances the construction of the Bonyic hydroelectric project required to meet the growth in energy demand of the Isthmus of Panama.	99.68%	99.68%	0.32%	0.32%	11/11/1994
Empresa Eléctrica de Guatemala S.A. (EEGSA)		Guatemala	It provides electric power distribution services	80.90%	80.90%	19.10%	19.10%	5/10/1939
Gestión de Empresas Eléctricas S.A. (GESA)		Guatemala	It provides advice and consulting to electricity distribution, generation and transportation companies.	100%	100%	-	-	17/12/2004
Almacenaje y Manejo de Materiales Eléctricos S.A. (AMESA)		Guatemala	It provides outsourcing services in the area of materials management.	99.94%	99.94%	0.06%	0.06%	23/03/2000
Comercializadora Eléctrica de Guatemala S.A. (COMEGSA)		Guatemala	It provides electricity marketing services.	80.52%	80.52%	19.48%	19.48%	5/11/1998

Name of the subsidiary	Ref.	Location (Country)	Main Activity	*Percentage of ownership and voting rights*		*Non-controlling party share percentage*		Date of establishment
				2023	2022	2023	2022	
Transportista Eléctrica Centroamericana S.A. (TRELEC)		Guatemala	It provides electric power transmission services.	80.90%	80.90%	19.10%	19.10%	6/10/1999
Energetica S.A. (ENERGICA)		Guatemala	It provides construction and maintenance services for projects and assets in the electricity sector.	78.19%	78.19%	21.81%	21.81%	31/08/1999
Crediegsa S.A. (CREDIEGSA)		Guatemala	Provides recruitment and other administrative services	80.90%	80.90%	19.10%	19.10%	1/12/1992
Distribuidora de Electricidad del Sur (DELSUR)		El Salvador	Transformation, distribution and commercialization of electricity that supplies energy to the south-central area of El Salvador in Central America.	86.41%	86.41%	13.59%	13.59%	16/11/1995
Innova Tecnología y Negocios S.A. de C.V.		El Salvador	Provision of specialized services in electrical engineering and sale of electrical appliances to the electricity users of the Delsur company.	86.41%	86.41%	13.59%	13.59%	19/10/2010
Aguas Nacionales EPM S.A. E.S.P.		Colombia	It provides domestic public services such as aqueduct, sewerage and sanitation, treatment and use of waste, complementary activities and engineering services typical of these public services.	99.99%	99.99%	0.01%	0.01%	29/11/2002
Aguas Regionales EPM S.A. E.S.P.		Colombia	Guarantee the provision of domestic public services such as aqueduct, sewerage and sanitation and compensate for the lag in the infrastructure of these services in the partner municipalities.	74.57%	74.57%	25.43%	25.43%	18/01/2006
Empresa de Aguas del Oriente Antioqueño S.A. E.S.P.		Colombia	It provides domestic public water and sewerage services, as well as other complementary activities specific to each of these public services.	56.02%	56.02%	43.98%	43.98%	22/11/1999
Aguas de Malambo S.A. E.S.P.	(2)	Colombia	Dedicated to guaranteeing the provision of domestic public services of aqueduct, sewerage and sanitation in the jurisdiction of the Municipality of Malambo, Department of Atlántico.	98.73%	98.52%	1.27%	1.48%	20/11/2010
Ecosistemas de Colima S.A. de C.V.		Mexico	Dedicated to the development of an executive project for the wastewater treatment plant, its construction, equipment and commissioning, conservation and maintenance of sludge stabilization in municipalities of the State of Colima.	100%	100%	-	-	14/02/2006
Ecosistemas de Tuxtla S.A. de C.V.		Mexico	Dedicated to the construction, equipment, commissioning, operation and maintenance of a wastewater treatment system with the modality of total recoverable private investment. Develop drinking water and water treatment plant projects.	100%	100%	-	-	17/11/2006

Name of the subsidiary	Ref.	Location (Country)	Main Activity	*Percentage of ownership and voting rights*		*Non-controlling party share percentage*		Date of establishment
				2023	2022	2023	2022	
Ecosystem of Ciudad Lerdo S.A. de C.V.		Mexico	Subsidiary dedicated to the construction, equipment, commissioning, operation and maintenance for 20 years of a wastewater treatment system in the city of Lerdo Durango, with the modality of total recoverable private investment.	100%	100%	-	-	24/04/2007
Aquasol Morelia S.A. de C.V.		Mexico	Subsidiary dedicated to the construction of a wastewater treatment plant, as well as the equipment and commissioning of said plant located in the town of Atapaneo in the Municipality of Morelia, Michoacán.	100%	100%	-	-	13/11/2003
Ecosystems of Celaya S.A. de C.V.		Mexico	Dedicated to the development of the executive project for the wastewater treatment plant, as well as the treatment, transport and final disposal of solid waste and sludge in the plant in the city of Celaya, state of Guanajuato.	100%	100%	-	-	5/12/2008
Desarrollos Hidráulicas de Tampico S.A. de C.V.		Mexico	Dedicated to the construction, equipment, expansion, improvement, conservation, maintenance and operation of water supply systems and sewerage services, collection, drainage and wastewater treatment works.	100%	100%	-	-	25/08/1995
Ecoagua de Torreón S.A. de C.V.		Mexico	Dedicated to providing wastewater treatment operation services from any source, whether municipal or domestic, as well as activity related to wastewater treatment.	100%	100%	-	-	25/10/1999
Proyectos de Ingeniería Corporativa S.A. de C.V.		Mexico	Provision of design, general engineering or construction services, professional and technical services aimed at operating, administering, directing and in general carrying out all the activities that are necessary for the development of activities of any commercial, industrial or service company, in its modality as a natural or legal person.	100%	100%	-	-	1/08/2008
Corporación de Personal Administrativo S.A. de C.V.		Mexico	Provision of professional services aimed at operating, administering, directing and in general carrying out all the activities that are necessary for the development of activities of any commercial, industrial or service company as a natural or legal person, as well as the administration, selection, hiring and exchange of personnel who perform functions within the facilities of the applicant companies.	100%	100%	-	-	1/08/2008

Name of the subsidiary	Ref.	Location (Country)	Main Activity	*Percentage of ownership and voting rights*		*Non-controlling party share percentage*		Date of establishment
				2023	2022	2023	2022	
Aguas de Antofagasta S.A.		Chile	Construction and operation of public services for the production and distribution of drinking water and for the collection and disposal of wastewater through the operation of the sanitary concessions of the Empresa de Servicios Sanitarios de Antofagasta S.A. (now Econssa Chile S.A.), and the performance of other services related to these activities, all this in the manner and under the conditions established in Decrees with Force of Law Nos. 382 and 70, both of 1998, of the Ministry of Public Works, and other pertinent regulations. To this end, on December 29, 2003, Aguas de Antofagasta S.A. signed with Empresa de Servicios Sanitarios de Antofagasta S.A. (now Empresa Concesionaria de Servicios Sanitarios S.A. - Econssa S.A.) the "Contract for the transfer of the right to exploit sanitary concessions", for a total term of 30 years from the date of its signing.	100%	100%	-	-	28/11/2003
Empresas Varias de Medellín S.A. E.S.P.		Colombia	Subsidiary dedicated to the provision of public sanitation services within the framework of comprehensive solid waste management.	99.93%	99.93%	0.07%	0.07%	11/01/1964
EPM Inversiones S.A.		Colombia	Dedicated to the investment of capital in domestic or foreign companies organized as public service companies.	100%	99.99%	0.01%	0.01%	25/08/2003
Maxseguros EPM Ltd.		Bermuda	Negotiation, contracting and management of reinsurance for the policies that cover the assets.	100%	100.00%	-	-	23/04/2008
Panama Distribution Group S.A. - PDG		Panama	Capital investment in companies.	100%	100.00%	-	-	30/10/1998
Distribución Eléctrica Centroamericana DOS S.A. - DECA II		Guatemala	It makes capital investments in companies that are engaged in the distribution and commercialization of electric power and the provision of telecommunications services.	100%	100.00%	-	-	12/03/1999
Inmobiliaria y Desarrolladora Empresarial de América S.A. (IDEAMSA)		Guatemala	Subsidiary dedicated to making investments in real estate.	80.90%	80.90%	19.10%	19.10%	15/06/2006
Promobiliaria S.A.		Panama	Buying, selling, building, modifying, administering, leasing and in general entering into any contract for the disposal, improvement, use and usufruct of real estate not necessary for the operation of property owned by the companies that make up the EPM Group.	100%	100%	-	-	8/09/2015
EPM Latam S.A.		Panama	Make capital investments in companies.	100%	100%	-	-	17/05/2007

Name of the subsidiary	Ref.	Location (Country)	Main Activity	*Percentage of ownership and voting rights*		*Non-controlling party share percentage*		Date of establishment
				2023	2022	2023	2022	
EPM Capital México S.A. de C.V.	(3)	Mexico	It develops infrastructure projects related to energy, lighting, gas, telecommunications, sanitation, water treatment plants, sewerage, wastewater treatment, buildings, as well as their operation, studies and services.	100%	100%	-	-	4/05/2012
EPM Chile S.A.		Chile	It develops projects in energy, lighting, gas, telecommunications, sanitation, water purification, sewerage and wastewater treatment plants, as well as providing these services and participating in all types of public or private tenders and auctions.	100%	100%	-	-	22/02/2013
Investments & Projects Hidrosur SpA	(4)	Chile	Participate in all types of tenders, tenders, auctions, whether public and/or private, in the purchase of shares in national or foreign companies. Carry out strategic alliances, joint ventures and sign business collaboration agreements to compete in tenders, obtain concessions and/or authorizations. Provide all types of advice and services directly or indirectly related to the activities carried out and in which society is involved.	100%	100%	-	-	16/12/2014
Tecnología Intercontinental S.A. de C.V. TICSA		Mexico	Dedicated to the study, development, promotion and execution of industrial projects, to the design, manufacture, assembly and assembly of machinery, the development of technology including commercialization, commercial representation and commerce in general.	100%	100%	-	-	28/07/1980
ENSA Servicios S.A.		Panama	Provision of technical, commercial and any other complementary services to the provision of the electricity service, without limiting other analogous, related and/or compatible services that constitute an added value to the activities described.	51.17%	51.16%	48.84%	48.84%	29/11/2017
Somos Servicios Integrados S.A.	(5)	Panama	Integrate commercial establishments to promote digital commerce in an agile, safe and reliable way for customers/users of the Colombian company Empresas Públicas de Medellín E.S.P., its affiliates and subsidiaries; In the same way, to offer financing alternatives to the clients/users of the Colombian company Empresas Públicas de Medellín E.S.P., its affiliates and subsidiaries for the acquisition of goods and services, to offer loyalty programs and new business models, which generate value and significant improvements in people's daily lives, companies and cities.	100%	-	-	-	1/09/2023

Name of the subsidiary	Ref.	Location (Country)	Main Activity	*Percentage of ownership and voting rights*		*Non-controlling party share percentage*		Date of establishment
				2023	2022	2023	2022	
EPM Renovables S.A.	(6)	Panama	Carry out management activities, strategic planning, participation in investments and businesses of renewable electricity generation and in the production of new sources of green fuels; research and development related to the generation of renewable electricity and new sources of green fuels; Investing in financial businesses and companies holding financial businesses, carrying out the operations and acts that are relevant to the holding and management of such investments; among other transactions permitted by law to corporations in the Republic of Panama.	100%	-	-	-	3/11/2023
FID 20431 SOMOS EPM (formerly Patrimonio Autónomo Financiación Social)	(7)	Colombia	Manage the resources and payments of the social financing program created to facilitate the purchase of household appliances, gas appliances and products related to information technology	0%	100%	-	-	14/04/2008
FID 20432 SOMOS CHEC		Colombia	Manage the resources and payments of the social financing program created to facilitate the purchase of household appliances, gas appliances and products related to information technology.	80.10%	80.10%	19.90%	19.90%	10/11/2020
FID 20433 SOMOS EDEQ		Colombia	Manage the resources and payments of the social financing program created to facilitate the purchase of household appliances, gas appliances and products related to information technology.	92.85%	92.85%	7.15%	7.15%	10/11/2020
FID 20434 SOMOS ESSA		Colombia	Manage the resources and payments of the social financing program created to facilitate the purchase of household appliances, gas appliances and products related to information technology.	74.05%	74.05%	25.95%	25.95%	10/11/2020
FID 269 GET IT CREDIEEGSA		Guatemala	Manage the resources and payments of the social financing program created to facilitate the purchase of household appliances, gas appliances and products related to information technology.	80.90%	80.90%	19.10%	19.10%	5/01/2022
FID 20435 SOMOS CENS		Colombia	Manage the resources and payments of the social financing program created to facilitate the purchase of household appliances, gas appliances and products related to information technology.	91.52%	0.00%	8.48%	0.00%	30/09/2022

(1) During 2023, two capitalizations of $350,000 and $250,000 were made in September and December respectively, in which only EPM participated.

(2) During the year 2023, capitalizations of $2,043 have been made, which were made in March, July and August, for $1,000, $600 and $443 respectively.

(3) Reimbursement of EPM Capital Mexico's contributions to EPM was made. On 11/30/2023, MXN 100,000,000 equivalent to USD 5,749,770.01 were transferred from EPM Capital México.

(4) In December 2023, the statutory capital was increased by 14,400 new shares, new statutory capital: USD 290,150,000 divided into 290,150 shares. (Shareholder EPM Chile S.A. 100%).

(5) On September 1, 2023, the Company SOMOS SERVICIOS INTEGRADO S.A. was incorporated with domicile in the Republic of Panama, according to Public Deed 5436 of the Fifth Notary of the Circuit of Panama.

(6) On August 1, 2023, the Board of Directors of this company authorized the issuance of one (1) share in the name of EPM. And on November 3, 2023, 99 shares were issued for a total of 100 shares worth a total of USD$ 10,000 (The sole shareholder is EPM ESP – 100%)

(7) In November 2023, the sale of the Patrimonio Autónomo Financiación Social to the company SOMOS servicios integrado S.A. was carried out by $280,645.

The financial information of the Group's subsidiaries that have significant non-controlling interests as of the date of the reporting period is as follows:

2023	Current Assets	Non-current assets	Current liabilities	Non-current liabilities	Ordinary income	Period Result Continued operations	Other Comprehensive income	Total comprehensive income	Statement of cash flows
Elektra Noreste S.A. (ENSA)	835,072	2,597,058	1,403,402	1,143,850	3,045,991	226,436	(256,083)	(29,647)	24,625
Empresa Eléctrica de Guatemala S.A. (EEGSA)	914,211	1,862,256	588,020	760,416	3,272,272	270,903	(309,846)	(38,943)	37,508
Electrificadora de Santander S.A. E.S.P. (ESSA)	595,550	2,063,612	500,340	1,075,600	2,097,785	220,902	(24,912)	195,990	163,175
Centrales Eléctricas del Norte de Santander S.A. E.S.P. (CENS)	413,812	1,259,083	395,102	786,582	1,418,185	68,595	(33,018)	35,577	60,313
Distribuidora Eléctrica del Sur S.A. de C.V. (DELSUR)	343,440	493,591	339,421	310,937	1,503,577	76,778	(46,247)	30,531	6,624
Central Hidroeléctrica de Caldas S.A. E.S.P. (CHEC)	326,371	1,234,521	362,366	582,635	1,313,909	171,702	(2,546)	169,156	44,701
Comercializadora Eléctrica de Guatemala S.A. (COMEGSA)	154,036	1,060	53,982	15,723	740,557	15,956	(22,261)	(6,305)	4,812
Empresa de Energía del Quindío S.A. E.S.P. (EDEQ)	174,644	352,599	125,972	189,444	428,759	59,853	(3,618)	56,235	60,354
Transportista Eléctrica Centroamericana S.A. (TRELEC)	49,221	1,283,013	156,902	346,251	237,174	118,630	(201,766)	(83,136)	231
Aguas Regionales EPM S.A. E.S.P.	33,212	250,937	43,727	89,840	89,211	8,558	-	8,558	6,569
Other participations [1]	961,597	5,381,262	634,658	827,993	1,060,199	662,744	(146,600)	516,144	589,386

Amounts stated in millions of Colombian pesos -

2023	Current Assets	Non-current assets	Current liabilities	Non-current liabilities	Ordinary income	Period Result Continued operations	Other Comprehensive income	Total comprehensive income	Statement of cash flows
Elektra Noreste S.A. (ENSA)	1,007,275	3,096,810	1,875,982	1,186,262	2,834,416	159,300	149,880	309,180	23,576
Empresa Eléctrica de Guatemala S.A. (EEGSA)	1,096,867	2,330,707	717,690	1,046,268	3,000,623	228,654	238,558	467,212	37,470
Electrificadora de Santander S.A. E.S.P. (ESSA)	577,446	1,984,427	561,812	995,654	1,712,098	234,348	16,477	250,825	198,425
Centrales Eléctricas del Norte de Santander S.A. E.S.P. (CENS)	427,632	1,048,152	326,678	600,475	1,232,156	131,200	19,838	151,038	65,477
Distribuidora Eléctrica del Sur S.A. de C.V. (DELSUR)	289,802	594,578	332,450	343,589	1,469,927	54,227	29,123	83,350	23,108
Central Hidroeléctrica de Caldas S.A. E.S.P. (CHEC)	372,040	1,025,435	280,773	510,668	1,103,095	201,461	3,075	204,536	35,340
Comercializadora Eléctrica de Guatemala S.A. (COMEGSA)	173,355	1,449	43,577	17,229	614,015	20,921	14,975	35,896	10,591
Empresa de Energía del Quindío S.A. E.S.P. (EDEQ)	149,140	258,604	108,026	109,432	354,021	48,817	1,854	50,671	25,006
Transportista Eléctrica Centroamericana S.A. (TRELEC)	101,119	1,555,387	181,804	535,938	220,336	110,902	140,630	251,532	1,421
Aguas Regionales EPM S.A. E.S.P.	46,019	216,253	38,006	82,243	84,204	2,305	-	2,305	13,181
Other participations [1]	869,020	5,171,996	565,250	774,544	934,591	672,370	37,315	709,685	508,536

[1] It corresponds to investments in subsidiaries where the non-controlling interest is not significant in terms of their equity and/or the amount of the financial figures of each entity, and includes the following subsidiaries: Hidroecológica del Teribe S.A., Energética S.A., Credieegsa S.A., Aguas Nacionales EPM S.A. E.S.P., Empresa de Aguas del Oriente Antioqueño S.A. E.S.P., Aguas de Malambo S.A. E.S.P., Empresas Varias de Medellín S.A. E.S.P., EPM Inversiones S.A., Inmobiliaria y Desarrolladora Empresarial de América S.A., Innova Tecnología y Negocios S.A. de C.V. y Almacenaje y Manejo de Materiales Eléctricos S.A.

The result for the period, dividends paid, and equity allocated to non-controlling interests as of the date of the reporting period is as follows:

Non-controlling participations	2023			
	Equity	Profit or loss	Other Comprehensive Income	Dividends paid
Elektra Noreste S.A. (ENSA)	431,731	110,382	2	20
Electrificadora de Santander S.A. E.S.P. (ESSA)	281,137	57,339	(6,466)	30,430
Empresa Electrica de Guatemala S.A. (EEGSA)	272,725	51,737	126	28,484
Central Hidroelectrica de Caldas S.A. E.S.P. (CHEC)	122,557	34,167	(507)	-
Transportista Electrica Centroamericana S.A. (TRELEC)	158,337	22,656	-	4,790
Centrales Electricas del Norte de Santander S.A. E.S.P.	41,659	5,817	(2,800)	7,880
Distribuidora de Electricidad del Sur S.A. de C.V. (DELSUR)	25,020	10,443	35	9,032
Aguas Regionales EPM S.A. E.S.P.	38,300	2,177	-	-
Comercializadora Electrica de Guatemala S.A. (COMEGSA)	16,308	3,047	-	4,688
Empresa de Energia del Quindio S.A. E.S.P. (EDEQ)	15,135	4,277	(258)	2,479
Otras participaciones no controladas [1]	30,824	10,550	(4)	8,309

- Amounts stated in millions of Colombian pesos -

Non-controlling participations	2022			
	Equity	Profit or loss	Other Comprehensive Income	Dividends paid
Elektra Noreste S.A. (ENSA)	404,768	18,300	-	3
Electrificadora de Santander S.A. E.S.P. (ESSA)	208,660	13,083	-	-
Empresa Electrica de Guatemala S.A. (EEGSA)	224,723	10,750	(113)	5,395
Central Hidroelectrica de Caldas S.A. E.S.P. (CHEC)	89,815	10,398	(478)	-
Transportista Electrica Centroamericana S.A. (TRELEC)	129,124	5,355	-	609
Centrales Electricas del Norte de Santander S.A. E.S.P.	36,866	3,146	-	-
Distribuidora de Electricidad del Sur S.A. de C.V. (DELSUR)	16,961	1,737	-	30
Aguas Regionales EPM S.A. E.S.P.	36,507	970	-	-
Comercializadora Electrica de Guatemala S.A. (COMEGSA)	14,698	853	-	1,199
Empresa de Energia del Quindio S.A. E.S.P. (EDEQ)	11,027	1,051	-	-
Other uncontrolled participations [1]	21,913	2,398	-	2,007

- Amounts stated in millions of Colombian pesos -

(1) It corresponds to investments in subsidiaries where the non-controlling interest is not significant and includes the following companies: Inmobiliaria y Desarrolladora Empresarial de América S.A., Energetica S.A., Aguas de Malambo S.A. E.S.P., Empresa de Aguas del Oriente Antioqueño S.A. E.S.P., Hidroecológica del Teribe S.A., Crediegsa S.A., Aguas Nacionales EPM S.A. E.S.P., Empresas Varias de Medellín S.A. E.S.P. y Almacenaje y Manejo de Materiales Eléctricos S.A.

9.1 Significant Restrictions

As of December 31, 2023 and 2022, the Group has no significant restrictions on accessing or using the assets, settling liabilities of the Group, nor do non-controlling interests have protective rights that may restrict the Group's ability to access or use the assets and settle the liabilities of subsidiaries or restrict dividends and other capital distributions.

9.2 Consolidated Structured Entities

As of December 31, 2023 and 2022, the Group owns the following consolidated structured entities:

Structured Entity	2023			
	Participation in the entity	Total Assets	Total liabilities	Net result of the period
FID 20431 SOMOS	100%	294,404	18,736	49,455
FID 20432 SOMOS CHEC	80.10%	33,637	1,173	5,335
FID 20433 SOMOS EDEQ	92.85%	9,586	466	1,428
FID 20434 SOMOS ESSA	74.05%	16,150	692	1,077
FID 269 CONSÍGUELO	80.90%	5,238	952	(2,304)
FID 20435 SOMOS CENS	91.52%	2,576	(131)	273

Amounts stated in millions of Colombian pesos -

Structured Entity	2022			
	Participation in the entity	Total Assets	Total liabilities	Net result of the period
FID 20431 SOMOS EPM (before Patrimonio Autónomo Financiación Social)	100%	238,799	18,146	26,945
FID 20432 SOMOS CHEC	80.10%	28,501	825	2,243
FID 20433 SOMOS EDEQ	92.85%	7,237	407	401
FID 20434 SOMOS ESSA	74.05%	8,432	(161)	(452)
FID 269 CONSÍGUELO	80.90%	2,121	404	(2,001)
FID 20435 SOMOS CENS	91.52%	979	(5)	29

Amounts stated in millions of Colombian pesos -

The Group is under no obligation to provide financial support to the above structured entities.

9.3 Loss of control of subsidiaries

As of December 31, 2023 and 2022, there were no transactions or economic events that implied the loss of control of subsidiaries.

Note 10. Investments in associates

The details of the Group's investments in associates as of the date of the reporting period are as follows:

Associate name	Location (Country)	Main activity	Percentage of participation and voting rights		Creation date
			2023	2022	
Hidroeléctrica Ituango S.A. E.S.P.	Colombia	Promotion, design, construction, operation, maintenance and commercialization of energy at the national and international level of the Pescadero Hituango Hydroelectric Power Plant	46.45%	46.45%	8/06/1998
Hidroeléctrica del Rio Aures S.A. E.S.P. [1]	Colombia	Generation and commercialization of electric power through a hydroelectric power plant, located in the jurisdiction of the municipalities of Abejorral and Sonson. Of the Department of Antioquia	8.43%	11.81%	14/05/1997
UNE EPM Telecomunicaciones S.A.	Colombia	Provision of telecommunications services Information and communication technologies Information services and follow-up activities.	50.00%	50.00%	23/06/2006
Inversiones Telco S.A.S.	Colombia	Invest in companies whose social objects are based on the provision of business process outsourcing (BPO) services for companies, especially but not limited to telecommunications companies.	50.00%	50.00%	5/11/2013

[1] In January 2023, a capitalization in Hidroeléctrica del Río Aures S.A. E.S.P. was presented, in which EPM did not participate and consequently its stake is reduced. As of June 2023, it is reclassified to an uncontrolled investment due to the resignation of the representation of the board of directors of this company.

The value of investments in associates as of the reporting period is as follows:

Associate	2023				2022				
	Investment value				Investment value				
	Cost	Equity method	Impairment	Total	Cost	Equity method	Impairment	Dividends	Total
UNE EPM Telecomunicaciones S.A.	2,642,488	(1,681,261)	-	961.227	2,342,488	(1,282,346)	-	-	1,060,142
Inversiones Telco S.A.S.	55.224	21.042	-	76.266	55.224	26.554	-	(8.167)	73.611
Hidroeléctrica Ituango S.A. E.S.P.	34.313	(9.262)	(6,420)	18.631	34.313	(10.612)	(6,420)	-	17.281
Hidroeléctrica del Río Aures S.A.	-	-	-	-	2.478	86	-	-	2.564
Total investments in associates	**2,732,025**	**(1,669,481)**	**(6,420)**	**1,056,124**	**2,434,503**	**(1,266,318)**	**(6,420)**	**(8.167)**	**1,153,598**

-Amounts stated in millions of Colombian pesos -

The detail of the equity method recognized in income for the period and in other comprehensive income for the period is as follows:

Associated	2023			2022		
	Period equity method		Total	Period equity method		Total
	Period Result	Other comprehensive result		Period Result	Other comprehensive result	
UNE EPM Telecomunicaciones S.A.	(571,895)	167,274	(404,621)	(236,163)	634	(235,529)
Inversiones Telco S.A.S.	2,251	-	2,251	4.491	-	4,491
Hidroeléctrica Ituango S.A. E.S.P.	1,350	-	1,350	(178)	-	(178)
Hidroeléctrica del Río Aures S.A. E.S.P.	-	-	-	(25)	-	(25)
VE Servicios de Eficiencia Energética S.A.S.	-	-	-	1,498	-	1,498
Total	**(568,294)**	**167,274**	**(401,020)**	**(230,377)**	**634**	**(229,743)**

Amounts stated in millions of Colombian pesos -

The financial information of the Group's significant associates as of the date of the reporting period is as follows. All associates are accounted for by the equity method in the consolidated financial statements:

2023	Current Assets	Non-current assets	Current liabilities	Non-current liabilities	Ordinary income	Period Result Continued operations	Other comprehensive result	Total comprehensive income	Dividend income
UNE EPM Telecomunicaciones S.A.	1,169,599	9,090,419	2,724,878	7,176,338	5,457,904	(1,144,778)	334,547	(810,231)	-
Inversiones Telco S.A.S.	183,606	82,710	92,334	22,044	500,928	4,501	-	4,501	-
Hidroeléctrica Ituango S.A. E.S.P.	37,336	65,545	1,408	50,669	-	3,370,662		3,370,662	-
Hidroeléctrica del Río Aures S.A. E.S.P.	5,439	16,675	181	-	-	(105)		(105)	-

Amounts stated in millions of Colombian pesos -

2022	Current Assets	Non-current assets	Current liabilities	Non-current liabilities	Ordinary income	Period Result Continued operations	Other comprehensive result	Total comprehensive income	Dividend income
UNE EPM Telecomunicaciones S.A.	1,111,351	8,429,365	2,849,791	6,133,304	5,436,328	(473,812)	-	(473,812)	-
Inversiones Telco S.A.S.	195,575	125,656	115,996	58,010	561,016	8,982	-	8,982	8,167
Hidroeléctrica Ituango S.A. E.S.P.	37,911	65,565	1,550	50,928	1,748	1,720		1,720	-
Hidroeléctrica del Río Aures S.A. E.S.P.	5,439	16,675	181	-	-	(105)		(105)	-

Amounts stated in millions of Colombian pesos -

The financial information of these companies, which is the basis for applying the equity method, is prepared under Colombian Accepted Accounting and Financial Reporting Standards (NCIF) and adjusted to the Group's accounting policies.

Significant restrictions

As of December 31, 2023 and 2022, the Group has no significant restrictions on investments in associates related to the transfer of funds to the Group in the form of cash dividends, or repayment of loans or advances made by the Group, except in the case of UNE EPM Telecomunicaciones S.A., in which it will be mandatory to distribute at least fifty percent (50%) of the net profits for the period as dividends after legal, statutory and occasional appropriations and/or reserves, provided that the level of consolidated financial indebtedness does not exceed 2 times the EBITDA of the same period.

Note 11. Investments in joint ventures

The detail of the Group's joint ventures as of the date of the reporting period is as follows:

Joint venture name	Location (Country)	Main activity	Percentage of participation and voting rights		Creation date
			2023	2022	
Parques del Río S.A.S. [1]	Colombia	Construction, operation and maintenance of the Parques del Río Medellín project, as well as acting as urban manager of the project.	33%	33%	26/11/2015
Centro de Servicios Compartidos S.A.S [2]	Colombia	General Technology Services, Technology Infrastructure Services, Specialized Business Technology Services, and other Specialized Services.	50%	50%	5/08/2020

[1] Joint venture established on November 26, 2015, with the participation of the Municipality of Medellín, Intervial Colombia S.A.S., Empresa de Transporte Masivo del Valle de Aburrá Ltda. (Metro) and EPM. The strategic underpinning of EPM's participation in this company is based on the following aspects:

- Apply EPM's expertise in large-scale infrastructure developments.
- EPM is authorized to participate by the POT.

[2] Joint venture established on August 5, 2020, in which CaribeSol de la Costa S.A.S. E.S.P. and AFINIA participate, the objective of which is the provision of technology services to both companies.

The value of investments in joint ventures as of the balance sheet date was:

Joint venture name	2023			2022		
	Investment value			Investment value		
	Cost	Equity method	Total	Cost	Equity method	Total
Parques del Río S.A.S.	99	(74)	25	99	(63)	36
Centro de Servicios Compartidos SAS	29,868	(12,154)	17,714	29,868	(12,738)	17,130
Total	**29,967**	**(12,228)**	**17,739**	**29,967**	**(12,801)**	**17,166**

- Amount stated in millions of Colombian pesos -

The detail of the equity method recognized in profit or loss for the period and in other comprehensive income for the period is as follows:

Joint venture	2023		2022	
	Equity method participation	Total	Equity method participation	Total
	Profit or loss for the period		Profit or loss for the period	
Parques del Río S.A.S.	(11)	(11)	(9)	(9)
Centro de Servicios Compartidos SAS	584	584	(6,879)	(6,879)
Total	**573**	**573**	**(6,888)**	**(6,888)**

- Amount stated in millions of Colombian pesos -

The financial information of the Group's significant joint ventures as of the date of the reporting period is as follows. All joint ventures are accounted for using the equity method in the consolidated financial statements:

2023	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Revenue	Profit or loss for the period Continued operations	Total comprehensive income
Parques del Río S.A.S.	77	-	-	-	-	(26)	(26)
Centro de Servicios Compartidos SAS	3,762	30,479	304	-	-	821	821

- Amount stated in millions of Colombian pesos -

2022	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Revenue	Profit or loss for the period Continued operations	Total comprehensive income
Parques del Río S.A.S.	110	-	-	-	-	(23)	(23)
Centro de Servicios Compartidos SAS	40,109	-	2,829	-	32,046	(26,919)	(26,919)

- Amount stated in millions of Colombian pesos -

As of December 31, 2023, Parques del Rio S.A.S. is in the pre-operational stage and has no operating income.

The financial information of the companies, the basis for applying the participation method, is prepared under IFRS and in accordance with the Group's accounting policies.

Significant Restrictions

As of December 31, 2023 and 2022, the Group has no significant restrictions on investments in joint ventures related to the transfer of funds to the Group in the form of cash dividends, or repayment of loans or advances made by the Group.

Note 12. Trade and other receivables

Details of the Group's trade and other receivables as of the reporting periods are as follows:

Trade and other accounts receivable	2023	2022
Non-current		
Public service Debtors[1]	3,048,413	1,958,242
Value-of-the-public services Depreciation[2]	(850,565)	(576,453)
Employee loans	147,016	167,792
Value-based loans employees Depreciation	(265)	(41)
Contracts for the management of public services	594,312	712,417
Other services[3]	34	36
Other Debtors Receivable	146,821	202,107
Value-based other loans Depreciation	(24,662)	(22,929)
Non-current total	**3,061,104**	**2,441,171**
Current		
Public service Debtors[1]	9,696,236	8,492,921
Value-of-the-public services Depreciation[2]	(2,332,062)	(1,915,981)
Employee loans	95,956	56,552
Value-based loans employees Depreciation	(94)	(79)
Other contracts with customers	5,049	5,140
Dividends and participations receivable[4]	1	17
Contracts for the management of public services	110,419	113,661
Indemnities	6,933	7,056
Other services[3]	536,652	418,202
Other Debtors Receivable	879,991	798,037
Value-based other loans Depreciation	(535,689)	(470,764)
Total current	**8,463,392**	**7,504,762**
Total	**11,524,496**	**9,945,933**

- Amounts stated in millions of Colombian pesos -

The total portfolio increased by $1,578,563, equivalent to 15.87%, which is mainly explained by the following reasons:

[1] Accounts receivable from utility debtors do not accrue interest and the term for collection is generally 12 days; with the exception of the non-current portfolio that originates from the constitution of long-term financing plans for the attachment of new customers to the system or as a result of financing plans for portfolio recovery. Its increase of $2,293,486 is mainly due to EPM Matriz and the subsidiary AFINIA, due to the increase in the massive billing of residential public services, portfolio estimates and the tariff option. In addition, at EPM Matriz the increase is explained by energy in the stock market pending payment by XM as a guarantee of the entry into operation of turbines 3 and 4 of the Ituango Hydroelectric Power Plant.

Note: The tariff option allows you to moderate abrupt increases in the tariff by accumulating balances paid by the user later, over a longer period of time. The behavior of this account receivable is as follows:

Subsidiary	Date	Capital balance	Interes balance	Cumulative total
AFINIA	December de 2023	1,159,751	76,474	1,236,225
	December de 2022	167,563	263,043	430,606
EPM	December de 2023	52,190	108,750	160,940
	December de 2022	530,706	39,155	569,861
CENS	December de 2023	(5,460)	34,839	29,379
	December de 2022	144,327	926	145,253
CHEC	December de 2023	42,859	16,575	59,434
	December de 2022	74,648	5,302	79,950
ESSA	December de 2023	9,198	19,036	28,234
	December de 2022	103,180	868	104,048
EDEQ	December de 2023	15,554	9,580	25,134
	December de 2022	44,221	474	44,695
Total Group 2023		**1,274,092**	**265,254**	**1,539,346**
Total Group 2022		**1,064,645**	**309,768**	**1,374,413**

- Amounts stated in millions of Colombian pesos -

The cumulative total corresponding to the rate option includes the interest paid for $575,022 and the estimated recovery period of the rate option portfolio is 6 years, starting in 2024.

[2] The impairment of the utility portfolio increased mainly as a result of the increase in the massive billing of residential utilities and the receivable for tariff option concept, given in the energy subsidiaries CENS, CHEC, EDEQ, AFINIA, ESSA and EPM Matriz.

[3] In the other services account, the increase of $118,448 is mainly due to increased construction projects of wastewater treatment plants in the subsidiary TICSA.

[4] The decrease in the dividends and shares receivable account is due to the payment made by the company ENEL S.A.

Long-term receivables are measured primarily at amortized cost under the effective interest rate method and short-term receivables are presented at face value, except for accounts receivable which are measured at fair value of: i) the account receivable associated with the contract for the firm supply of liquid fuel (ACPM) for the La Sierra and Termodorada thermoelectric plants, the updating of which is carried out in accordance with the value of the fuel unit stipulated in the contract.

Trade receivable from reinsurance activity

The Group defined that the business model for accounts receivable is to receive contractual cash flows, for which reason they are initially measured at fair value and subsequently measured at amortized cost, using the effective interest rate.

The detail of accounts receivable reinsurance activity is as follows:

Accounts receivable reinsurance activity	2023	2022
Insurance and reinsurance services[1]	41,106	1,334
Total	**41,106**	**1,334**

- Amounts stated in millions of Colombian pesos -

[1] It corresponds to the subscription of the CAR Ituango program, carried out in December 2023 with the reinsurer Seguros Generales Suramericana.

Impairment of accounts receivable

The Group measures the value correction for expected losses over the life of the asset, using the simplified approach, which consists of taking the present value of credit losses arising from all possible default events, at any time during the life of the operation.

This alternative is taken given that the volume of customers handled by the Group is very high and the measurement and control of risk in stages can lead to errors and an underestimation of impairment.

The expected loss model is a forecasting tool that projects the probability of default or default on the portfolio within the next twelve months. Each obligation is assigned an individual probability of non-payment that is calculated from a probability model, which involves sociodemographic, product, and behavioral variables.

Although the impairment forecast for the annual term is obtained based on the customer's payment behavior data, contained during the period in question, the same does not occur when the impairment of the monthly periods comprising the annual term is recorded. In the latter case, the impairment recorded for the month under assessment is the one obtained with the payment behavior data of the previous month.

As of the cut-off date, the age analysis of accounts receivable at the end of the period reported to be impaired is as follow:

Accounts receivable aging	2023		2022	
	Gross carrying amount	Expected credit losses over the lifetime	Gross carrying amount	Expected credit losses over the lifetime
Public service debtors				
Current	8,774,232	(1,056,226)	7,673,876	(846,414)
Less than 30 days	1,294,875	(83,437)	822,184	(64,816)
30-60 days	226,026	(67,720)	198,777	(55,224)
61-90 days	272,001	(69,091)	181,852	(53,979)
91-120 days	124,020	(81,777)	100,263	(70,961)
121-180 days	215,974	(176,447)	170,474	(141,178)
181-360 days	470,101	(423,602)	319,316	(303,563)
Greater than 360 days	1,367,420	(1,224,326)	984,421	(956,299)
Total debtors for public services	**12,744,649**	**(3,182,626)**	**10,451,163**	**(2,492,434)**
Other debtors				
Current	1,050,863	(103,598)	906,038	(33,736)
Less than 30 days	119,689	(9,683)	103,928	(11,891)
30-60 days	13,516	(3,972)	35,035	(10,377)
61-90 days	18,208	(7,931)	17,985	(6,683)
91-120 days	10,785	(4,849)	14,886	(5,370)
121-180 days	23,511	(8,113)	47,577	(13,844)
181-360 days	131,675	(20,225)	123,987	(26,676)
Greater than 360 days	1,154,938	(402,341)	1,231,582	(385,236)
Total Other Debtors	**2,523,185**	**(560,712)**	**2,481,018**	**(493,813)**
Total debtors	**15,267,834**	**(3,743,338)**	**12,932,181**	**(2,986,247)**

- Amounts stated in millions of Colombian pesos -

Regarding the age of non-performing loans in the portfolio, it is mainly concentrated in the age range without arrears or in force, both for "public services debtors", corresponding to accounts receivable related to the estimates of commercial operation of energy, gas and tariff option, and in "other debtors", mainly for accounts receivable for new projects for the construction of wastewater plants. in the TICSA subsidiary.

The impairment of the portfolio, debtors and public services, is concentrated in the current range and greater than 360 days. The first of these is explained by the deterioration of the massive billing of residential public services and by the receivable of the tariff option and the second, due to the rolling of the massive portfolio of the energy service and the sale of block energy for public lighting, especially in the subsidiary AFINIA and EPM Parent. Other debtors are also in the age range without arrears, mainly explained by the reactivation in the use of the Somos program card.

The reconciliation of the portfolio's expected credit losses is as follows:

Expected credit losses over the life of the asset	2023	2022
Value correction at the beginning of the period	(2,986,248)	(2,466,152)
Impairment changes to the accounts receivable held at the beginning of the period	(718,245)	(665,629)
Financial assets not derecognized during the Period (2)	394,858	621,226
New financial assets originated or purchased	(1,263,762)	(961,050)
Cancellations	746,179	492,560
Changes in Risk Models/Parameters	36,172	27,715
Difference in change and other movements	47,708	(34,918)
Final Drive Account Balance [1]	**(3,743,338)**	**(2,986,248)**

Amounts stated in millions of Colombian pesos -

[1] The value of the accumulated impairment reflected an increase of $757,090, mainly explained by the increase in the portfolio of massive billing of residential utilities, block energy sales and tariff options. The deterioration of the latter concept is detailed below:

Subsidiary	Date	Cumulative Total
AFINIA	December 2023	(109,643)
	December 2022	(262,054)
EPM	December 2023	(32,193)
	December 2022	(102,193)
CENS	December 2023	(30,829)
	December 2022	(12,829)
CHEC	December 2023	(15,991)
	December 2022	(9,213)
ESSA	December 2023	(11,545)
	December 2022	(5,359)
EDEQ	December 2023	1,821
	December 2022	(5,211)
Total Group 2023		**(198,380)**
Total Group 2022		**(396,859)**

- Amounts stated in millions of Colombian pesos -

The reconciliation of the expected credit losses of the portfolio is as follows:

Accounts receivable balance	2023	2022
Financial assets initial balance	12,932,181	11,626,614
New financial assets originated or purchased	65,495,584	52,475,698
Financial asset write-offs	(62,588,995)	(50,836,533)
Derecognized financial assets	(394,858)	(621,226)
Valuation at amortized cost	(22,838)	86,345
Other changes	(153,240)	201,283
Final Drive Account Balance[1]	**15,267,834**	**12,932,181**

- Amounts stated in millions of Colombian pesos -

[1] The increase of $2,335,653 corresponds to the accounts receivable of the residential public services, estimates, tariff option and for the energy in the stock market pending payment by XM as a guarantee of the entry into operation of turbines 3 and 4 of the Ituango Hydroelectric Power Plant.

The Group penalises the values of impaired financial assets against impairment recognised in a corrective account when:

- Recorded receivables do not represent certain rights, assets or obligations for the entity.

- It is not possible to collect the right or obligation, by coercive or judicial jurisdiction.

- It is not possible to legally impute the value of the portfolio to any person, natural or legal.

- Once the cost-benefit ratio has been evaluated and established, it is more onerous to advance the collection process than the value of the obligation.

The Group recognizes all impairment losses through a corrective account and not directly.

Responsible Bodies for Punishment

The person or agency with the appropriate authorization approves the punishment in each company.

Note 13. Other Financial Assets

The detail of other financial assets at the end of the period is as follows:

Other financial assets	2023	2022
Non-current		
Derivatives designated as hedging instruments under hedge accounting		
Swap Contracts[1]	1,111	466,733
Futures contracts	69	
Total derivatives designated as hedging instruments under hedge accounting	**1,180**	**466,733**
Financial assets measured at fair value through profit or loss		
Fixed income securities	5,444	9,331
Equity securities	426,300	128,814
Fiduciary rights	330,022	316,773
Total financial assets measured at fair value through profit or loss	**761,766**	**454,918**
Financial assets designated to fair value through the other comprehensive income		
Equity instruments[3]	1,562,842	2,100,071
Total financial assets designated to fair value through the other comprehensive income	**1,562,842**	**2,100,071**
Financial assets measured at amortized cost		
Fixed income securities	1,258	1,745
Total financial assets measured at amortized cost	**1,258**	**1,745**
Financial leasing	14,265	-
Total other non-current financial assets	**2,341,311**	**3,023,468**
Current		
Derivatives designated as hedging instruments under hedge accounting		
Futures contracts	19	-
Total derivatives designated as hedging instruments under hedge accounting	**19**	**-**
Financial assets measured at fair value through in profit or loss		
Derivatives that are not under hedge accounting [5]	31,453	67,870
Fixed income securitie[2]	420,809	550,835
Investments pledged[4]	808	233,004
Fiduciary rights	316	17,719

Other financial assets	2023	2022
Total financial assets measured at fair value through profit or loss	**453,386**	**869,428**
Financial assets measured at amortized cost		
Fixed income securities	48,831	178,046
Total financial assets measured at amortized cost	**48,831**	**178,046**
Financial leasing	15,061	(1)
Total other current financial assets	**517,297**	**1,047,473**
Total other financial assets	**2,858,608**	**4,070,941**

- Amounts stated in millions of Colombian pesos -

[1] Corresponds to the right of swaps under hedge accounting. Its variation is due to the revaluation of the Colombian peso against the dollar of 20.54% during the year and higher interest rates, specifically the IBR, which causes the duty to depreciate considerably.

[2] The decrease in fixed income securities of $130,026 is explained by the divestment for use of the resources in payments for goods and services associated with the operation of the companies, the recompositions of the portfolio of the subsidiary Aguas Nacionales, consisting of transferring the resources to bank accounts with special remuneration and the effect of the revaluation of 988.15 pesos in the Colombian currency that impacted the balances of the Maxseguros portfolio.

[3] The decrease in equity instruments was caused by the reduction in the share price of Interconexión Eléctrica S.A. E.S.P., given that their fair value is determined by the market price.

[4] In pledged investments, the decrease is due to the securities held as collateral for the Ituango guarantee, which ceased to be pledged as of September 2023.

[5] It corresponds to the climate derivative contracted to cover the existing risk of dry seasons that imply a decrease in hydropower generation and the rise in energy prices on the stock market. This financial instrument aims to provide protection to the organization when events materialize that may prevent the fulfillment of contractual commitments that involve buying energy on the stock exchange at market prices that may be unfavorable. With the climate derivative, part of this impact is transferred to the market, which would reduce the effect on the Group's financial results.

Financial assets designated at fair value through profit or loss are assets whose contractual cash flows are highly liquid. The Group classifies a financial asset in this category if it is acquired primarily for the purpose of being sold in the short term.

This includes investments to optimize surplus liquidity, i.e., all those resources that are not immediately allocated to the development of the activities that constitute the company's corporate purpose. The investment of surplus liquidity is made under the criteria of transparency, security, liquidity and profitability, under the guidelines of adequate control and under market conditions without speculative intent.

Conventional purchases and sales of financial assets are accounted for using the trading date.

13.1 Equity investments designated at fair value through profit or loss through comprehensive income

The detail of equity investments designated at fair value through other comprehensive income is as follows:

Equity investment	2023	2022
Interconexión Eléctrica S.A. E.S.P.[1]	1,512,779	2,052,213
Promioriente S.A. E.S.P.	39,541	39,541
Reforestadora Industrial de Antioquia S.A.	4,947	4,947
Hidroeléctrica del Rio Aures S.A. E.S.P.	2,478	-
Electrificadora del Caribe S.A. E.S.P.	1,385	1,385
Unidad de Transacciones SA. de C.V.	581	731
Other investments[2]	1,131	1,254
Total	**1,562,842**	**2,100,071**
Dividends recognized during the period related to investments that remain recognized at the end of the period [3]	178,222	77,059
Recognized dividends during the period	**178,222**	**77,059**

- Amounts stated in millions of Colombian pesos -

1 As of December 31, 2023, the stock market price of Interconexión Eléctrica S.A. E.S.P. closed at $15,480 (2022: $21,000).

2 It includes investments in: Gestión Energética S.A. E.S.P., Terminal de Transporte de Bucaramanga S.A., Duke Energy Guatemala y Cia. S.A., Organización Terpel S.A., Emgesa S.A. E.S.P., Banco Davivienda S.A., Sin Escombros S.A.S., Hotel de Turismo Juana Naranjo, Central de Abastos de Cúcuta S.A., Fid Bancolombia PA Cadenalco, Fosfonorte S.A., Orazul Energy, Compañía de Alumbrado Eléctrico de Santa Ana S.A., Gestión Energética S.A. E.S.P., Compañía de Alumbrado Eléctrico de San Salvador S.A., Cenfer S.A., Credieegsa S.A., Empresa Distribuidora del Pacífico S.A. E.S.P., Banco Bilbao Vizcaya Argentaria Colombia S.A., Central Hidroeléctrica de Betania S.A. and Acerías Paz del Río S.A.

3 It corresponds to dividends recognized as of December 31, 2023 of $178,222 (2022: $77,059) that are disclosed under investment dividends in the statement of cash flows.

The equity investments indicated in the table above are not held for trading purposes but are held for medium and long-term strategic purposes. The Group's management considers that the classification for these strategic investments provides more reliable financial information than reflecting the changes in their fair value immediately in the income statement for the period.

13.2 Reclassifications of financial assets

The Group has not made any changes to the business model for the management and administration of financial assets, so no financial assets have been reclassified.

Note 14. Leases

14.1. Finance lease as lessor

The most significant financial lease agreements were presented in Aguas de Antofagasta S.A.:

- Lease for the construction and lease contract of an interconnection in the adductions of the company and a mining company, whose objective is to be able to inject water into the mining company's facilities for its production processes. This lease will be for 36 months from January 1, 2023, ending on December 31, 2025, the lease payments of the contract are expressed in development units (UF).
- Lease by construction contract of Pilón, whose objective is to transfer treated wastewater. This lease will be for 12 installments counted from October 31, 2023, ending on September 30, 2024, whose rental value is expressed in development units (UF).

At the cut-off date, the minimum future payments and net investment in finance leases are distributed as follows:

Finance lease	2023	
	Gross investment	Net investment
Year one	16,544	15,640
Year two	13,986	13,687
Present value of minimum lease payments to be received	**30,530**	**29,327**

- Amounts stated in millions of Colombian pesos -

The Group, as lessor, does not have contracts that take the legal form of a lease and that in substance do not constitute a lease.

14.2. Lease that originates for right-of-use assets as lessee

As of the balance sheet date, the carrying amount of right-of-use assets is as follows (does not include right-of-use assets associated with construction, these are included in note 5 Property, plant, and equipment):

2023	Right-of-use land	Right-of-use buildings	Right-of-use plants, ducts and tunnels	Right-of-use networks, lines and cables	Right-of-use machinery and equipment	Right-of-use office furniture fixtures and equipment	Right-of-use communication and computer equipment	Right-of-use traction and elevation transport equipment	Total
Initial balance of cost	**28,978**	**741,485**	**43,977**	**126,038**	**30,062**	**1,530**	**11,890**	**236,415**	**1,220,375**
Additions	20,145	76,517	-	12,571	9,192	-	1,540	52,935	**172,900**
Disposals	(15,958)	(8,442)	-	-	-	-	(919)	(861)	**(26,180)**
Other changes	-	226	-	2,622	-	119	38	-	**3,005**
Derecognitions (-)	(6,103)	(15,361)	-	(2,471)	(5,716)	-	(210)	(51,057)	**(80,918)**
Effect of foreign currency translation	(1,551)	(6,325)	(10,323)	(9,139)	-	(210)	(587)	(243)	**(28,378)**
Final balance of cost	**25,511**	**788,100**	**33,654**	**129,621**	**33,538**	**1,439**	**11,752**	**237,189**	**1,260,804**
Accumulated amortization and impairment amount									
Initial balance of accumulated depreciation and impairment of amount	**(3,017)**	**(235,312)**	**(26,386)**	**(33,828)**	**(15,279)**	**(970)**	**(6,892)**	**(71,736)**	**(393,420)**
Disposals	930	492	**-**	-	-	-	919	1,047	**3,388**
Other changes	100	(635)	**154**	(727)	(5)	-	(5)	11	**(1,107)**
Derecognitions (-)	724	6,420	**-**	796	3,855	-	182	50,746	**62,723**
Effect of foreign currency translation	111	3,796	7,531	2,527	-	172	538	105	**14,780**
Amortization for the period	(2,743)	(34,863)	(8,222)	(9,442)	(9,755)	(313)	(1,209)	(46,007)	**(112,554)**
Impairment for the period	-	(2,065)	**-**	-	-	(216)	(888)	(1,584)	**(4,753)**
Impairment reversals	34	-	**-**	-	-	-	-	-	**34**
Final balance accumulated depreciation and impairment losses	**(3,861)**	**(262,167)**	**(26,923)**	**(40,674)**	**(21,184)**	**(1,327)**	**(7,355)**	**(67,418)**	**(430,909)**
Total final balance of net right-of-use assets	**21,650**	**525,933**	**6,731**	**88,947**	**12,354**	**112**	**4,397**	**169,771**	**829,895**

Amounts stated in millions of Colombian pesos -

2022	Right-of-use land	Right-of-use buildings	Right-of-use plants, ducts and tunnels	Right-of-use networks, lines and cables	Right-of-use machinery and equipment	Right-of-use office furniture fixtures and equipment	Right-of-use communication and computer equipment	Right-of-use traction and elevation transport equipment	Total
Initial balance of cost	**12,460**	**701,397**	**36,396**	**113,843**	**29,669**	**1,267**	**12,159**	**101,406**	**1,008,597**
Additions	16,551	37,889	(53)	4,953	393	3	290	150,986	**211,012**
Disposals	(68)	(1,022)	-	-	-	-	(82)	-	**(1,172)**
Other changes	(179)	(363)	-	-	-	-	89	-	**(453)**
Derecognitions (-)	-	(1,605)	-	-	-	(39)	(1,223)	(16,389)	**(19,256)**
Effect of foreign currency translation	214	5,189	7,634	7,242	-	299	657	412	**21,647**
Final balance of cost	**28,978**	**741,485**	**43,977**	**126,038**	**30,062**	**1,530**	**11,890**	**236,415**	**1,220,375**
Accumulated amortization and impairment amount									
Initial balance of accumulated depreciation and impairment of amount	**(1,887)**	**(201,654)**	**(14,559)**	**(24,098)**	**(7,060)**	**(608)**	**(5,345)**	**(55,468)**	**(310,679)**
Disposals	68	653	**-**	-	-	-	144	-	**865**
Other changes	139	590	**-**	725	-	-	-	(8)	**1,446**
Derecognitions (-)	-	829	**-**	-	-	-	125	16,389	**17,343**
Effect of foreign currency translation	(52)	(3,047)	(4,241)	(1,684)	-	(173)	(514)	(183)	**(9,894)**
Amortization for the period	(1,285)	(32,800)	(7,586)	(8,771)	(8,219)	(189)	(1,302)	(32,466)	**(92,618)**
Impairment reversals	-	117	**-**	-	-	-	-	-	**117**
Final balance accumulated depreciation and impairment losses	**(3,017)**	**(235,312)**	**(26,386)**	**(33,828)**	**(15,279)**	**(970)**	**(6,892)**	**(71,736)**	**(393,420)**
Total final balance of net right-of-use assets	**25,961**	**506,173**	**17,591**	**92,210**	**14,783**	**560**	**4,998**	**164,679**	**826,955**

At the cut-off date, the minimum future payments and the present value of the minimum payments of the lease liability are distributed as follows:

Finance lease	2023		2022	
	Minimum payments	Present value of minimum payments	Minimum payments	Present value of minimum payments
At one year	165,128	153,474	139,921	133,365
More than one year and up to five years	553,801	442,163	453,148	358,786
More than five years	1,225,036	399,873	1,221,711	381,995
Total financial leases	**1,943,965**	**995,510**	**1,814,780**	**874,146**
Less - value of unearned interest	(948,455)	-	(940,634)	-
Present value of minimum lease payments	**995,510**	**995,510**	**874,146**	**874,146**

Amounts stated in millions of Colombian pesos -

The most significant lease agreement is:

Lease Agreement Building Empresas Públicas de Medellín CT-085 of February 12, 2002, executed between EPM (THE COMPANIES) and the MUNICIPALITY OF MEDELLIN (MUNICIPALITY), the MUNICIPALITY is obliged to deliver by way of lease to THE COMPANIES and the latter are obliged to receive by the same title, the use and enjoyment of the real property of their property called "Edificio Empresas Públicas de Medellín", with all its constructions and improvements.

The term of the contract is 50 years from December 21, 2001, date on which the Municipality of Medellín began to appear as owner of the property.

The lease payments under the contract are readjusted each year by a percentage equal to the Consumer Price Index (CPI) at the national level, certified by DANE for the immediately preceding year.

Lease liabilities are included in Other financial liabilities in the statement of financial position.

Interest earned on lease liabilities is $286,770 (2022: $258,632).

Total lease cash outflows during the period were $232,935 (2022: $211,125).

14.3 Operating leases as lessor

The most significant operating leases agreements were presented in EPM:

Connection Agreement MA-0021450 dated January 24, 2013, entered between ECOPETROL (THE BENEFICIARY) and EPM (THE SUPPLIER), which regulates the connection of Ecopetrol to the STN at the Comuneros substation at 230 kV.

The term is 30 years for the operation and provision of the connection service as from the date of entry into operation of the project, which was February 1, 2016.

The total annual payments are indexed to the PPI, based on the PPI of the month prior to the signing of the connection contract.

Electrical infrastructure for the installation of networks by telecommunications operators. These may be renewed for a term not exceeding five years. The contract lease payments are updated according to the pole support rates regulated by the CRC (resolution 5890/2020) and multiplied by the number of poles that each customer uses; this charge is made monthly, and the rate is updated annually according to the PPI.

The value of revenue from operating leases is:

Operating leases	2023	2022
Year one	168,566	104,468
Year two	67,778	54,466
Year three	47,447	47,980
Year four	32,063	42,969
Year five	30,915	42,796
More than five years	339,647	363,424
Total operating leases	**686,416**	**656,103**

- Amounts stated in millions of Colombian pesos -

14.4 Leases that do not originate for right-of-use assets as lessee

The most significant lease agreements that do not originate right-of-use assets are in EPM: spaces for the installations and operation of antennas at weather stations, shift management system, user printing infrastructure, among others, which have no restrictions.

As of the cut-off date, future commitments for short-term leases are $11,169 (2022: $11,307).

Lease payments recognized as expenses for the period were $44,659 (2022: $42,629).

The Group, as lessee, does not have contracts that take the legal form of a lease and which in substance do not constitute a lease.

Note 15. Guarantees

The Group has pledged the following financial assets as guarantees:

- Letters of credit, performance bonds and other guarantees for $289,078 (2022: $340,454) granted by the subsidiary ENSA to guarantee compliance with the obligations of the concession contract with the National Authority of Public Utilities of Panama and for the contracts for the purchase of energy from the generation and transmission companies.
- Retained premium of $37,074 (2022: $40,097) to the subsidiary Maxseguros by the ceding insurance company, in accordance with Colombian regulations.
- The Group has received as a guarantee from the subsidiary Maxseguros the premium withheld from reinsurance companies for $8,179 (2022: $10,248).

The Group has not received any guarantees as of December 31, 2023 and 2022, where it is authorized to sell or pledge them without default by the owner of the guarantee.

Note 16. Other assets

The detail of other assets at the end of the reporting periods is as follows:

Other assets	2023	2022
Non-current		
Reinsurance activities [1 5]	187,436	202,293
Employee benefits [2]	76,171	65,614
Prepayments [4]	68,059	40,647
Deferred loss on leaseback transaction	18,907	19,582
Advances to suppliers [3]	7,377	2,216
Assets received in dation in lieu of payment	1,327	1,349
Other advances or credit balances due to taxes and contributions	1,032	5
Total other non-current assets	**360,309**	**331,706**
Current		
Advances to suppliers [3]	638,444	488,156
Prepayments [4]	196,197	169,445
Reinsurance activities [1 5]	172,192	192,017
Advance sales tax	89,505	23,248
Sales tax	57,693	38,287
Advance payment of industry and commerce tax	43,132	31,730
Industry and commerce tax withheld	2,747	1,766
Other credit balances due to other taxes	1,829	2,099
Other advances or credit balances due to taxes and contributions	293	384
Total other current assets	**1,202,032**	**947,132**
Total other assets	**1,562,341**	**1,278,838**

- Amounts stated in millions of Colombian pesos -

1 The non-current portion corresponds to unreported recoverable loss reserves of $150,363 (2022: $162,196) and retained earnings of $37,073 (2022: $40,097).

The current portion includes Loss Reserves receivable of $69,629 (2022: $117,325) and Deferred Premium - reinsurer portion of $102,563 (2022: $74,692).

2 Corresponds to loans to employees at below market rates amounting to $76,171 (2022: $65,614).

3 The non-current portion corresponds to resources provided in administration for -$3 (2022 $2,148); Other advances and advances of $523 (2022: $68) and Advances on agreements and agreements of $6,857 (2022: $0).

The current portion includes other advances and prepayments for $601,515 (2022: $440,820); resources provided in administration of $32,875 (2022: $46,064), finally, advances on agreements and arrangements and advances for travel and per diem expenses of $4,054 (2022: $1,272).

4 he non-current portion includes Insurance of $59,969 (2022: $33,229), Premium on legal stability contracts for $3,790 (2022: $4,682); Maintenance for $2,644 (2022: $2,419), Leases for $1,406 (2022: $67), and Goods and Services for $250 (2022: $250).

The current portion includes Insurance for $140,125 (2022: $110,872), mainly made up of the Ituango Hydroelectric Project All-Risk Policies; Goods & Services, Print, Publications, Subscriptions & Affiliations, and Fees of $24,831 (2022: $31,165); Leases and Maintenance for $23,570 (2022: $20,816) and Other Prepaid Goods and Services for $7,671 (2022: $6,592).

5 It corresponds to the technical reserves in charge of reinsurers, the details of which are as follows:

Concept	2023	2022
Unreported reserves for recoverable losses	150,363	162,196
Deferred premium - reinsurer's portion	102,563	74,692
Reserves for losses receivable	69,629	117,325
Retained funds	37,074	40,097
Total	**359,629**	**394,310**

Amounts stated in millions of Colombian pesos -

Note 17. Inventories

Inventories at the end of the period were as follows:

Inventories	2023	2022
Materials for rendering of services [1]	693,828	647,275
Merchandise in stock [2]	53,125	59,165
Goods in transit	13,376	8,203
Total inventories	**760,329**	**714,643**

Amounts stated in millions of Colombian pesos -

1 Includes materials for the rendering of services held by third parties, which are those delivered to contractors performing activities related to the rendering of services.

2 Includes goods in stock that do not require transformation, such as energy, gas and water meters, and supply goods, as well as those held by third parties.

Inventories of $629,489 (2022: $295,338) were recognized as cost for the rendering of services or cost of goods sold during the period. The write-off of inventories recognized as an expense during the period amounted to $2,762 (2022: $895). The Group has not generated impairment losses when comparing the net realizable value with the average cost of inventories.

As of December 31, 2023, the Group did not pledge inventories as guarantee for liabilities.

Note 18. Cash and cash equivalents

The composition of cash and cash equivalents at the end of the period is as follows:

Cash and cash equivalents	2023	2022
Cash in hand and banks	2,216,853	3,016,337
Other cash equivalents [1]	1,086,965	1,111,407
Total cash and cash equivalents presented in the statement of financial position	**3,303,818**	**4,127,744**
Total cash and cash equivalents presented in the statement of cash flows	**3,303,818**	**4,127,744**
Restricted cash and cash equivalents [2]	**447,930**	**299,175**

- Amounts stated in millions of Colombian pesos -

(1) Includes restricted funds $447,930 (2022: $299,174) and cash equivalents $639,034 (2022: $812,232).

(2) Of this $59,346 (2022: $89,065) corresponds to non-current restricted cash.

Cash investments mature within three months or less from the date of acquisition and earn interest at market rates for this type of investment.

The Group has restrictions on cash and cash equivalents, detailed below: as of December 31, 2023, the fair value of restricted cash equivalents is $447,930 (2022: $299,174).

CARIBEMAR Fund or agreement	Destination	2023	2022
Fidudavivienda CA 482800013450 - Caribe Mar and Others	Infrastructure expansion	213,371	61,870
ECA Trusteeship - Prone Barrio SNB 9 D and Others	Electrical networks normalization program	12,495	14,230
Banco de Bogotá Accounts 097372106; 097372098 and Others	Housing loan account management	2,174	20,885
F_Corfi CA 477013965 - FAER GGC 562 and Others	Energization of interconnected rural areas	1,025	1,052
Total restricted resources CARIBBEAN		**229,065**	**98,037**

- Amount stated in millions of Colombian pesos -

EPM fund or agreement	Destination	2023	2022
Sintraemdes Housing Fund	Contribute to the acquisition of housing and its improvement for the employees who are beneficiaries of the conventional agreement signed between EPM and the unions.	34,199	30,641
Sinpro Housing Fund	Contribute to the acquisition of housing and its improvement for the employees who are beneficiaries of the conventional agreement signed between EPM and the unions.	31,889	31,456
Corpb prize income. 6972005469	Address possible contingencies after the acquisition of EPRIO by EPM	8,067	7,133
Ministry of Mines and Energy - Special Fund Promotion Fee	Co-financing agreement for the construction, distribution infrastructure and connection to lower-income users in the municipalities of Amagá, Santafé de Antioquia, Sopetrán, San Jerónimo and Ciudad Bolívar. Compressed Natural Gas and connection to users of Don Matías, Entrerríos, San Pedro, Santa Rosa and Yarumal. Agreement No 106: construction of the infrastructure connecting users in the Aburrá Valley, La Ceja, La Unión and El Retiro. Agreement 179: includes the municipality of Sonsón.	5,928	5,565
Agreement account	Inter-administrative agreement CT-2022-000918, indigenous schools Government	5,628	-
Agreements on public lighting and sanitation rates with municipalities	Agreement to manage the resources of territorial entities for payment to municipalities with collection agreements for public lighting and cleaning fees, are resources exempt from 4x1000.	5,570	544
Agreement account	Coverage contemplated in the 2020 - 2023 Development Plan of the Government of Antioquia, EPM and the Department, the connection of approximately 186 electrical installations will be carried out with alternative energy related to individual photovoltaic systems - SISFV, in different subregions of the Department of Antioquia, contributing to the increase in rural electrification coverage and improving the quality of life of the most vulnerable population.	5,330	-
Contract No. CT-2019-001105	Contract for the supply of energy and electrical power for the unregulated market and support of contracts of the energy distributor and marketer S.A. E.S.P, DICEL S.A. E.S.P.	3,373	3,058
Adapted Health Entity Fund and Fosyga Fund	Control and monitoring mechanism for the collection of contributions from the Contributory Regime of the General Health Social Security System.	2,899	4,318
Sinpro Education Fund	Promote the well-being of employees to meet the needs of paying tuition, texts and supplies that are required to carry out their own studies and those of the family group.	2,745	2,621

EPM fund or agreement	Destination	2023	2022
Sintraemdes Education Fund	Promote the well-being of employees to meet the needs of paying tuition, texts and supplies that are required to carry out their own studies and those of the family group.	2,557	2,063
SOMOS points agreement	Provision of services for the operation of the key capabilities associated with the Points element of the Large-Scale Loyalty Program for the EPM Group.	2,126	1,928
Sintraemdes Calamity Fund	Promote the well-being of your employees to meet their urgent and unforeseen needs or those of their primary family group.	1,893	1,683
Sinpro Calamity Fund	Promote the well-being of your employees to meet their urgent and unforeseen needs or those of their primary family group.	1,605	1,476
Agreement account	Seizure due to judicial processes	1,478	-
Judicial or administrative processes	Accounting for embargoes due to judicial or administrative processes	1,459	1,163
Agreement account	Implementation of solar photovoltaic systems through the network "united by rural schools"	1,396	-
Medellín Municipality Framework Agreement No. 4600049285	Construction by EPM of platforms and other road elements in the city center, taking advantage of the Centro Parrilla project, that is, the renewal of aqueduct and sewage networks.	653	592
Villages Program	Take advantage of the wood that completes its maturation cycle in the forests planted by EPM around its reservoirs, to build social housing in the municipalities of Antioquia outside the Aburrá Valley and deliver them to low-income families, preferably in displaced situations. forced or voluntary.	630	571
EAS Accounts Copays	Reception of resources corresponding to moderator fees and co-payments in the EAS	462	316
Motorcycle Repair Fund	Promote the well-being of official workers who work in the regional market and use motorcycles they own to carry out their work.	386	368
Payment of OC solidarity contributions	The purpose of the account is to receive the transfer of solidarity contributions paid by other marketers, as well as the resources paid by the Ministry of Mines and Energy for subsidies for lower rates applied to users of the strata 1 energy service, 2 and 3.	254	-
Administration of resources for the construction of infrastructure in Madera for Emvarias in the La Pradera landfill.	Administration of resources for the construction of infrastructure in Madera for Emvarias in the La Pradera landfill.	98	87
Deposits Law 820	Guarantee required by the landlord from the tenant for the payment of public services. According to Article 15 of Law 820 of 2003 and Regulatory Decree 3130 of 2003.	93	87
Municipality of Medellín - Land	Acquisition of properties identified and characterized within the protection zones of hydrographic basins supplying aqueduct systems in the municipality of Medellín.	79	70
Espiritu Santo	EPM - Espiritu Santo Liquidation	65	64
Municipality of Medellín - Aguas	Comprehensive management of water for human consumption of the inhabitants of the municipality of Medellín.	30	27
IDEA Agreement 4600003283	Join forces for the construction of home gas connections in the different subregions of the Department of Antioquia under the framework of the "Gas without Borders" program.	1	1
Agreement 5 Indigenous Studies 2019-20	Co-finance the development of indigenous educational centers within the framework of the villages program, to improve the quality of life of the indigenous communities of the department of Antioquia	-	112
Inter-administrative agreement CT -2017-001388 (460007009)	Agreement for the construction of 7 indigenous schools in 5 municipalities	-	26

EPM fund or agreement	Destination	2023	2022
Resources of the future Ituango hydroelectric plant	Reception of the resources paid by the insurers AXA, SBS and SURA and whose destination is exclusive for the Hidroituango Project.	-	122
GNB Antioquia Governorate	Cover the co-financing of up to 70% of the cost of home electrical installations for families in stratum 1 in the different subregions of the department of Antioquia.	-	1,449
Total EPM restricted resources		**120,893**	**97,541**

- Amount stated in millions of Colombian pesos -

Fund or agreement Various Companies	Destination	2023	2022
Order FID 919301039524 - Pradera and Others	Resources allocated for Pradera payments	33,321	23,007
FL GNB 90630045830	Agreement with the Municipality of Medellín for the acquisition of Containers	-	-
FL ITAU 859060217 Renting hour	Delegated administration agreement with the Municipality of Medellín, for the maintenance of green areas of the institutions of the Municipality and its 5 townships	-	442
FL BBVA 423 Pruning-Falling Agreement	Agreement with INDER for washing bridges and stadium roofs	32	32
Agreement 18-897796-47 EDU	Delegated administration agreement with the Municipality of Medellín for the service of cutting green areas and pruning and felling trees	29	26
FL West INDER	Delegated administration agreement with the Municipality of Medellín for the green zone cutting service	4	4
Total restricted resources Various Companies		**33,386**	**23,511**

- Amount stated in millions of Colombian pesos -

Fund or agreement Grupo Ticsa Mexico	Destination	2023	2022
Aquasol Morelia S.A. of C.V.	National Bank Trust for Works and Banco del Bajío Trust 15892649	14,195	7,979
Colima Ecosystems S.A. of C.V.	Banco del Bajío Trust 15892649	7,309	7,648
Tuxtla Ecosystems S.A. of C.V.	Banco del Bajío/Multiva Trust	6,502	14,087
Celaya Ecosystems S.A. of C.V.	Banco del Bajío Trust 15892649 and National Works Bank Trust	2,111	2,676
Ciudad Lerdo Ecosystems S.A. DE C.V. (Ecoler)	Banco del Bajío Trust	2	-
Intercontinental Technology S.A.P.I. DE C.V.	Extra 0511 Moflo	-	839
Total restricted resources Ticsa Mexico Group		**30,119**	**33,230**

- Amount stated in millions of Colombian pesos -

CENS fund or agreement	Destination	2023	2022
BBVA -Minminas 756 and Others	Carry out the execution of rural electrification works in the municipalities of the Norte de Santander department.	6,803	18,959
BBVA XM Custodial Account Bank Guarantees	Guarantee and Compliance Ties to cover energy purchase projects.	2,512	2,355
Housing Revolving Fund	Housing loans for employees of CENS S.A.	583	903
Government-Davivienda Agreement and Others	Carry out the execution of rural electrification works in different municipalities	340	459
Total CENS restricted resources		**10,238**	**22,676**

- Amount stated in millions of Colombian pesos -

National Waters Fund or agreement	Destination	2023	2022
FL ITAU 859085263 and FL ITAU	Audit Project	6,575	8,425
Current account Bancolombia 536423 and Others	Aguas de Atrato Project	982	799
Savings account ITAU 153148929 and FL GNB	Ministry Project	154	163
Total restricted resources National Waters		**7,711**	**9,387**

- Amount stated in millions of Colombian pesos -

EDEQ fund or agreement	Destination	2023	2022
FL Davivienda Housing Fund 136270148986 FL Fiducredicorp Housing Fund 919301005560	Resources intended to improve the quality of life of workers through the granting of credits for the purchase and improvement of housing.	4,481	3,355
FL Davivienda Collective Portfolio 608136200000618 FL Davivienda Social Good Fund - training 136270162219	Resources intended to provide workers and their families with access to higher education, health, well-being and recreation.	299	278
FL Davivienda Calamity Fund 136000742868	Resources intended for events caused by serious and unforeseen situations that affect the worker or his or her family.	3	6
FL Davivienda Motorcycle fund 136270167200	Resources intended to provide workers with loans to acquire and replace motorcycles used to carry out their work.	32	5
Total EDEQ restricted resources		**4,815**	**3,644**

- Amount stated in millions of Colombian pesos -

ESSA fund or agreement	Destination	2023	2022
BBVA guarantees 0408	XM Bank Account	4,323	6,021
Agreement Resources public hearings	Agreement signed with the Mayor's Office of Bucaramanga	1	1
Total ESSA restricted resources		**4,324**	**6,022**

- Amount stated in millions of Colombian pesos -

CHEC fund or agreement	Destination	2023	2022
XM management custody account	Attention to guarantees for operations of energy transactions on the stock market managed and controlled by XM.	2,194	808
CONFA special fund	Attention to social and cultural outreach programs for CHEC employees (delegated administration contract with CONFA).	400	223
Special Fund CORPOCALDAS Agreement, Government of Caldas	FL Davivienda 941 Interadministrative Agreement	137	137
Special property fund	Administration of forest conservation properties in the company's watersheds (delegated administration contract)	100	115
Special background advertising guidelines	Attention to advertising guidelines through contracts with advertising agencies, CJ Martins, Rowell digital agency and Macann	80	80
Special housing fund	Attention of housing loans to CHEC employees, according to the procedure and conditions established in the Current Collective Labor Convention - CCTV	68	59
Conservation	Fund created for a specific destination for Corpocaldas and the Government of Caldas to consign the contributions of the agreement SG 114.21	40	40

CHEC fund or agreement	Destination	2023	2022
Special Fund Social Financing Plan - PFS	Attention to microcredits made to users of the company's market, with collection through the energy bill.	11	11
MinCiencias Fund	Fund created to manage the agreement between MinCiencias and CHEC	-	17
Total CHEC restricted resources		**3,030**	**1,490**

- Amount stated in millions of Colombian pesos -

HIDROE fund or agreement	Destination	2023	2022
Etesa contract	Guarantee deposit Non-Regulated Market Contract - MNR or Large Clients	1,269	-
Etesa contract	CDT protects Energy Contract with regulatory entities (ETESA)	301	-
Administration Contracts (Employee Compensation) and Services Contracts	Guarantee Deposits for services and Severance Fund	56	1,080
Total HIDROE restricted resources		**1,626**	**1,080**

- Amount stated in millions of Colombian pesos -

Regional Water Fund or agreement	Destination	2023	2022
POIR provision	Provision of resources for differences between planned and executed investments in the POIR at the year 6 tariff closing.	1,237	1,063
Carepa Agreement	Replacement of sewer networks	267	-
Sintraemsdes Housing Fund Agreement	Housing loans to officials who meet the requirements.	72	57
Total restricted resources Regional Waters		**1,576**	**1,120**

- Amount stated in millions of Colombian pesos -

Fund or agreement ELEKTRA NORESTE S.A.	Destination	2023	2022
The Toscana	Withholding of Civil case in process.	1,117	1,406
Aguaseo	Colón Municipality Retention.	30	29
Total restricted resources ELEKTRA NORESTE S.A.		**1,147**	**1,435**

- Amount stated in millions of Colombian pesos -

Note 19. Equity

19.1 Capital

Group's capital is not divided into shares.

Issued Capital	2023	2022
Initial balance	67	67
Total	**67**	**67**

- Amount stated in millions of Colombian pesos -

19.2 Reserves

Of the accounts comprising equity, reserves at the balance sheet date consisted of:

Reserves	2023	2022
Legal reserves (1)		
Initial Balance	1,406,770	1,467,230
Constitution	55,933	37,219
Release	(390,022)	(95,870)
Other movements	-	(1,809)
Final balance, legal reserves	**1,072,681**	**1,406,770**
Statutory reserves		
Initial Balance	27,251	29,862
Constitution	648	553
Release	(6,576)	(3,164)
Final, balance Statutory reserves	**21,323**	**27,251**
Occasional reserves		
Initial Balance	578,092	576,452
Constitution	6,302	-
Other movements	-	1,640
Final balance, occasional reserves	**584,394**	**578,092**
Other reserves		
Initial Balance	506,001	342,753
Constitution	159,249	163,078
Release	(2,581)	-
Other movements	-	170
Final balance, other reserves	**662,669**	**506,001**
Total reserves	**2,341,067**	**2,518,114**

- Amount stated in millions of Colombian pesos -

The nature and purpose of the Group's equity reserves are described below:

- Legal reserves: in compliance with the Colombian tax provisions contained in Article 130 of the Tax Statute, repealed by Article 376 of Law 1819 of 2016 and in Decree 2336 of 1995, the companies of the EPM Group operating in Colombia duly constituted the legal reserves. The reserves constituted for excesses in depreciation quotas referred to in Article 130 of the tax statute may be released at the time when the depreciation requested for tax purposes is lower than that recorded in the income statement.

- For subsidiaries in El Salvador, legal reserves are established in accordance with the current Commercial Code, companies must annually set aside 7% of net profits to constitute their legal reserve, and the minimum limit established is one fifth of their capital stock. If for any reason the legal reserve is reduced, it must be restored in the same manner. Additionally, in accordance with the Income Tax Law, when the legal reserve is reduced for any reason, such as capitalization, application of losses from previous years or distribution, it will constitute taxable income for the company for the amount that was deducted for income tax purposes in tax years prior to the year in which it was reduced, and it will be settled separately from ordinary income. For such purposes, the corporation shall keep a record of the constitution of the legal reserve and of the amount deducted for the determination of the net or taxable income in each taxable year or period.

- For Guatemalan subsidiaries, according to the Code of Commerce, all corporations must annually appropriate at least 5% of their net profits to constitute the legal reserve, which cannot be distributed until the liquidation of the company. However, this reserve may be capitalized when it is equal to or greater than 15% of the paid-in capital at the close of the immediately preceding fiscal year, without prejudice to continuing to be reserving the aforementioned 5%.
- For subsidiaries in Mexico, according to the General Law of Commercial Companies, at least 5% of net profits for the year must be set aside to form the legal reserve, until its amount reaches 20% of capital stock at par value. The legal reserve may be capitalized but must not be distributed unless the company is dissolved and must be reconstituted when it is reduced for any reason. Retained earnings include the legal reserve.

For subsidiaries in other countries in which EPM Group operates, there is no legal reserve established by law.

[1] In EPM, the Board of Directors in its meetings of March 23, 2023 and March 23, 2022, approved:

- Release reserves of $389,261 (2022: $93,086) appropriated in prior periods as authorized by the Board of Directors.
- Occasional reserves: in compliance with article 211 of the Tax Statute, the companies of the EPM Group operating in Colombia have created the required reserves to enjoy the special tax treatment and obtain a rationalization in the payment of income tax and complementary taxes.
- Other reserves: include statutory reserves, reserves for repurchase of shares and quota shares, equity funds and others, which as of December 31 record the net balance corresponding to releases made by the subsidiaries in those reserves that have already met the requirements to be released.

19.3 Retained earnings

The changes in retained earnings during the period were as follows:

Retained earnings	2023	2022
Initial balance	23,057,789	21,165,517
Movement of reserves	177,047	(101,816)
Surpluses or dividends decreed	(1,748,005)	(1,850,775)
Transfer of the other comprehensive income	-	149
Purchases and sales to non-controlling interests	12	(30)
Other movements of the period	(149)	(714)
Total retained earnings before net profit or loss for the year	**21,486,694**	**19,212,331**
Net profit or loss for the period controlling interest	**3,249,354**	**3,845,458**
Total retained earnings	**24,736,048**	**23,057,789**

- Amount stated in millions of Colombian pesos -

Surpluses paid during the year were $1,748,005 (2022: $1,850,775), $910,787 (2022: 1,009,514) ordinary, and y 837,218 (2022: $841,261) extraordinary.

19.4 Other components of equity

It includes mainly the equity effects of changes in subsidiaries' holdings and payments based on shares of associates.

19.5 Non-controlling interests

The changes in non-controlling interests as of the balance sheet date are as follows:

Non-controlling interests	2023	2022
Initial balance	1,566,502	1,295,378
Surpluses or dividends declared	(201,781)	(195,339)
Share in net profit or los for the year	312,592	280,043
Share in other comprehensive income	(5,488)	(3,800)
Purchases and sales to non-controlling interests	(34)	30
Another movement of the period	(238,211)	190,190
Total	**1,433,580**	**1,566,502**

- Amount stated in millions of Colombian pesos -

Note 20. Accumulated other comprehensive income

The detail of each component of other comprehensive income in the consolidated statement of financial position and the related tax effect is as follows:

Accumulated other comprehensive income	2023			2022		
	Gross	Tax effect	Net	Gross	Tax effect	Net
Reclassification of property, plant and equipment to investment property	13,439	(1,107)	12,332	13,439	(1,107)	12,332
Re-measurement of defined benefit plans	(103,206)	33,314	(69,892)	96,942	(32,408)	64,534
Equity investments measured at fair value through equity	2,399,948	(199,716)	2,200,232	2,939,381	(309,124)	2,630,257
Share in other comprehensive income of associates and joint ventures	184,696	-	184,696	17,422	-	17,422
Cash flow hedges	(681,565)	229,617	(451,948)	(1,128,472)	478,445	(650,027)
Hedges of net investments in foreign operations	6,098	(2,064)	4,034	(277,654)	-	(277,654)
Translation of financial statements of foreign operations	841,492	-	841,492	1,969,017	-	1,969,017
Total	**2,660,902**	**60,044**	**2,720,946**	**3,630,075**	**135,806**	**3,765,881**

- Amount stated in millions of Colombian pesos -

During the period EPM Parent Company reclassified net loss for $2,543,485 (2022: -$925,269) previously recognized in the other comprehensive income to the results of the period, for cash flow hedging.

A reconciliation of the opening and closing balances at the balance sheet date is presented below for each component of comprehensive income:

20.1 Component: reclassification of property, plant, and equipment to investment properties

The reclassification of property, plant, and equipment to investment property component of other comprehensive income corresponds to transfers from property, plant and equipment to investment property, which are measured at fair value. Changes in fair value are not reclassified to profit or loss.

Reclassification of property, plant and equipment to investment property	2023	2022
Initial balance	12,332	12,471
Net results from changes in fair value of investment properties	-	(139)
Total	**12,332**	**12,332**

- Amount stated in millions of Colombian pesos -

20.2 Component: new defined benefit plan measures

The remeasurement component of defined benefit plans represents the cumulative value of actuarial gains or losses, the return on plan assets and changes in the effect of the asset ceiling, excluding the values included in the net interest on the net defined benefit liability (asset). The net value of remeasurements is transferred to retained earnings and is not reclassified to profit or loss for the period.

Component new defined benefit plan measures	2023	2022
Initial balance	64,534	(8,724)
Result for the period from remeasurement of defined benefit plans	(200,148)	116,594
Associated income tax (or equivalent)	65,722	(43,336)
Total	**(69,892)**	**64,534**

- Amount stated in millions of Colombian pesos -

20.3 Component: equity investments measured at fair value through equity

The component of other comprehensive income of equity investments measured at fair value through equity represents the cumulative gain or loss from fair value less amounts transferred to retained earnings when these investments have been sold. Changes in fair value are not reclassified to profit or loss for the period.

Equity investments measured at fair value through equity	2023	2022
Initial balance	2,630,257	3,064,037
Net result from changes in fair value of equity investments	(539,446)	(131,034)
Associated income tax (or equivalent)	109,406	(302,735)
Tax transferred to retained earnings	-	(11)
Other changes	15	-
Total	**2,200,232**	**2,630,257**

- Amount stated in millions of Colombian pesos -

20.4 Component: share in other comprehensive income of associates and joint ventures

The component of other comprehensive income of share in other comprehensive income of associates and joint ventures represents the cumulative value of the application of the equity method to the gains and losses of other comprehensive income of associates and joint ventures. The cumulative value of the gains or losses will be reclassified to profit or loss for the period or to retained earnings, depending on the items that originated the equity method, when these investments have been sold.

Share in other comprehensive income of associates and joint ventures	2023	2022
Initial balance	17,422	16,788
New defined benefit plan measures	(105,778)	(2,714)
Assets held for sale	283,751	-
Result from translation of foreign operations	(2,047)	1,713
Hedging operations	(8,652)	1,635
Total	**184,696**	**17,422**

- Amount stated in millions of Colombian pesos -

20.5 Component: cash flow hedges

The component of other comprehensive income of cash flow hedges represents the cumulative amount of the effective portion of gains or losses arising from changes in the fair value of hedged items in a cash flow hedge. The cumulative gain or loss is reclassified to profit or loss for the period only when the hedged transaction affects profit or loss for the period or the highly probable transaction is not expected to occur, or is included, as part of its carrying amount, in a non-financial hedged item.

Cash flow hedges	2023	2022
Initial balance	(650,027)	(342,590)
Net result from changes in fair value of hedging instruments	(2,096,579)	329,799
Income tax (or equivalent) from changes in the fair value of hedging instruments	467,517	(166,033)
Cumulative gain or loss from changes in fair value of hedging instruments reclassified to profit or loss for the period	2,543,485	(925,269)
Income tax (or equivalent) on fair value of hedging instruments reclassified to profit or loss for the period	(621,080)	379,908
Income tax (or equivalent) associated with hedges of net investments in foreign operations	(95,264)	74,158
Total	**(451,948)**	**(650,027)**

- Amount stated in millions of Colombian pesos -

20.6 Component: hedges of net investments in foreign businesses

The component of other comprehensive income of hedges of net investments in foreign operations represents the cumulative value of the effective portion of gains or losses arising from changes in the value of the hedging instrument. The cumulative gain or loss is reclassified to profit or loss for the period only when the total or partial disposal of the hedged foreign investment affects profit or loss for the period.

Hedges of net investments in foreign businesses	2023	2022
Initial balance	(277,654)	(61,509)
Net result from changes in the value of the hedging instrument	186,424	(216,145)
Imcome tax (o equivalent) associated	95,264	-
Total	**4,034**	**(277,654)**

- Amount stated in millions of Colombian pesos -

Income tax associated with hedges of net investments in foreign businesses for the year ended December 31, 2023 amounted to $95,264 (2022: $74,158).

20.7 Component: Gains or losses from foreign business conversion

The translation differences component represents the cumulative value of exchange differences arising from the translation to the Group's presentation currency of the results and net assets of foreign operations, as well as gains or losses on hedging instruments that are designated as hedges of a net investment in a foreign operation. Cumulative translation differences are reclassified to profit or loss for the period, partially or in full, when the foreign operation is disposed of.

Result from translation of foreign operations	2023	2022
Initial balance	1,969,017	1,117,985
Net exchange differences from translation of foreign operations	(1,127,525)	851,032
Total	**841,492**	**1,969,017**

- Amount stated in millions of Colombian pesos -

Note 21. Loans and borrowings

The carrying amounts of loans and borrowings measured at amortized cost are as follows:

Loans and borrowings	2023	2022
Non-current		
Commercial bank loans	7,463,082	6,889,641
Development bank loans	12,992,029	16,233,690
Bonds and securities issued	651,359	761,044
Multilateral banking loans	2,023,224	2,011,816
Total other non-current loans and borrowings	**23,129,694**	**25,896,191**
Current		
Commercial bank loans	2,881,436	2,163,651
Multilateral banking loans	125,588	402,199
Bonds and securities issued	1,501,357	632,932
Development bank loans	238,865	280,295
Other loans	-	115,001
Total other current loans and borrowings	**4,747,246**	**3,594,078**
Total other loans and borrowings	**27,876,940**	**29,490,269**

- Amount stated in millions of Colombian pesos -

In 2023, a credit agreement was signed with the French Development Agency - AFD for an amount of USD 189.81 million, equivalent to $839,960 for a term of 10 years and intended for the partial financing of the investment plan.

The new credits and loans disbursed in 2023 of the EPM Group were acquired in order to finance investment plans and working capital.

The detail of loans and borrowings by entity is as follows:

Company	Entity or loan	Original Currency	Initial date	Term	Nominal interest rate	December 31, 2023				December 31, 2022			
						IRR	Nominal value	Amortized cost value	Total Value	IRR	Nominal value	Amortized cost value	Total Value
AFINIA	POPULAR	COP	29/09/2022	1.00	IBR + 5.3%	0.00%	-	-	-	16.41%	80,000	3,382	83,382
AFINIA	DAVIVIENDA	COP	26/01/2023	1.00	IBR + 9.5%	21.93%	15,000	592	15,592	21.19%	40,000	377	40,377
AFINIA	DAVIVIENDA	COP	27/01/2023	1.00	IBR + 9.5%	21.92%	10,000	388	10,388	0.00%	-	-	-
WATERS OF ANTOFAGASTA	BICE-BCI BANK	CLP	1/01/2018	-	-	4.54%	-	-	-	1.51%	2	-	2
WATERS OF ANTOFAGASTA	STATE BANK	CLP	14/01/2015	10.00	UF + 2.9%	1.51%	46,262	613	46,875	1.51%	94,781	1,208	95,989
WATERS OF ANTOFAGASTA	BONUSES	CLP	18/12/2020	5.00	UF + 0.995%	0.20%	105,971	2,478	108,448	0.20%	198,240	6,409	204,649
WATERS OF ANTOFAGASTA	BONUSES	CLP	18/12/2020	13.00	UF + 1.4396%	2.01%	317,912	23,315	341,227	2.01%	396,481	32,063	428,544
WATERS OF ANTOFAGASTA	BONUSES	CLP	14/05/2021	4.50	UF + 0.995%	0.63%	105,971	2,130	108,101	0.63%	198,240	5,323	203,563
WATERS OF ANTOFAGASTA	BONUSES	CLP	14/05/2021	12.50	UF + 1.4396%	2.51%	476,868	18,963	495,831	2.51%	594,721	25,551	620,272
WATERS OF ANTOFAGASTA	SCOTIABANK	CLP	28/09/2022	5.00	UF + 1.55%	0.02%	447,875	6,670	454,546	0.02%	558,563	24	558,588
WATERS OF ANTOFAGASTA	STATE BANK	CLP	8/11/2022	6.00	UF + 0.7%	0.28%	302,016	717	302,733	0.28%	376,657	(1,924)	374,733
REGIONAL WATERS	POPULAR BANK	COP	1/06/2018	7.25	IBR 3M + 3%	14.94%	3,652	70	3,722	14.09%	5,738	152	5,890
REGIONAL WATERS	BANK OF BOGOTA	COP	30/09/2015	10.08	DTF + 2.6%	15.14%	170	5	175	15.70%	255	9	264
REGIONAL WATERS	HELM BANK S.A.	COP	16/03/2012	12.00	DTF + -1%	11.63%	206	1	207	10.77%	1,031	15	1,045
REGIONAL WATERS	BANCO BILBAO VIZCAYA ARGENTARIA	COP	30/04/2014	10.06	DTF + -0.7%	11.58%	63	1	63	11.51%	188	4	191
REGIONAL WATERS	BANCO BILBAO VIZCAYA ARGENTARIA	COP	19/12/2014	10.00	DTF + -0.7%	10.94%	172	1	173	11.42%	344	5	350
REGIONAL WATERS	BANCO DAVIVIENDA SA	COP	19/02/2018	10.25	IPC + 4.8%	14.79%	11,250	316	11,566	16.94%	13,750	504	14,254
REGIONAL WATERS	POPULAR BANK	COP	21/01/2020	10.25	IBR 3M + 2.9%	14.98%	4,875	225	5,100	14.53%	5,625	266	5,891
REGIONAL WATERS	POPULAR BANK	COP	18/03/2020	10.25	IBR 3M + 2.9%	14.97%	2,031	46	2,077	14.55%	2,344	60	2,404
REGIONAL WATERS	POPULAR BANK	COP	22/04/2020	10.25	IBR 3M + 2.9%	14.93%	1,603	76	1,679	14.47%	1,841	90	1,930
REGIONAL WATERS	POPULAR BANK	COP	22/05/2020	10.00	IBR 3M + 2.9%	15.22%	934	26	960	14.82%	1,078	31	1,109
REGIONAL WATERS	POPULAR BANK	COP	19/06/2020	10.00	IBR 3M + 2.9%	15.26%	1,097	17	1,114	14.90%	1,266	21	1,287
REGIONAL WATERS	POPULAR BANK	COP	21/07/2020	10.00	IBR 3M + 2.9%	14.99%	1,772	72	1,844	14.59%	2,034	83	2,117
REGIONAL WATERS	POPULAR BANK	COP	19/08/2020	10.00	IBR 3M + 2.9%	15.21%	1,730	51	1,781	14.80%	1,986	60	2,046
REGIONAL WATERS	POPULAR BANK	COP	23/09/2020	10.00	IBR 3M + 2.9%	15.26%	2,363	34	2,396	14.90%	2,713	42	2,755
REGIONAL WATERS	POPULAR BANK	COP	26/10/2020	10.00	IBR 3M + 2.9%	15.21%	11,944	473	12,417	14.80%	13,650	542	14,192

Company	Entity or loan	Original Currency	Initial date	Term	Nominal interest rate	December 31, 2023				December 31, 2022			
						IRR	Nominal value	Amortized cost value	Total Value	IRR	Nominal value	Amortized cost value	Total Value
REGIONAL WATERS	FINDETER	COP	21/12/2020	3.00	0%	0.00%	-	-	-	0.00%	914	-	914
REGIONAL WATERS	BANCO DAVIVIENDA SA	COP	30/11/2021	10.00	IBR 3M + 2.869%	15.23%	9,500	237	9,737	14.90%	9,500	238	9,738
REGIONAL WATERS	BANCO DE OCCIDENTE S.A.	COP	1/12/2022	10.00	IBR 3M + 4.75%	17.77%	22,000	342	22,342	17.43%	22,000	297	22,297
REGIONAL WATERS	BANCO BILBAO VIZCAYA ARGENTARIA	COP	21/03/2023	1.00	18.84%	18.84%	5,000	262	5,262	0.00%	-	-	-
REGIONAL WATERS	BANCO DAVIVIENDA SA	COP	19/07/2023	10.00	IBR 6M + 4.75%	12.58%	20,000	1,060	21,060	0.00%	-	-	-
CENS	BBVA	COP	27/05/2021	2.00	IBR + 0.15%	0.00%	-	-	-	9.94%	3,110	18	3,128
CENS	BOGOTA	COP	16/02/2018	10.00	IBR + 2.98%	14.11%	60,302	4,215	64,517	14.43%	77,531	4,832	82,362
CENS	POPULAR	COP	15/05/2017	10.00	IBR + 3.35%	14.37%	16,293	619	16,912	14.56%	20,948	859	21,807
CENS	POPULAR	COP	26/05/2017	10.00	IBR + 3.35%	14.34%	3,736	127	3,863	14.57%	4,804	180	4,984
CENS	POPULAR	COP	23/06/2017	10.00	IBR + 3.35%	14.23%	2,846	68	2,914	14.56%	3,659	104	3,763
CENS	POPULAR	COP	29/06/2017	10.00	IBR + 3.35%	14.27%	4,443	93	4,537	14.61%	5,714	146	5,860
CENS	POPULAR	COP	18/07/2017	10.00	IBR + 3.35%	14.38%	7,476	650	8,126	14.68%	9,344	738	10,082
CENS	POPULAR	COP	27/07/2017	10.00	IBR + 3.35%	14.38%	3,250	270	3,520	14.69%	4,063	307	4,370
CENS	POPULAR	COP	23/08/2017	10.00	IBR + 3.35%	14.70%	3,000	202	3,202	14.99%	3,750	230	3,980
CENS	POPULAR	COP	15/09/2017	12.00	IBR + 3.35%	14.90%	3,221	181	3,402	15.16%	4,026	215	4,241
CENS	POPULAR	COP	19/09/2017	10.00	IBR + -1.8%	7.73%	3,554	313	3,867	8.04%	4,146	373	4,519
CENS	POPULAR	COP	19/09/2017	10.00	IBR + 3.075%	14.17%	5,923	358	6,281	14.47%	7,404	430	7,834
CENS	POPULAR	COP	17/11/2017	12.00	IBR + 3.35%	14.37%	4,830	188	5,018	14.62%	6,037	250	6,287
CENS	POPULAR	COP	17/11/2017	10.00	IBR -1.8%	8.09%	2,446	199	2,645	7.36%	2,854	226	3,080
CENS	POPULAR	COP	17/11/2017	10.00	IBR + 3.075%	13.84%	4,077	174	4,251	14.08%	5,096	234	5,330
CENS	POPULAR	COP	18/12/2017	10.00	IBR + 3.35%	14.29%	10,000	277	10,277	14.55%	12,500	390	12,890
CENS	POPULAR	COP	18/01/2018	9.00	IBR + 3.35%	14.42%	20,813	1,835	22,648	14.73%	25,438	2,032	27,469
CENS	DAVIVIENDA	COP	14/06/2019	12.00	IBR + 1.15%	12.13%	15,000	894	15,894	11.37%	17,000	980	17,980
CENS	DAVIVIENDA	COP	27/06/2019	12.00	IBR + 1.15%	12.12%	4,284	234	4,518	11.39%	4,856	262	5,119
CENS	WEST	COP	16/12/2019	7.00	IBR S.V. + 2.75%	13.22%	21,000	627	21,627	13.38%	28,000	1,036	29,036
CENS	WEST	COP	16/01/2020	7.00	IBR S.V. + 2.75%	13.15%	14,000	1,269	15,269	13.79%	18,000	1,432	19,432
CENS	BBVA	COP	28/07/2020	7.00	IBR S.V. + 2.9%	13.94%	4,000	320	4,320	14.15%	5,000	372	5,372
CENS	BBVA	COP	28/09/2020	7.00	IBR S.V. + 2.9%	14.37%	10,000	508	10,508	14.53%	12,500	635	13,135

Company	Entity or loan	Original Currency	Initial date	Term	Nominal interest rate	December 31, 2023				December 31, 2022			
						IRR	Nominal value	Amortized cost value	Total Value	IRR	Nominal value	Amortized cost value	Total Value
CENS	DAVIVIENDA	COP	30/11/2020	3.00	IBR + 2.55%	12.18%	-	-	-	12.21%	7,500	178	7,678
CENS	FINDETER	COP	24/12/2020	3.00	0%	0.00%	-	-	-	0.00%	5,708	(0)	5,708
CENS	BBVA	COP	21/01/2021	7.00	IBR S.V. + 2.9%	14.07%	15,750	1,303	17,053	14.31%	17,500	1,375	18,875
CENS	BBVA	COP	30/04/2021	3.00	IBR + 0.15%	12.03%	1,653	3	1,656	10.75%	6,610	53	6,663
CENS	BBVA	COP	22/02/2022	7.00	IBR S.V. + 2.9%	14.58%	19,000	1,222	20,222	14.86%	19,000	1,126	20,126
CENS	DAVIVIENDA	COP	11/03/2022	10.00	IBR S.V. + 3.843%	15.87%	30,000	1,677	31,677	16.10%	30,000	1,594	31,594
CENS	BBVA	COP	24/11/2022	10.00	IBR S.V. + 2.79%	15.09%	40,000	514	40,514	15.31%	40,000	580	40,580
CENS	BBVA	COP	20/12/2022	10.00	IBR S.V. + 2.79%	15.04%	40,000	114	40,114	15.32%	40,000	172	40,172
CENS	BBVA	COP	24/01/2023	10.00	IBR S.V. + 2.79%	15.04%	44,000	2,778	46,778	0.00%	-	-	-
CENS	WEST	COP	14/07/2023	10.00	IBR S.V. + 5%	17.39%	10,000	790	10,790	0.00%	-	-	-
CENS	WEST	COP	16/08/2023	10.00	IBR S.V. + 5%	17.38%	14,666	925	15,591	0.00%	-	-	-
CENS	DAVIVIENDA	COP	29/08/2023	10.00	IBR S.V. + 5%	17.37%	20,000	1,137	21,137	0.00%	-	-	-
CENS	DAVIVIENDA	COP	22/09/2023	10.00	IBR M.V. + 2.3%	15.36%	35,202	112	35,314	0.00%	-	-	-
CENS	DAVIVIENDA	COP	17/10/2023	10.00	IBR S.V. + 5%	17.44%	54,798	1,858	56,656	0.00%	-	-	-
CENS	POPULAR	COP	15/11/2023	10.00	IBR S.V. + 5%	17.42%	24,667	506	25,173	0.00%	-	-	-
CENS	BOGOTA	COP	20/11/2023	10.00	IBR S.V. + 5%	17.42%	24,667	450	25,117	0.00%	-	-	-
CENS	ITAU	COP	27/12/2023	1.00	IBR S.V. + 3.87%	16.12%	20,000	26	20,026	0.00%	-	-	-
CHEC	CORPBANCA	COP	22/08/2014	10.00	IPC E.A. + 3.5%	0.00%	-	-	-	14.68%	11,156	321	11,477
CHEC	DAVIVIENDA	COP	27/12/2018	12.00	IBR 1M + 0.388%	0.00%	-	-	-	11.88%	3,692	21	3,713
CHEC	WESTERN BANK	COP	25/05/2022	1.00	IBRSV + 1.5%	0.00%	-	-	-	15.73%	10,000	67	10,067
CHEC	DAVIVIENDA	COP	9/04/2021	2.00	IBR 1M + 0.5%	0.00%	-	-	-	9.58%	914	9	924
CHEC	BBVA	COP	22/08/2014	10.00	IPC E.A. + 3.5%	13.11%	6,281	113	6,394	14.70%	14,656	419	15,075
CHEC	DAVIVIENDA	COP	27/12/2018	12.00	IBR 1M + 0.388%	12.95%	30,100	290	30,390	11.87%	34,400	285	34,685
CHEC	BANCOLOMBIA	COP	9/02/2018	8.00	IBR + 2.29%	14.23%	18,281	797	19,078	13.91%	26,406	1,102	27,508
CHEC	CORPBANCA	COP	22/08/2014	10.00	IPC E.A. + 3.5%	13.09%	4,781	86	4,867	0.00%	-	-	-
CHEC	DAVIVIENDA	COP	27/12/2018	12.00	IBR 1M + 0.388%	12.74%	3,244	22	3,266	0.00%	-	-	-
CHEC	DAVIVIENDA	COP	20/11/2019	12.00	IBR 1M + 0.388%	12.79%	1,436	15	1,451	11.93%	1,617	15	1,632
CHEC	BBVA	COP	29/12/2020	10.00	IBR + 3.432%	15.89%	26,250	429	26,679	15.59%	30,000	489	30,489

Company	Entity or loan	Original Currency	Initial date	Term	Nominal interest rate	December 31, 2023				December 31, 2022			
						IRR	Nominal value	Amortized cost value	Total Value	IRR	Nominal value	Amortized cost value	Total Value
CHEC	FINDETER	COP	30/12/2020	3.00	0%	0.00%	-	-	-	0.00%	1,325	(0)	1,325
CHEC	BANCOLOMBIA	COP	15/03/2021	10.00	IBR + 1.8%	14.05%	48,031	820	48,851	13.64%	53,000	1,026	54,026
CHEC	DAVIVIENDA	COP	7/04/2021	3.00	IBR 1M + 0.5%	12.39%	221	2	223	10.81%	885	14	898
CHEC	DAVIVIENDA	COP	20/04/2021	10.00	IBR 1M + 1.693%	14.30%	3,638	32	3,670	13.28%	3,969	47	4,016
CHEC	BANCOLOMBIA	COP	12/05/2021	10.00	IBR + 1.8%	14.05%	81,563	2,451	84,014	13.63%	87,000	2,676	89,676
CHEC	BBVA	COP	25/05/2022	10.00	IBR + 3.533%	16.37%	15,000	361	15,361	16.03%	15,000	342	15,342
CHEC	BOGOTA	COP	24/08/2022	10.00	IBR + 4.41%	17.34%	17,000	319	17,319	16.92%	17,000	323	17,323
CHEC	BBVA	COP	14/04/2023	1.00	0%	15.05%	25,000	775	25,775	0.00%	-	-	-
CHEC	DAVIVIENDA	COP	17/08/2023	10.00	IBR S.V. + 4.88%	17.90%	100,000	6,441	106,441	0.00%	-	-	-
CHEC	INFICALDAAS	COP	19/12/2023	10.00	IBR 1M + 3.3%	16.53%	13,000	66	13,066	0.00%	-	-	-
CHEC	INFICALDAAS	COP	20/12/2023	10.00	IBR 1M + 3.3%	16.53%	9,000	42	9,042	0.00%	-	-	-
CHEC	ITAU	COP	12/12/2023	1.00	IBR S.V. + 3.87%	16.82%	30,000	254	30,254	0.00%	-	-	-
FROM THE SOUTH	DAVIVIENDA	USD	26/08/2013	10.00	LIBOR 3M + 3.7%	0.00%	-	-	-	4.07%	33,070	275	33,345
FROM THE SOUTH	DAVIVIENDA	USD	7/10/2015	10.00	SOFR 3M + 4.5%	0.00%	22,932	501	23,433	4.59%	36,077	639	36,716
FROM THE SOUTH	DAVIVIENDA	USD	29/10/2021	9.00	SOFR 3M + 4%	0.00%	114,662	1,831	116,493	4.15%	144,306	2,051	146,357
FROM THE SOUTH	CUSCATLAN	USD	28/09/2023	10.00	SOFR 3M + 3.75%	0.00%	55,897	(82)	55,816	0.00%	-	-	-
EDEQ	AV VILLAS	COP	23/06/2016	7.00	IBR + 3.1%	0.00%	-	-	-	12.47%	299	4	303
EDEQ	BBVA_2073	COP	10/05/2021	2.00	IBR 1M + 0.15%	0.00%	-	-	-	9.31%	494	5	499
EDEQ	AV VILLAS	COP	13/01/2022	1.00	IBR + 1.5%	0.00%	-	-	-	12.19%	15,000	381	15,381
EDEQ	AV VILLAS	COP	15/09/2017	7.00	IBR + 3.1%	14.64%	900	10	910	14.25%	2,100	34	2,134
EDEQ	WEST	COP	29/11/2019	7.00	IBR + 2.75%	14.59%	6,000	166	6,166	14.34%	8,000	217	8,217
EDEQ	AV VILLAS	COP	5/11/2019	6.50	IBR + 2.3%	14.05%	4,583	148	4,731	13.68%	6,417	211	6,628
EDEQ	BANK OF BOGOTA	COP	29/05/2020	7.00	IBR + 2.18%	14.01%	6,998	169	7,166	13.58%	8,998	229	9,226
EDEQ	BANK OF BOGOTA	COP	19/08/2020	7.00	IBR + 2.18%	14.02%	7,500	222	7,722	13.65%	9,500	282	9,782
EDEQ	FINDETER	COP	19/01/2021	3.00	0%	0.00%	7	(0)	7	0.00%	658	(0)	658
EDEQ	BBVA_844	COP	10/05/2021	3.00	IBR 1M + 0.15%	11.69%	128	1	129	10.50%	435	6	441
EDEQ	VILLAS_21454	COP	23/07/2021	7.00	IBR + 2.25%	14.28%	20,381	809	21,190	13.93%	21,454	853	22,307
EDEQ	BBVA_10000	COP	27/05/2022	5.00	IBR + 2.91%	15.22%	8,750	184	8,934	14.87%	10,000	207	10,207

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EDEQ	BBVA_15000	COP	24/06/2022	5.00	IBR + 2.91%	15.35%	13,125	106	13,231	14.98%	15,000	138	15,138
EDEQ	POPULAR_11296	COP	10/11/2022	5.00	IBR + 3.9%	16.79%	11,297	264	11,561	16.37%	11,297	239	11,536
EDEQ	VILLAS_15000	COP	13/01/2023	5.00	IBR + 2.15%	14.96%	15,000	451	15,451	0.00%	-	-	-
EDEQ	WEST_21500	COP	15/03/2023	10.00	IBR + 6.65%	19.96%	21,500	173	21,673	0.00%	-	-	-
EDEQ	DAVIVIENDA_30000	COP	30/10/2023	10.00	IBR + 5%	18.10%	30,000	864	30,864	0.00%	-	-	-
EDEQ	WEST_36240	COP	27/12/2023	10.00	IBR + 5.5%	18.65%	36,240	68	36,308	0.00%	-	-	-
EMVARIAS	FINDETER	COP	27/01/2021	3.00	0%	0.00%	164	-	164	0.00%	2,132	-	2,132
ENSA	CITIBANK	USD	7/12/2022	1.00	0%	0.00%	-	-	-	1.01%	38,482	164	38,645
ENSA	BONUSES	USD	13/12/2012	15.00	4.73%	3.46%	305,764	(1,126)	304,638	3.46%	384,816	(1,926)	382,890
ENSA	SCOTIABANK	USD	3/10/2018	5.00	4.25%	4.25%	-	-	-	4.25%	481,020	1,389	482,409
ENSA	BONUSES	USD	1/07/2021	15.00	3.87%	4.05%	382,205	1,758	383,963	4.05%	481,020	1,826	482,846
ENSA	SCOTIABANK	USD	2/08/2023	2.00	6.41048%	6.41%	95,551	(543)	95,008	2.00%	24,051	446	24,497
ENSA	SCOTIABANK	USD	3/10/2023	2.00	6.4345%	6.43%	95,551	335	95,887	2.00%	288,612	497	289,109
ENSA	SCOTIABANK	USD	2/08/2023	1.00	6.36048%	6.36%	191,103	12	191,115	3.80%	72,153	236	72,389
ENSA	SCOTIABANK	USD	3/10/2023	1.00	6.57751%	6.58%	286,654	1,238	287,892	5.35%	72,153	332	72,485
ENSA	BANESCO	USD	20/10/2023	1.00	4.8%	4.80%	57,331	248	57,579	0.00%	-	-	-
ENSA	SCOTIABANK	USD	3/10/2023	1.00	6%	6.00%	57,331	258	57,589	0.00%	-	-	-
ENSA	CITIBANK	USD	1/11/2023	1.00	6%	6.00%	36,309	145	36,455	0.00%	-	-	-
ENSA	SCOTIABANK	USD	5/12/2023	1.00	6%	6.00%	114,662	430	115,091	0.00%	-	-	-
ENSA	CITIBANK	USD	19/12/2023	1.00	6%	6.00%	19,110	-	19,110	0.00%	-	-	-
ENSA	CITIBANK	USD	29/12/2023	1.00	6%	6.00%	1,911	1	1,912	0.00%	-	-	-
EPM	IPC III BONDS SECTION	COP	21/04/2009	15.00	IPC + 6.24%	17.09%	198,400	5,950	204,350	20.01%	198,400	5,929	204,329
EPM	IPC IV TRAM 3 BONDS	COP	14/12/2010	20.00	IPC + 4.94%	15.78%	267,400	(473)	266,927	18.40%	267,400	(1,324)	266,076
EPM	IPC V BONDS TRACE II	COP	4/12/2013	10.00	IPC + 4.52%	0.00%	-	-	-	18.44%	96,210	566	96,776
EPM	IPC V TRAM III BONDS	COP	4/12/2013	20.00	IPC + 5.03%	16.00%	229,190	(1,017)	228,173	18.58%	229,190	(1,142)	228,048
EPM	IPC VI BONDS TRACE II	COP	29/07/2014	12.00	IPC + 4.17%	15.16%	125,000	1,954	126,954	17.71%	125,000	1,968	126,968
EPM	IPC VI TRAM III BONDS	COP	29/07/2014	20.00	IPC + 4.5%	15.43%	250,000	2,010	252,010	17.98%	250,000	2,584	252,584
EPM	IPC V TRAM IV BONDS	COP	20/03/2015	8.71	IPC + 3.65%	0.00%	-	-	-	18.26%	130,000	941	130,941

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EPM	IPC VII BONDS TRACE II	COP	20/03/2015	12.00	IPC + 3.92%	14.69%	120,000	(132)	119,868	17.32%	120,000	(638)	119,362
EPM	IPC VII TRAM III BONDS	COP	20/03/2015	20.00	IPC + 4.43%	15.13%	260,000	(409)	259,591	17.71%	260,000	(1,125)	258,875
EPM	BID-1664-1	COP	31/03/2016	9.69	7.8%	9.36%	94,923	138	95,061	9.16%	142,385	425	142,810
EPM	IDB 2120-1	COP	27/05/2014	9.33	6.272%	0.00%	-	-	-	8.72%	190,295	1,760	192,055
EPM	BANK OF TOKYO-MITSUB	USD	29/09/2008	15.00	Libor 6M + 0.95%	0.00%	-	-	-	5.92%	80,099	1,371	81,470
EPM	GLOBAL 2024 COP	COP	10/09/2014	10.00	7.625%	7.73%	965,745	21,328	987,073	7.73%	965,745	20,425	986,170
EPM	AGRARIAN	COP	24/06/2014	16.00	IBR + 2.4%	14.16%	73,073	936	74,009	14.45%	84,673	1,233	85,906
EPM	AFD	USD	10/08/2012	14.98	4.311%	4.39%	430,866	7,777	438,643	4.40%	677,827	12,051	689,878
EPM	IDB 2120-2	COP	23/08/2016	17.59	7.5%	9.06%	262,903	539	263,442	9.10%	287,942	266	288,208
EPM	BNDES	USD	26/04/2016	23.67	4.887%	4.79%	373,618	3,929	377,547	4.76%	472,047	5,984	478,031
EPM	GLOBAL 2027 COP	COP	8/11/2017	10.00	8.375%	8.46%	4,165,519	51,394	4,216,913	8.46%	4,165,519	51,346	4,216,865
EPM	IDB 2120-3	COP	8/12/2017	16.30	6.265%	7.61%	130,888	595	131,483	7.64%	143,354	627	143,981
EPM	CAF	USD	3/10/2016	18.00	SOFR 6M + 3.52826%	8.76%	646,808	17,465	664,273	8.30%	888,037	17,767	905,804
EPM	1023 USD BONUSES	USD	18/07/2019	10.00	4.25%	4.39%	3,822,050	56,098	3,878,148	4.39%	4,810,200	67,110	4,877,310
EPM	IDB 2120-4	COP	17/06/2020	13.77	5%	6.07%	284,124	2,837	286,961	6.08%	311,184	3,534	314,718
EPM	USD 2030 BONDS	USD	15/07/2020	10.58	4.375%	4.60%	2,197,679	13,520	2,211,199	4.60%	2,765,865	13,690	2,779,555
EPM	FINDETER	COP	28/01/2021	3.00	0%	0.00%	1,839	-	1,839	0.00%	23,903	-	23,903
EPM	BBVA	COP	18/05/2021	3.00	IBR 1M + 0.1%	12.53%	382	2	383	11.22%	763	7	770
EPM	BBVA	COP	18/05/2021	3.00	IBR 1M + 0.1%	12.53%	4,969	25	4,994	11.23%	9,938	85	10,023
EPM	BBVA	COP	18/05/2021	2.00	IBR 1M + 0.1%	0.00%	-	-	-	11.18%	8,568	55	8,623
EPM	JP MORGAN	COP	24/11/2021	4.98	IBR OIS + 2.477%	15.44%	979,250	9,848	989,098	14.09%	979,250	10,888	990,138
EPM	AFD	USD	18/09/2023	9.16	SOFR 6M + 2.12%	7.67%	577,130	182	577,311	0.00%	-	(102)	(102)
EPM	UMB BANK	USD	19/12/2022	5.00	SOFR 3M + 2.2%	8.23%	2,308,518	(29,832)	2,278,686	7.59%	1,443,060	(19,489)	1,423,571
EPM	POPULAR BANK	COP	2/12/2022	1.00	IBR 3M + 6.62%	0.00%	-	-	-	17.74%	120,000	1,749	121,749
EPM	BNP TREASURY	USD	15/11/2023	0.99	SOFR 1M + 2.25%	7.61%	649,749	2,335	652,084	0.00%	-	-	-
EPM	BNP TREASURY	USD	22/12/2023	0.99	SOFR 1M + 2.25%	7.61%	114,662	242	114,904	0.00%	-	-	-
EPM	SANTANDER TREASURY	USD	20/12/2023	1.00	SOFR 1M + 2.25%	7.61%	382,205	969	383,174	0.00%	-	-	-
EPM	COMMISSIONS	USD	1/12/2023	-	-	0.00%	-	(16)	(16)	0.00%	-	-	-

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ESSA	BOGOTA	COP	27/01/2016	7.00	IBR + 1.88%	0.00%	-	-	-	10.92%	1,500	42	1,542
ESSA	BOGOTA	COP	16/02/2016	7.00	IBR + 1.88%	0.00%	-	-	-	10.95%	1,300	29	1,329
ESSA	BOGOTA	COP	28/03/2016	7.00	IBR + 1.88%	0.00%	-	-	-	11.18%	700	7	707
ESSA	BOGOTA	COP	14/04/2016	7.00	IBR + 1.88%	0.00%	-	-	-	11.56%	1,275	41	1,316
ESSA	BOGOTA	COP	1/07/2016	12.00	IBR + 3.15%	15.42%	10,000	481	10,481	15.11%	12,000	524	12,524
ESSA	BOGOTA	COP	19/08/2016	12.00	IBR + 3.15%	15.34%	4,000	118	4,118	15.01%	4,800	136	4,936
ESSA	BOGOTA	COP	13/10/2016	12.00	IBR + 3.15%	15.40%	4,725	208	4,932	15.09%	5,625	225	5,850
ESSA	BOGOTA	COP	11/11/2016	12.00	IBR + 3.15%	15.56%	18,375	535	18,910	15.22%	21,875	595	22,470
ESSA	BOGOTA	COP	5/12/2016	12.00	IBR + 3.15%	15.43%	4,200	91	4,291	15.07%	5,000	106	5,106
ESSA	BOGOTA	COP	14/12/2016	12.00	IBR + 3.15%	15.45%	7,875	110	7,985	15.06%	9,375	141	9,516
ESSA	BOGOTA	COP	11/01/2017	12.00	IBR + 3.15%	15.41%	8,244	372	8,616	15.08%	9,744	401	10,146
ESSA	BOGOTA	COP	16/01/2017	12.00	IBR + 3.15%	15.38%	5,494	239	5,734	15.07%	6,494	257	6,751
ESSA	BOGOTA	COP	15/05/2017	12.00	IBR + 3.15%	15.45%	5,750	174	5,924	15.10%	6,750	193	6,943
ESSA	BBVA	COP	14/06/2017	12.00	IBR + 3.56%	16.18%	5,500	96	5,596	15.78%	6,500	114	6,614
ESSA	BBVA	COP	29/06/2017	12.00	IBR + 3.56%	15.94%	4,400	70	4,470	15.58%	5,200	85	5,285
ESSA	BBVA	COP	13/07/2017	12.00	IBR + 3.56%	16.06%	5,750	272	6,022	15.73%	6,750	291	7,041
ESSA	BBVA	COP	28/09/2017	12.00	IBR + 3.56%	16.14%	8,625	110	8,735	15.76%	10,125	132	10,257
ESSA	BBVA	COP	12/10/2017	12.00	IBR + 3.56%	16.07%	3,000	143	3,143	15.74%	3,500	153	3,653
ESSA	BBVA	COP	30/10/2017	12.00	IBR + 3.56%	16.08%	3,000	120	3,120	15.73%	3,500	133	3,633
ESSA	BBVA	COP	29/11/2017	12.00	IBR + 3.56%	16.14%	4,200	107	4,307	15.79%	4,900	121	5,021
ESSA	BBVA	COP	11/12/2017	12.00	IBR + 3.56%	16.16%	2,400	48	2,448	15.77%	2,800	55	2,855
ESSA	BBVA	COP	14/12/2017	12.00	IBR + 3.56%	16.17%	8,400	155	8,555	15.77%	9,800	180	9,980
ESSA	BBVA	COP	26/12/2017	12.00	IBR + 3.56%	16.21%	54,000	678	54,678	15.83%	63,000	796	63,796
ESSA	BOGOTA	COP	26/12/2017	12.00	IBR + 3.15%	15.25%	6,250	114	6,364	14.89%	7,250	137	7,387
ESSA	BBVA	COP	29/10/2018	12.00	IBR + 2.91%	14.57%	28,000	1,294	29,294	14.84%	32,000	1,484	33,484
ESSA	BBVA	COP	28/11/2018	12.00	IBR + 2.91%	14.48%	4,200	150	4,350	14.76%	4,800	178	4,978
ESSA	BBVA	COP	26/12/2018	12.00	IBR + 2.91%	14.42%	37,800	956	38,756	14.77%	43,200	1,180	44,380
ESSA	POPULAR	COP	28/12/2018	12.00	IBR + 2.91%	14.22%	74,200	1,750	75,950	14.57%	84,800	2,203	87,003

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ESSA	POPULAR	COP	27/12/2019	12.00	IBR + 2.91%	14.26%	75,200	1,887	77,087	14.62%	84,600	2,273	86,873
ESSA	DAVIVIENDA	COP	4/09/2020	3.00	IBR + 2.1%	0.00%	-	-	-	11.69%	5,625	109	5,733
ESSA	FINDETER	COP	5/01/2021	3.00	0%	0.00%	373	(0)	373	0.00%	4,853	(0)	4,853
ESSA	BBVA	COP	26/02/2021	2.00	IBR + 0.1%	0.00%	-	-	-	8.83%	2,927	18	2,945
ESSA	DAVIVIENDA	COP	26/02/2021	12.00	IBR + 1.7%	13.97%	7,387	100	7,487	13.59%	8,059	127	8,186
ESSA	DAVIVIENDA	COP	26/02/2021	12.00	IBR + 1.7%	13.97%	1,641	22	1,663	13.59%	1,790	28	1,818
ESSA	BBVA	COP	12/03/2021	3.00	IBR + 0.1%	10.94%	1,206	11	1,217	10.19%	3,618	67	3,685
ESSA	DAVIVIENDA	COP	23/04/2021	3.00	IBR + 2.55%	13.76%	7,498	230	7,728	13.23%	22,498	799	23,297
ESSA	DAVIVIENDA	COP	15/06/2021	12.00	IPC E.A. + 3.7%	13.69%	47,500	1,070	48,570	16.00%	50,000	1,455	51,455
ESSA	BBVA	COP	2/07/2021	3.00	IBR + 0.2%	10.81%	592	10	602	10.51%	1,183	30	1,214
ESSA	BBVA	COP	2/07/2021	2.00	IBR + 0.2%	0.00%	-	-	-	9.21%	1,447	29	1,477
ESSA	DAVIVIENDA	COP	14/09/2021	10.00	IBR + 3.8%	16.29%	14,480	296	14,776	15.90%	14,948	331	15,279
ESSA	SUDAMERIS	COP	17/12/2021	5.00	IBR + 3.4%	15.46%	22,500	355	22,855	15.15%	30,000	511	30,511
ESSA	BOGOTA	COP	7/04/2022	1.00	T.N. + 8.9%	0.00%	-	-	-	8.84%	50,000	1,014	51,014
ESSA	BOGOTA	COP	12/04/2022	1.00	T.N. + 8.9%	0.00%	-	-	-	8.85%	50,000	955	50,955
ESSA	POPULAR	COP	21/10/2022	10.00	IBR + 4.45%	17.39%	10,000	343	10,343	17.08%	10,000	305	10,305
ESSA	AV VILLAS	COP	21/10/2022	10.00	IBR + 4.45%	17.36%	10,000	354	10,354	17.08%	10,000	305	10,305
ESSA	POPULAR	COP	23/11/2022	10.00	IBR + 4.45%	17.43%	20,000	668	20,668	17.09%	20,000	329	20,329
ESSA	AV VILLAS	COP	23/11/2022	10.00	IBR + 4.45%	17.44%	10,000	330	10,330	17.09%	10,000	165	10,165
ESSA	AV VILLAS	COP	5/12/2022	10.00	IBR + 4.45%	17.44%	20,000	661	20,661	17.09%	20,000	226	20,226
ESSA	CAF	COP	7/12/2022	15.00	IBR + 4.99%	18.24%	162,967	601	163,568	17.95%	162,967	234	163,201
ESSA	POPULAR	COP	20/12/2022	10.00	IBR + 4.45%	17.44%	30,000	988	30,988	17.10%	30,000	143	30,143
ESSA	BBVA	COP	20/06/2023	10.00	DTF E.A. + 3.55%	16.20%	50,000	258	50,258	0.00%	-	-	-
ESSA	BBVA	COP	23/11/2023	10.00	DTF E.A. + 3.55%	16.92%	30,000	492	30,492	0.00%	-	-	-
ESSA	AGRARIAN	COP	6/12/2023	3.00	IBR + 1.9%	14.62%	80,000	751	80,751	0.00%	-	-	-
ESSA	BBVA	COP	26/12/2023	10.00	DTF E.A. + 3.55%	16.88%	40,000	86	40,086	0.00%	-	-	-
ESSA	COMMISSIONS FOR UNDISPLOISHED CREDITS	COP	1/01/2023	-	-	0.00%	-	(30)	(30)	0.00%	-	-	-

Company	Entity or loan	Original Currency	Initial date	Term	Nominal interest rate	December 31, 2023				December 31, 2022			
						IRR	Nominal value	Amortized cost value	Total Value	IRR	Nominal value	Amortized cost value	Total Value
DECA GROUP	INDUSTRIAL BANK	GTQ	20/12/2018	10.00	TAPP + -6.8%	5.56%	91,036	(680)	90,356	5.56%	137,046	(1,228)	135,817
DECA GROUP	CENTRAL AMERICA BANK	GTQ	21/12/2018	10.00	TAPP + -6.81%	5.56%	53,366	(397)	52,969	5.58%	80,337	(682)	79,655
DECA GROUP	AGROMERCANTILE BANK	GTQ	24/01/2019	10.00	TAPP + -6.87%	5.51%	122,787	148	122,935	5.51%	182,032	(38)	181,993
DECA GROUP	CENTRAL AMERICA BANK	USD	21/12/2018	10.00	LIBOR 90 + 2.26387%	5.09%	81,807	5,313	87,120	4.36%	123,660	4,342	128,002
DECA GROUP	INTERNATIONAL BANK	USD	19/12/2018	10.00	TAPP -1.25%	5.11%	13,634	144	13,778	4.80%	20,610	(121)	20,489
DECA GROUP	AGROMERCANTILE BANK	USD	24/01/2019	10.00	LIBOR 90 + 3.05%	5.90%	17,998	1,402	19,400	5.19%	26,793	1,285	28,079
DECA GROUP	INDUSTRIAL BANK	GTQ	15/12/2017	1.00	TAPP -1.5%	0.00%	48,831	-	48,831	5.50%	61,259	-	61,259
DECA GROUP	INDUSTRIAL BANK	GTQ	20/12/2018	10.00	TAPP-6.8%	5.88%	116,498	-	116,498	5.88%	175,377	-	175,377
DECA GROUP	CENTRAL AMERICA BANK	GTQ	26/12/2018	10.00	TAPP -6.81%	5.87%	53,715	-	53,715	5.87%	80,862	-	80,862
DECA GROUP	AGROMERCANTILE BANK	GTQ	25/01/2019	10.00	TAPP -6.87%	5.80%	122,787	1,045	123,832	5.80%	182,032	1,555	183,586
DECA GROUP	CENTRAL AMERICA BANK	USD	26/12/2018	10.00	LIBOR 90 + 2.26%	3.05%	27,269	-	27,269	3.05%	41,220	-	41,220
DECA GROUP	INTERNATIONAL BANK	USD	19/12/2018	10.00	TAPP -1.25%	5.09%	13,634	-	13,634	5.09%	20,610	-	20,610
DECA GROUP	MERCOM BANK LTD	USD	25/01/2019	10.00	LIBOR 90 + 3.05%	3.83%	17,998	256	18,254	3.83%	26,793	284	27,078
DECA GROUP	BANCOLOMBIA PANAMA	USD	25/01/2019	10.00	LIBOR 90 + 3.05%	3.84%	72,153	708	72,862	3.84%	107,241	1,138	108,379
DECA GROUP	BANCOLOMBIA PANAMA	USD	16/07/2019	1.00	LIBOR 30 + 2.5739%	0.00%	-	-	-	6.45%	48,090	-	48,090
DECA GROUP	INDUSTRIAL BANK	GTQ	24/11/2021	7.00	TAPP + 5.57%	5.58%	443,320	(42)	443,278	5.57%	667,376	(258)	667,118
HET	BANESCO	USD	15/11/2021	10.00	3.9%	3.90%	155,378	398	155,776	3.90%	215,891	482	216,373
HYDROSUR	STATE BANK	CLP	8/09/2023	9.00	UF + 4.58%	4.70%	51,891	1,502	53,393	0.00%	-	-	-
MALAMBO	DAVIVIENDA	COP	7/12/2021	1.00	IBR + 4.1%	14.72%	-	-	-	14.72%	1,283	130	1,413
TICSA	SANTANDER	MXN	14/06/2016	7.00	TIIE + 2.4%	0.00%	-	-	-	7.01%	8,220	(946)	7,274
TICSA	BANK OF AMERICA	MXN	17/06/2022	1.00	TIIE + 1.8%	0.00%	-	-	-	9.12%	7,405	-	7,405
TICSA	SANTANDER	MXN	14/06/2016	10.00	TIIE + 2.4%	7.77%	30,918	(558)	30,360	7.77%	44,913	(434)	44,479
TICSA	SANTANDER	MXN	14/06/2016	14.00	TIIE + 2.4%	7.79%	18,212	291	18,503	7.79%	21,786	318	22,104
TICSA	INTERACTIONS	MXN	31/12/2020	15.33	TIIE + 3%	7.51%	12,582	1,030	13,613	7.51%	15,805	933	16,738
TICSA	BAJÍO BANK	MXN	31/07/2013	14.67	TIIE + 2.75%	8.48%	60,184	2,259	62,442	8.48%	75,655	1,699	77,354
TICSA	SANTANDER	MXN	22/03/2021	1.00	TIIE + 4%	7.55%	6,736	0	6,736	7.55%	11	0	11
TICSA	DAVIVIENDA	COP	27/05/2022	1.00	0%	14.00%	38,428	-	38,428	14.00%	8,955	-	8,955

Company	Entity or loan	Original Currency	Initial date	Term	Nominal interest rate	December 31, 2023				December 31, 2022			
						IRR	Nominal value	Amortized cost value	Total Value	IRR	Nominal value	Amortized cost value	Total Value
TICSA	BANK OF AMERICA	MXN	15/11/2023	1.00	TIIE + 2%	0.00%	22,590	-	22,590	0.00%	-	-	-
Total							27,569,877	307,063	27,876,940		29,151,796	338,472	29,490,268

- Amount stated in millions of Colombian pesos -

As of December 31, 2023 and 2022, the following movements associated with credits and loans are disclosed in the following items for presentation purposes in the statement of cash flows: i) obtaining public loans and treasury $6,556,486 and $3,797,929 for 2022; ii) public credit and treasury payments of $4,438,676 and $3,516,017 for 2022; iii) transaction costs for issuance of debt instruments: $16,847 and $26,617 for 2022.

Interest paid on credit operations as of December 31, 2023 was $-2,134,594 (2022: $1,627,130).

The assumed net exchange difference as of December 31, 2023 associated with the debt was $381,439 (2022: $-412,600).

As of the cut-off date, the loans used as hedging instruments for net investments in foreign businesses are those contracted with CAF and AFD and had designated USD 282 million (equivalent to COP 1,077,675) for 2023. The difference has been reclassified from the profit or loss for the period to other comprehensive income for $283,752 (2022: $216,145).

The information on the bonds issued is as follows:

Subseries	Original currency	Start Date	Term	Nominal interest rate	2023				2022				Amount awarded							
					IRR	Nominal value	Amortized Cost Value	Total value	IRR	Nominal value	Amortized Cost Value	Total value	Amount awarded to 2021	Amount awarded to 2020	Amount awarded to 2019	Amount awarded to 2018	Amount awarded to 2017	Amount awarded to 2016	Amount awarded to 2015	Amount awarded to 2014
A10a	COP	4/12/2013	10	IPC + 4.52%	0.00%	-	-	-	18.44%	96,210	566	96,776	96,210	96,210	96,210	96,210	96,210	96,210	96,210	96,210
A10a	COP	20/03/2015	9	IPC + 3.65%	0.00%	-	-	-	18.26%	130,000	941	130,941	130,000	130,000	130,000	130,000	130,000	130,000	130,000	-
A12a	COP	29/07/2014	12	IPC + 4.17%	15.16%	125,000	1,954	126,954	17.71%	125,000	1,968	126,968	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000
A12a	COP	20/03/2015	12	IPC + 3.92%	14.69%	120,000	(132)	119,868	17.32%	120,000	(638)	119,362	120,000	120,000	120,000	120,000	120,000	120,000	120,000	-
A15a	COP	21/04/2009	15	IPC + 6.24%	17.09%	198,400	5,950	204,350	20.01%	198,400	5,929	204,329	198,400	198,400	198,400	198,400	198,400	198,400	198,400	198,400
A20a	COP	14/12/2010	20	IPC + 4.94%	15.78%	267,400	(473)	266,927	18.40%	267,400	(1,324)	266,076	267,400	267,400	267,400	267,400	267,400	267,400	267,400	267,400
A20a	COP	4/12/2013	20	IPC + 5.03%	16.00%	229,190	(1,017)	228,173	18.58%	229,190	(1,142)	228,048	229,190	229,190	229,190	229,190	229,190	229,190	229,190	229,190
A20a	COP	29/07/2014	20	IPC + 4.5%	15.43%	250,000	2,010	252,010	17.98%	250,000	2,584	252,584	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
A20a	COP	20/03/2015	20	IPC + 4.43%	15.13%	260,000	(409)	259,591	17.71%	260,000	(1,125)	258,875	260,000	260,000	260,000	260,000	260,000	260,000	260,000	-
International bonus	COP	10/09/2014	10	7.625%	7.73%	965,745	21,328	987,073	7.73%	965,745	20,425	986,170	965,745	965,745	965,745	965,745	965,745	965,745	965,745	965,745
International bonus	COP	8/11/2017	10	8.375%	8.46%	4,165,519	51,394	4,216,913	8.46%	4,165,519	51,346	4,216,865	4,165,519	4,165,519	3,530,000	2,300,000	2,300,000	-	-	-
International bonus	USD	18/07/2019	10	4.25%	4.39%	3,822,050	56,098	3,878,148	4.39%	4,810,200	67,110	4,877,310	3,981,160	3,432,500	3,277,140	-	-	-	-	-
International bonus	USD	15/07/2020	11	4.375%	4.60%	2,197,678	13,520	2,211,198	4.60%	2,765,865	13,689	2,779,554	2,289,167	1,973,688	-	-	-	-	-	-
TOTAL						**12,600,982**	**150,225**	**12,751,207**		**14,383,529**	**160,329**	**14,543,858**	**13,077,791**	**12,213,652**	**9,449,085**	**4,941,945**	**4,941,945**	**2,641,945**	**2,641,945**	**2,131,945**

Figure in millions of Colombian pesos, the exchange rate used was the TRM at the end of each period

The detail of the international bonds issued by subsidiaries of the EPM Group is as follows:

ENSA

Type of bond	Original Currency	Start Date	Term	Nominal interest rate	2023 IRR	2023 Nominal value	2023 Amortized cost	2023 Total Value	2022 IRR	2022 Nominal value	2022 Amortized cost	2022 Total Value	Amount awarded to 2021	to 2020	to 2019	to 2018	to 2017	to 2016	to 2015	to 2014
Bonds	USD	13/12/2012	15	4.73%	3.46%	305,764	(1,126)	304,638	3.46%	384,816	(1,926)	382,890	-	-	-	-	-	-	-	-
Bonds	USD	1/07/2021	15	3.87%	4.05%	382,205	1,758	383,963	4.05%	481,020	1,826	482,846	-	-	-	-	-	-	-	-
TOTAL						**687,969**	**632**	**688,601**		**865,836**	**(100)**	**865,736**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Figure in millions of Colombian pesos, the exchange rate used was the TRM at the end of each period

WATERS OF ANTOFAGASTA

Type of bond	Original Currency	Start Date	Term	Nominal interest rate	2023 IRR	2023 Nominal value	2023 Amortized cost	2023 Total Value	2022 IRR	2022 Nominal value	2022 Amortized cost	2022 Total Value	Amount awarded to 2021	to 2020	to 2019	to 2018	to 2017	to 2016	to 2015	to 2014
Bonds	CLP	18/12/2020	5.00	UF + 0.995%	0.20%	105,971	2,478	108,448	0.20%	198,240	6,409	204,649	-	-	-	-	-	-	-	-
Bonds	CLP	18/12/2020	13.00	UF + 1.4396%	2.01%	317,912	23,315	341,227	2.01%	396,481	32,063	428,544	-	-	-	-	-	-	-	-
Bonds	CLP	14/05/2021	4.50	UF + 0.995%	0.63%	105,971	2,130	108,101	0.63%	198,240	5,323	203,563	-	-	-	-	-	-	-	-
Bonds	CLP	14/05/2021	12.50	UF + 1.4396%	2.51%	476,868	18,963	495,831	2.51%	594,721	25,551	620,272	-	-	-	-	-	-	-	-
TOTAL						**1,006,721**	**46,886**	**1,053,607**		**1,387,682**	**69,346**	**1,457,028**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Figure in millions of Colombian pesos, the exchange rate used was the TRM at the end of each period

In 2023, the EPM Group presented the following credit developments:

January

- Centrales Eléctricas del Norte de Santander S.A. E.S.P. (CENS): BBVA Bank for $44,000.
- Empresa de Energía del Quindío S.A. E.S.P. (EDEQ): Banco AV Villas for $15,000.
- Afinia: Banco Davivienda for $60,000.
- TICSA: Banco Santander MXN30 equivalent to $6,694.

February

- Empresa de distribución de energía del noreste de Panamá S.A. (ENSA): Bladex for USD 12.6 million equivalent to $60,526 and Citibank for USD 18 million equivalent to $86,120.

March

- EPM Matrix: BNDES long-term loan for USD 5.7 million, equivalent to $26,868.
- Regional Waters: BBVA Bank for $5,000.
- Empresa de Energía del Quindío S.A. E.S.P. (EDEQ): Banco de Occidente for $21,500.
- Empresa de distribución de energía del noreste de Panamá S.A. (ENSA): Bladex for USD 31.4 million equivalent to $149,990.

April

- TICSA: Banco Davivienda for $7,122.
- Caldas Hydroelectric Power Plant (CHEC): BBVA for $30,000.

May

- Empresa de distribución de energía del noreste de Panamá S.A. (ENSA): Scotiabank for USD 73 million, equivalent to $331,426.
- TICSA: Banco Santander MXN31 equivalent to $7,841.

June

- Electrificadora de Santander (ESSA): BBVA Bank for $50,000.
- Empresa de distribución de energía del noreste de Panamá S.A. (ENSA): Citibank for USD 25 million equivalent to $105,232.
- TICSA: Banco Davivienda for $3,828.

July

- EPM Parent: Club Deal long-term loan for USD 120 million equivalent to $494,273
- Regional Waters: Banco Davivienda for $7,000.
- Centrales Eléctricas del Norte de Santander S.A. E.S.P. (CENS): Banco de Occidente for $10,000.
- TICSA: Banco Davivienda $4,938
- Empresa de distribución de energía del noreste de Panamá S.A. (ENSA): Bladex for USD 12 million equivalent to $48,831 and Citibank for USD 29.5 million equivalent to $120,042.
- Grupo Deca: Banco Industrial for USD 76 million, equivalent to $110,310.

August

- EPM Parent: Club Deal long-term loan for USD 100 million equivalent to $395,523
- Regional Waters: Banco Davivienda for $13,000.
- Centrales Eléctricas del Norte de Santander S.A. E.S.P. (CENS): Banco de Occidente for $14,666 and Banco Davivienda for $20,000.
- Caldas Hydroelectric Power Plant (CHEC): Banco Davivienda for $100,000.
- Empresa de distribución de energía del noreste de Panamá S.A. (ENSA): Scotiabank for USD 65 million equivalent to $264,597, Citibank for USD 12.5 million equivalent to $50,884 and IDB for USD 25 million equivalent to $101,768.

September

- EPM Matrix: AFD long-term loan for USD 100 million equivalent to $392,828
- Centrales Eléctricas del Norte de Santander S.A. E.S.P. (CENS): Banco Davivienda for $35,202.
- Caldas Hydroelectric Power Plant (CHEC): Banco Davivienda for $100,000.
- Hidrosur: Banco del Estado for CLP 11,817 million, equivalent to $53,711.
- Empresa de distribución de energía del noreste de Panamá S.A. (ENSA Citibank for USD 29.5 million equivalent to $118,133.
- From the South: Banco Cuscatlán for USD 15 million, equivalent to $60,068.

October

- Empresa de Energía del Quindío S.A. E.S.P. (EDEQ): Banco Davivienda for $30,000.
- Centrales Eléctricas del Norte de Santander S.A. E.S.P. (CENS): Banco Davivienda for $54,798.
- Empresa de distribución de energía del noreste de Panamá S.A. (ENSA): Scotiabank for USD 90 million equivalent to $380,019, Citibank for USD 29.5 million equivalent to $124,562, IDB for USD 25 million equivalent to $105,561 and Banesco for USD 15 million equivalent to $63,336.
- Hidrosur: Banco del Estado for CLP 36.6 equivalent to $163.
- TICSA: Banco Davivienda $8,410

November

- EPM Parent: AFD long-term loan for USD 51 million, equivalent to $210,003, BNP Treasury Credit for USD 170 million, equivalent to $673,807, Club Deal long-term loan for USD 84 million, equivalent to $334,376.
- Centrales Eléctricas del Norte de Santander S.A. E.S.P. (CENS): Banco Popular for $24,667 and Banco de Bogotá for $24,667.
- Electrificadora de Santander (ESSA): Banco BBVA for $30,000.
- Centrales Eléctricas del Norte de Santander S.A. E.S.P. (CENS): BBVA Bank for $40,000.
- Empresa de distribución de energía del noreste de Panamá S.A. (ENSA): Citibank for USD 29.5 million equivalent to $119,145.
- TICSA: Banco de América MXN 30 million equivalent to $6,968.

December

- EPM Matrix: BNP Treasury Loan for USD 30 million, equivalent to $118,291, Santander Treasury Credit for USD 100 million, equivalent to $392,577.

- Caldas Hydroelectric Power Plant (CHEC): INFICALDAS for $22,000 and Banco ITAU for $30,000.
- Empresa de Energía del Quindío S.A. E.S.P. (EDEQ): Banco de Occidente for $36,240.
- Electrificadora de Santander (ESSA): Banco Agrario for $80,000 and Banco BBVA for $40,000.
- Centrales Eléctricas del Norte de Santander S.A. E.S.P. (CENS): Banco ITAU for $20,000.
- Empresa de distribución de energía del noreste de Panamá S.A. (ENSA): Citibank for USD 10 million equivalent to $39,482 and Scotiabank for USD 35 million equivalent to $138,187.
- TICSA: Banco de América MXN 100 million equivalent to $22,994.

Covenant Debt / EBITDA

The EPM Group has different financial commitments (covenant), established in the loan contracts signed with the French Development Agency - AFD, Inter-American Development Bank, CAF - Development Bank of Latin America, National Bank for Economic and Social Development - BNDES, JPMorgan and the Deal Club (BNP Pariba, BBVA, Scotiabank and Sumitomo). These contracts include some of the following covenants: Net Debt/EBITDA LTM, EBITDA/Financial Expenses, EBITDA/Net Financial Expenses, and Long-Term Debt/Equity.

At the end of December 2023, EPM was in compliance with the agreed financial covenants.

Covenants	Entity	Limit Indicator	2023	2022
EBITDA/Financial Expenses	BNDES - AFD	>3	3.61	4.71
EBITDA/Net Financial Expenses	CAF - JPMorgan - UMB Bank - AFD	>3	3.97	5.35
Long Term Debt/EBITDA LTM	JBIC	<3.5	2.62	2.95
Long-term net debt/EBITDA LTM	AFD - CAF - JPMorgan - BID - UMB Bank	<4	2.31	2.45
Long Term Debt/Equity	JBIC - BNDES - BID - AFD	<1.5	0.79	0.85

At the end of December 2023, EPM was in compliance with the agreed financial covenants.

Non-compliance

During the accounting period, the company has paid the principal and interest on its loans.

Note 22. Creditors and others accounts payable

Trade and other payables are measured at amortized cost and consist of:

Trade and other payables	2023	2022
Non-current		
Accounts payable	85,052	130,343
Acquisition of goods and services	113,617	76,380
Deposits received in guarantee [1]	393,665	469,814
Total accounts payable and other non-current accounts payable	**592,334**	**676,537**
Total accounts payable and other non-current accounts payable		
Accounts payable [2]	1,729,254	1,278,775
Acquisition of goods and services	3,215,748	2,991,793
Subsidies allocated	83,150	58,555
Other accounts payable	8,685	8,434
Deposits received in guarantee	34,052	38,841
Commissions payable	2,110	2,111
Total current trade and other payables	**5,072,999**	**4,378,509**
Total trade and other payables	**5,665,333**	**5,055,046**

- Amount stated in millions of Colombian pesos -

[1] In Guatemala, the General Electricity Law establishes that all new users must provide the distributor with a payment guarantee. This guarantee may be provided in monetary form or by means of a bond and is calculated for each category of user as the amount equivalent to two average monthly invoices of a typical user of the same category. EEGSA collects such guarantees from its customers and records the amounts received as "Consumer Deposits". In accordance with the provisions of the General Electricity Law, Decree No. 93-96 of November 15, 1996, Article 94, from that date until March 10, 2007, deposits received from customers accrued real interest at 5% per annum. As of March 11, 2007, deposits received must be returned by adding to the principal the monthly weighted average lending interest rate of the banking system. It also establishes that, upon termination of the contract, the distributor must make a settlement that includes the initial amount of the guarantee plus the total interest accrued and capitalized each year less any outstanding debts and costs incurred by the user.

As of December 31, 2006, EEGSA records a provision for interest originated by the payment guarantees.

Deposits received from consumers, plus accrued interest and less any outstanding debt for past services, are refundable to users when they cease to use the electric energy service provided by EEGSA. In 2022, these deposits have been classified as non-current liabilities because the Company does not expect to make significant payments in the next year, based on estimates and recurrence of customer withdrawals, in addition to the going concern assumption.

As of December 31, 2023, the amount of consumer deposits was $358,239 (2022: $425,619).

[2] Includes insurance, product of the all-risk policy for the construction and assembly of the second stage of the Ituango hydroelectric plant, as well as for the increase in the registration of estimates for the commercial operation.

The term for payment to suppliers is generally 30 calendar days, with exceptions that are documented in the processes and determined, among others, by the type of obligation and contract.

Non-compliances

During the accounting period, the Group has not defaulted in the payment of creditors and other accounts payable.

Note 23. Other financial liabilities

Los otros pasivos financieros están compuestos por:

Other financial liabilities	2023	2022
Non-current		
Lease liabilities	749,199	742,790
Pension bonds	160,409	142,137
Derivatives for cash flow hedging purposes [2] (see note 24)	906,564	4,065
Total other non-current financial liabilities	**1,816,172**	**888,992**
Current		
Lease liabilities	146,599	131,356
Financial liabilities measured at fair value through profit or loss for the period [1]	-	49,090
Pension bonds	601,367	506,284
Derivatives for cash flow hedging purposes [2] (see note 24)	8	-
Total other current financial liabilities	**747,974**	**686,730**
Total other financial liabilities	**2,564,146**	**1,575,722**

- Amount stated in millions of Colombian pesos -

(1) It includes the valuation of the premium of the climate derivative, the objective of which is to have the coverage of the risk in income due to the occurrence of extreme weather events that affect rainfall and, therefore, the contractual commitments of energy generation. The change in financial liabilities measured at fair value is due to the fact that the last instalment of the climate derivative premium was paid in 2023.

(2) The variation is due to the revaluation of 20.54% so far this year and to the higher interest rates, specifically the IBR, due to the fact that the right is devalued considerably, increasing the obligation in the fair value account.

Conventional purchases and sales of financial liabilities are accounted for on a trading date.

23.1 Financial liabilities designated at fair value through profit or loss

Financial liability for premiums payable from the climate derivative, which has been contracted to cover dry seasons that imply a decrease in hydropower generation and the rise in energy prices on the stock market. It is measured at fair value with changes to profit or loss, in order to achieve the asymmetry or "match" the financial asset (derivative/option, measured at fair value through profit or loss) with the financial liability (premiums payable).

Its valuation technique is the average of expected future flows, discounted at a risk-free rate plus a spread that takes into account the possibility of default (own credit risk).

23.2 Financial liabilities designated at fair value through profit or loss, with the effects of the change in the credit risk of the liability recognized in profit or loss for the period

Concept	2023	2022
Gain (loss) for the period from changes in fair value attributable to changes in credit risk recognized in profit or loss for the period	-	1,169
Difference between the carrying amount and the value payable at the time of liquidation:	-	(8,391)
Carrying amount of liability	-	49,090
Value to be paid at the time of liquidation	-	57,481
Total	**-**	**49,090**

- Amount stated in millions of Colombian pesos -

The Group has determined that presenting the effects of changes in the credit risk of a liability in other comprehensive income would create or increase an accounting asymmetry in the result of the period, this asymmetry is generated given that EPM's rating is BB+ and the NewRe is AA. It should be noted that this liability comes from a contract that is linked to an option-type derivative instrument, which represents an asset for EPM. The derivative instrument (asset) is valued at fair value (including credit risk) with changes in results since it is not designated in hedge accounting.

Non-compliance

During the accounting period, Grupo EPM has not defaulted on the payment of principal and interest on its loans.

Note 24. Derivatives and hedges

The group has the following types of hedges:

- Cash flow hedges, which consist of covering the variation in future cash flows attributable to certain risks, such as interest rates and exchange rates that may impact results, their fair values at the end of the reporting period amount to:
    - *Swaps: A net obligation of $906,328 (see note 23. Other financial liabilities) (2022: net entitlement $459,935).*

      The hedging relationship is effective taking into account that the fundamental financial conditions (such as nominal, interest rate, payment dates and maturity) of the hedging instrument and the hedged item coincide, in accordance with IFRS 9, based on a qualitative assessment of those fundamental conditions, that the hedging instrument and the hedged item have values that will generally move, in the opposite direction due to the same risk and, therefore, that there is an economic relationship between the hedged item and the hedging instrument.
    - *Ticsa Swaps*: Entitlement for $2,768 (2022: $2,768 Entitlement).
- Hedging of net investments in foreign operations, the purpose of which is to hedge equity against exchange rate risks that EPM may have, by the method of participation in the effect by translation of financial statements in investments in subsidiaries with functional currency dollar for more details see note 21 Credits and loans and note 20 Other accumulated comprehensive income. The effectiveness tests of these hedges are carried out with the "lesser of" test, which consists of identifying the effectiveness as the lower cumulative value between the valuation of the hedging instrument and that of the hedged item and any difference is considered ineffective recognized in profit or loss for the period.
- Between the valuation of the hedging instrument and that of the hedged item and any difference is considered ineffective recognized in profit or loss for the period.

The risks that have been hedged in these transactions are presented below, for more details see note 43 Financial risk management objectives and policies:

Hedging Classification	Description	Covered risk	Section	Hedged item	Carrying amount of hedged item	Carrying amount of hedging instrument	Changes in fair value of the hedging instrument during the period	Changes in the fair value of the hedged item during the period	Ineffectiveness of the hedge recognized in profit or loss for the period	Effectiveness of the hedge recognized in other comprehensive income	Reclassification from other comprehensive income to income for the period[1]
Cash flow hedging											
Swaps	Cross Currency Swap	USD/COP exchange rate and Libor/fixed interest rate of debt service	International and club bonds	Loans in U.S. Dollars	8,368,033	(906,328)	(1,366,262)	711,168	N.A	(1,366,262)	(2,205,381)
Net investment coverage abroad	The hedging instrument in USD that are not hedged and do not capitalize, in this case it would be CAF and AFD	USD/COP exchange rate	Investments in subsidiaries in HET, PDG and MaxSeguros.	Las inversiones en subsidiarias con moneda funcional USD	1,254,698	1,077,675	(568,289)	(160,017)	(26,178)	(283,752)	N.A

- Amount stated in millions of Colombian pesos -

[1] The reclassification of other comprehensive income to profit or loss for the period, for swap instruments, affected the interest item, exchange difference, interest exchange rate difference and the principal of the right. In addition, $45,091 was capitalized as borrowing costs mainly to the Ituango project.

Foreign exchange risk hedging operations are part of the public debt regulated in Decree 1068 of 2015, therefore, they require the general approval of the operation via resolution, as well as the official authorization of each of the confirmation letters that will be signed with the financial institutions with the potential to participate in the respective operations.

Decree 1575 of 2022, presented some modifications to Decree 1068 of 2015, in the sense of incorporating greater efficiency in the process of obtaining authorizations to manage the risks of the market of derivatives of financial liabilities in dollars, so that when it comes to public credit operations or similar subject to the approval of the Ministry of Finance and Public Credit, These operations may be authorized simultaneously in the same resolution together with the risk hedging operations. In any case, the authorized entity may only contract the risk hedging operation on the amounts effectively disbursed from the public credit operation or assimilated in whole or in part.

Cash Flow Hedging

The Group expects the cash flows that are under cash flow hedging accounting to be realized in the period between January 1, 2023 and February 15, 2031, for more details see note 43 Financial risk management objectives and policies, number 42.1 Market risk.

The characteristics of the main cash flow hedging instruments that fall under hedge accounting are as follows:

Current hedge

Features								
Covered underlay	Bonds 2029	Bonds 2029	Bonds 2029	Bonds 2029	Bonds 2029	Bonds 2029	Bonds 2029	Bonds 2029
Close Date	8-jun-20	7-jul-20	10-jul-20	15-jul-20	15-jul-20	9-nov-20	12-nov-20	18-may-21
Derivative Type	CCS	CCS	CCS	CCS	CCS	CCS	CCS	CCS
Counterparty	BNP PARIBAS	JP Morgan	JP Morgan	Scotia Bank	Goldman Sachs	Goldman Sachs.	BBVA	Merrill Lynch International
Nominal (USD)	100,000,000	50,000,000	100,000,000	100,000,000	100,000,000	125,000,000	125,000,000	100,000,000
Spot exchange rate	3,597	3,627	3,617	3,606	3,608	3,657	3,642	3,649
Due Date	18-jul-29	18-jul-29	18-jul-29	18-jul-29	18-jul-29	18-jul-29	18-jul-29	18-jul-29

* CCS : Cross Currency Swap

Current hedge

Features								
Covered underlay	Bonds 2029	Bonds 2029	Bonds 2031	Bonds 2031	Bonds 2031	Bonds 2031	Bonds 2031	Bonds 2031
Close Date	2-jun-21	3-jun-21	11-sep-20	16-sep-20	22-oct-20	23-oct-20	29-jan-21	11-mar-21
Derivative Type	CCS	CCS	CCS	CCS	CCS	CCS	CCS	CCS
Counterparty	BBVA	Merrill Lynch International	JP Morgan	JP Morgan	Sumitomo Mitsui Banking Corporation, New York Branch	JP Morgan	BNP Paribas	Goldman Sachs
Nominal (USD)	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	75,000,000	75,000,000
Spot exchange rate	3,638	3,647	3,709	3,708	3,774	3,774	3,568	3,525
Due Date	18-jul-29	18-jul-29	15-feb-31	15-feb-31	15-feb-31	15-feb-31	15-feb-31	15-feb-31

* CCS : Cross Currency Swap

Current hedge

Features							
Covered underlay	Bonds 2031	Club Deal	Club Deal	Club Deal	Club Deal	Club Deal	Club Deal
Close Date	4-jun-21	10-jul-23	12-jul-23	13-jul-23	18-jul-23	23-oct-23	4-dec-23
Derivative Type	CCS	CCS	CCS	CCS	CCS	CCS	CCS
Counterparty	CITIBANK	Scotia Bank	Scotia Bank	JP Morgan	BNP Paribas	JP Morgan	JP Morgan
Nominal (USD)	25,000,000	100,000,000	100,000,000	100,000,000	120,000,000	100,000,000	84,000,000
Spot exchange rate	3,602	4,157	4,133	4,103	3,990	4,214	3,999
Due Date	15-feb-31	17-dec-27	17-dec-27	17-dec-27	17-dec-27	17-dec-27	17-dec-27

* CCS : Cross Currency Swap

TICSA

Characteristics	COLIMA	CELAYA
Covered underlay	Credit Santander	Credit Santander
Section No.	1	1
Close Date	31-dic-19	31-dic-19
Derivative Type	Swap	Swap
Counterparty	Santander	Santander
Nominal (MXN)	282,750,000	95,250,000
Strike	N.A	N.A
Obligation (MXN)	377,000,000	127,000,000
EPM pays	6.1259%	6.40%
EPM Receives	TIIE+Spread Variable	TIIE+Spread Variable
Maturity date	12-feb-24	10-dec-26
Initial exchange	No	No
Final exchange	No	No
Modality	Non Delivery	Non Delivery

Non-Hedging Climate Derivative

EPM currently has a risk coverage called "Climate Derivative" which is based on a *put* option and whose objective is to have coverage of the risk in income due to the occurrence of extreme weather events that affect rainfall and therefore the contractual commitments of power generation. It also serves to protect the exposure to risk due to purchases on the energy exchange in these periods, which consequently also increases. Under this coverage, all the impact that the company could receive due to the non-generation and non-compliance with contractual commitments is transferred to the reinsurance market.

Embedded derivatives

The company has not entered into contracts that contain embedded derivatives.

Derivatives that are not under hedge accounting

The Group has entered into contracts containing derivatives that are not under hedge accounting. (See note 13. Other Financial Assets)

Note 25. Employee Benefits

The category of employee benefits recognized as of the cut-off date is as follows:

Employee benefits	2023	2022
Non-current		
Post-employment benefits	808,317	608,062
Long-term benefits	115,031	91,465
Termination benefits	172	181
Other benefits	-	-
Total non-current employee benefits	**923,520**	**699,708**
Current		
Short-term benefits	297,724	264,047
Post-employment benefits	139,778	126,848
Total current employee benefits	**437,502**	**390,895**
Total	**1,361,022**	**1,090,603**

- Amount stated in millions of Colombian pesos -

25.1. Post-employment benefits

Includes the defined benefit plans and defined contribution plans detailed below:

25.1.1. Defined benefit plans

Defined benefit plans	Pensions[1]		Retroactive severance[2]		Public services subsidy[3]		Educational aid plan[4]		Other defined benefit plans		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Present value of defined benefit obligations												
Initial balance	747,472	889,743	127,547	135,034	31,779	36,372	1,174	856	45,353	37,633	953,325	1,099,638
Present service cost	5,415	3,168	3,273	3,750	105	189	-	-	3,727	2,968	12,520	10,075
Interest income or (expense)	78,194	60,940	13,265	9,012	4,017	2,924	126	51	37	36	95,639	72,963
New measurements	(142)	2,943	-	-	-	-	-	-	24	(169)	(118)	2,774
Experience assumptions	13,550	(3,459)	38,421	18,595	1,484	4,147	11	190	-	-	53,466	19,473
Demographic assumptions	845	(550)	(6)	3	-	-	-	1	-	-	839	(546)
Financial assumptions	158,568	(137,463)	13,743	(12,819)	9,151	(8,516)	208	(137)	-	-	181,669	(158,935)
Past service cost	6,810	7,443	11,193	381	-	(367)	12	361	-	-	18,014	7,818
Foreign currency translation effect	(15,240)	10,994	-	-	(117)	153	-	-	(9,680)	7,918	(25,036)	19,065
Contributions made to the plan	-	-	-	-	-	-	-	-	-	-	-	-
Payments made by the plan	(94,617)	(89,296)	(42,194)	(26,409)	(3,928)	(3,123)	(193)	(148)	(2,502)	(4,393)	(143,435)	(123,369)
Business combinations	-	-	-	-	-	-	-	-	-	-	-	-
Other changes	2,045	3,009	-	-	3	-	-	-	1,380	1,360	3,428	4,369
Present value of obligations at December 31	**902,900**	**747,472**	**165,241**	**127,547**	**42,494**	**31,779**	**1,338**	**1,174**	**38,338**	**45,353**	**1,150,311**	**953,325**
Fair amount of plan assets												
Initial balance	218,416	235,911	-	-	-	-	-	-	-	-	218,416	235,911
Contributions made to the plan	10,708	5,879	-	-	-	-	-	-	-	-	10,708	5,879
Payments made by the plan	(56,372)	(54,978)	-	-	-	-	-	-	-	-	(56,372)	(54,978)
Interest income	22,628	15,236	-	-	-	-	-	-	-	-	22,628	15,236
Actuarial gains or losses:	-	-										
Expected return on plan (excluding interest income).	13,105	5,900	-	-	-	-	-	-	-	-	13,105	5,900
Effect of foreign currency translation	(7,794)	5,972	-	-	-	-	-	-	-	-	(7,794)	5,972
Other changes	1,526	4,496	-	-	-	-	-	-	-	-	1,526	4,496
Fair value of plan assets December 31	**202,216**	**218,416**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**202,216**	**218,416**
Surplus or (deficit) of the defined benefit plan	**(700,684)**	**(529,056)**	**(165,241)**	**(127,547)**	**(42,494)**	**(31,779)**	**(1,338)**	**(1,174)**	**(38,338)**	**(45,353)**	**(948,095)**	**(734,909)**
Net defined benefit plan asset or (liability)	**(700,684)**	**(529,056)**	**(165,241)**	**(127,547)**	**(42,494)**	**(31,779)**	**(1,338)**	**(1,174)**	**(38,338)**	**(45,353)**	**(948,095)**	**(734,909)**
Total defined benefit plan assets	**(700,684)**	**(529,056)**	**(165,241)**	**(127,547)**	**(42,494)**	**(31,779)**	**(1,338)**	**(1,174)**	**(38,338)**	**(45,353)**	**(948,095)**	**(734,909)**

1 It includes the retirement pension plans run by the companies of the EPM Group in accordance with the regulations of each country. Likewise, contributions to social security and funeral aid.

2 Includes retroactive severance plans, consisting of a recognition of an average monthly salary multiplied by the years of service, payable through advances and at the time of termination of the contract. The source of the plan is the "Sixth Law of 1945 which enacts certain provisions on labour agreements, professional associations, collective disputes and special labour jurisdiction" and National Decree 1160 of 1989, which partially regulates Law 71 of 1988, which issues rules on pensions and other provisions.

3 The benefit for public services is a plan that consists of a total or partial discount on the monthly amount to be paid for the public energy service, and in some cases on the aqueduct and telephone service, in the following companies of the Group: Central Hidroeléctrica de Caldas S.A. E.S.P., Centrales Eléctricas del Norte de Santander S.A. E.S.P., Electrificadora de Santander S.A. E.S.P. and Elektra Noreste S.A. At Electrificadora de Santander S.A. E.S.P., the benefit is granted to former employees whose length of service at the date of retirement was at least 15 years of employment. The benefit for public services is covered by the collective bargaining agreements in force in these companies.

4 It correspond to the educational aid granted by law to the children of pensioners who are financially dependent on them, up to the age of 25.

No risks have been identified for the EPM Group generated by the post-employment benefit plans, nor modifications, reductions or settlements that impact the present value of the obligation.

The weighted average duration in years of defined benefit plan obligations as of the cut-off date is presented below:

Benefit	2023		2022	
	From	To	From	To
Pension	6	16	6	8
Retroactive severance	3	5	3	5
Public services aid	-	10	6	8
Education	2	2	2	2
Other defined benefit plans	1	8	1	6

The Group has no restrictions on the current realization of the defined benefit plan surplus.

The Group did not make any defined benefit contributions during the period.

The fair value of plan assets is composed as follows:

Assets that support the plan	2023		2022	
	% Participation	Fair value	% Participation	Fair value
Cash and cash equivalents	**5.20%**	**10,928**	**4.18%**	**9,356**
Equity instruments				
Government Sector	7.43%	15,624	48.73%	116,549
Total equity instruments	**7%**	**15,624**	**6%**	**15,218**
Debt instruments				
AAA	47.98%	100,866	48.73%	116,549
AA	4.88%	10,254	6.36%	15,218
A	0.00%	-	3.69%	8,828
BB and less	0.00%	-	0.40%	964
No rating	13.67%	28,736	20.89%	49,948
Investment funds	6.12%	12,873	6.32%	15,122
Total debt instruments	**72.65%**	**152,729**	**86.40%**	**206,629**
Other assets	**14.72%**	**30,943**	**3.33%**	**7,954**
Total Assets that support the plan	**100%**	**210,224**	**100%**	**239,157**

- Amounts stated in millions of Colombian pesos -

The main actuarial assumptions used to determine the defined benefit plan obligations are as follows:

Assumptions	Colombia				Panama			
	2023		2022		2023		2022	
	From	To	From	To	From	To	From	To
Discount rate (%)	10.20%	13.60%	8.10%	13.60%			5.52%	5.52%
Annual Salary Increase Rate (%)	4.50%	6.50%	3.50%	6.50%	5.00%	5.00%	5.00%	5.00%
Actual rate of return of the assets in the plan	21.95%	21.95%	2.59%	2.59%			5.00%	5.00%
Future rate of increase in annual pension	4.50%	4.57%	4.50%	4.50%			-	-
Annual inflation rate (%)	4.50%	4.50%	4.50%	4.50%	1.92%	1.92%	0.76%	0.76%
Survival tables	Valid Rentlists Table 2008				Table of mortality of the urban population Republic of Panama 2010-2015			

Assumptions	Guatemala				Mexico			
	2023		2022		2023		2022	
	From	To	From	To	From	To	From	To
Discount rate (%)	6.00%	6.00%	4.90%	4.90%	9.30%	9.30%	9.8%	9.8%
Annual Salary Increase Rate (%)	5.00%	5.00%	4.50%	4.50%	8.00%	8.00%	8.0%	8.0%
Future rate of increase in annual pension	-	-	-	-	-	-	-	-
Annual inflation rate (%)	4.50%	4.50%	4.00%	4.00%	22.00%	22.00%	3.75%	3.75%
Survival tables	Table RP-2000							

Assumptions	El Salvador				Chile			
	2023		2022		2023		2022	
	From	To	From	To	From	To	From	To
Discount rate (%)	5.20%	5.20%	4.95%	4.95%			1.68%	1.68%
Annual Salary Increase Rate (%)	2.00%	2.00%	2.00%	2.00%	12.80%	12.80%	0.76%	0.76%
Annual inflation rate (%)	6.20%	6.20%	1.00%	1.00%	3.90%	3.90%	2.75%	0.33%
Survival tables	Table CSO-80				Table CB H 2014 and RV M 2014			

The following table shows the effect of a plus 1% and a minus 1% change in the salary increase, in the discount rate and in the increase in the benefit on the defined benefit post-employment benefit obligation:

Assumptions	Increase in discount rate by +1%	Decrease in discount rate by -1%	Increase in salary increase by +1%	Decrease in salary increase by -1%	Increase in profit by +1%	Decrease in profit increase by -1%
Pensions	669,955	770,389	-	-	90,747	90,747
Retroactive severance	153,855	162,403	166,202	150,131	-	-
Public services	22,461	25,987	-	-	26,219	26,219
Other post-employment benefits	4,476	4,967	-	-	4,770	4,770
Total post-employment benefits	**850,747**	**963,746**	**166,202**	**150,131**	**121,736**	**121,736**

Amounts stated in millions of Colombian pesos -

The methods and assumptions used to prepare the sensitivity analyses of the present value of the obligations (DBO) are the same as for the actuarial calculation as of December 31, 2023 and 2022: Projected Unit Credit (PUC). There are no limitations to the sensitivity. There have been no changes in the methods and assumptions used to prepare the sensitivity analysis from the previous period to the current period.

Calculation of pension liabilities in accordance with current tax requirements in Colombia

Resolution 037 of 2017 issued by the General Accounting Office of the Nation established the obligation to disclose the calculation of pension liabilities in accordance with the parameters established in Decree 1625 of 2016 and Decree 1833 for pension commutations; therefore, the figures presented below do not correspond to the requirements of IFRS.

Pension liabilities

The pension actuarial calculation was prepared with the following technical bases:

Actuarial assumptions - Pension obligation	2023	2022
Real technical interest rate	7.00%	7.73%
Salary increase rate	7.90%	4.36%
Pension increase rate	7.65%	4.11%
Mortality table	Valid rentiers table 2008	

The following table details the calculation of the pension liability with the above parameters:

Concept	2023		2022	
	Number of people	Obligation Value	Number of people	Obligation Value
Staff retired entirely by EPM Group companies	922	276,327	933	240,189
Staff retired with shared pension with Colpensions	1,363	266,223	1,831	248,400
Staff Benefit shared with Colpensions	564	102,854	935	120,428
Staff retired with pension shared with other entities	425	33,602	633	64,210
Total	**3,274**	**679,006**	**4,332**	**673,227**

Amounts stated in millions of Colombian pesos -

The pension bonds related to pension obligations are detailed below:

Concept	2023		2022	
	Number of people	Reserve value	Number of people	Reserve value
Type A Pensional Bonus Modality 1	225	3,788	230	3,388
Type A penalty bond Modality 2	4,113	222,968	4,130	20,903
Type B Pensional Bond	3,125	440,796	2,993	78,110
Type T Pensional Bonus	5	503	5	390
Other - Contributions Law 549	-	-	141	11,097
Total	**7,468**	**668,055**	**7,499**	**113,888**

Amounts stated in millions of Colombian pesos -

The differences between pension liabilities calculated under IFRS as adopted in Colombia and tax pension liabilities are shown below:

Concept	2023	2022
Pension liabilities under IFRS	593,815	468,267
Fiscal pension liabilities	1,187,266	971,096
Difference	**(593,451)**	**(502,829)**

Amounts stated in millions of Colombian pesos -

Pension commutation liabilities

The actuarial calculation of pension commutation was prepared on the following technical basis:

Actuarial assumptions - Pensionary commutation	2023	2022
Real technical interest rate	4.80%	4.80%
Rate of salary increase	8.70%	3.98%
Pension increase rate	8.70%	3.98%
Mortality table	RV08 (Valid Rentlists)	

The following table shows the calculation of the pension commutation with the above parameters:

Concept	2023		2022	
	Number of people	Obligation Value	Number of people	Obligation Value
Staff retired entirely by EPM Group companies	70	19,045	74	17,728
Staff retired with shared pension with Colpensions	337	53,306	338	47,391
Staff Benefit shared with Colpensions	63	7,801	62	6,419
Staff retired with pension shared with other entities	5	373	10	1,054
Total	**475**	**80,525**	**484**	**72,592**

- Amounts stated in millions of Colombian pesos -

The pension bonds related to the pension commutation liability are detailed below:

Concept	2023		2022	
	Number of people	Reserve value	Number of people	Reserve value
Type A Pensional Bonus Modality 1	11	43	11	39
Type A penalty bond Modality 2	220	13,041	232	12,654
Type B Pensional Bond	193	25,674	198	23,914
Type T Pensional Bonus	-	-	3	-
Other -Include type of pension bonus-	1	59	1	52
Total	**425**	**38,817**	**445**	**36,659**

Amounts stated in millions of Colombian pesos -

The differences between the pension commutation liability calculated under IFRS as adopted in Colombia and the fiscal pension commutation liability are shown below:

	2023	2022
Pension commutation liabilities under IFRS	74,430	72,592
Fiscal pensions commutation liability	119,345	109,252
Difference	**(44,915)**	**(36,660)**

Amounts stated in millions of Colombian pesos -

25.1.2. Defined Contribution Plans

The Group made contributions to defined contribution plans recognized in profit or loss for the period as an expense of $42,562 (2022: $35,620), as a cost of $80,439 (2022: $68,421) for a total of $123,001 (2022: $104,041).

25.2. Long-term employee benefits

Long-term benefits	Seniority Premium [1]		Total	
	2023	2022	2023	2022
Present value of obligations for other long-term benefits				
Initial Balance	91,465	98,509	91,465	98,509
Cost of the present service	8,183	9,019	8,183	9,019
Income or (expenses) by interest	11,084	7,506	11,084	7,506
Actuarial profits or losses from changes in:				
Assumptions by experience	6,456	10,108	6,456	10,108
Demographic assumptions	(650)	(282)	(650)	(282)
Financial assumptions	18,955	(12,873)	18,955	(12,873)
Past service cost	(1,215)	(2,060)	(1,215)	(2,060)
Foreign currency conversion effect	(701)	560	(701)	560
Payments made by the plan	(18,598)	(19,022)	(18,598)	(19,022)
Changes due to the limit of an assest	53	-	53	-
Present value of obligations as at 31 December	**115,031**	**91,465**	**115,031**	**91,465**
Surplus or (deficit) for long-term benefits	**(115,031)**	**(91,465)**	**(115,031)**	**(91,465)**
Long-term profit net asset or (liability)	**(115,031)**	**(91,465)**	**(115,031)**	**(91,465)**

Amounts stated in millions of Colombian pesos -

[1] It is granted based on the employee's years of service, is recognized and paid in accordance with the terms established in the current collective bargaining agreements of each company or the labor regulations of the country.

The Group has not identified any risks generated by the long-term benefit plans, nor modifications, reductions or liquidations that impact the present value of the obligation.

The weighted average duration in years of long-term benefit plan obligations as of the cut-off date is presented below:

Benefit	2023		2022	
	From	To	From	To
Seniority Premium	3	3.0	3.3	3.0
Other long-term benefits	6	6	6	6

The group does not expect to make any contributions to the plan for the next year.

The main actuarial assumptions used to determine liabilities for long-term employee benefit plans are as follows:

Assumptions	Colombia		Guatemala	
	2023	2022	2023	2022
Discount rate (%)	10.47%	13.50%	7.80%	5.00%
Annual Salary Increase Rate (%)	5.54%	5.17%	5.00%	4.50%
Annual inflation rate (%)	5.31%	4.50%	4.50%	4.00%
Survival tables	Valid Rentlists Table 2008		Table RP-2000	

The following table shows the effect of a plus 1% and a minus 1% change in the salary increase, in the discount rate and in the increase in the benefit on the long-term benefit obligation:

Assumptions	Increase in discount rate by +1%	Decrease in discount rate by -1%	Increase in salary increase by +1%	Decrease in salary increase by -1%
Seniority Premium	88,217	97,867	98,183	87,868
Other long-term benefits	5,572	6,233	6,221	5,579
Total long-term benefits	**93,789**	**104,100**	**104,404**	**93,447**

Amounts stated in millions of Colombian pesos -

The methods and assumptions used to prepare the sensitivity analysis of the present value of the obligations (DBO) were the same as for the actuarial calculation as of December 31, 2023, and 2022: Projected Unit Credit (PUC). The sensitivity does not present any limitations or changes in the methods and assumptions used to prepare the analysis for the current period.

25.3. Short-term employee benefits

The composition of short-term benefits is as follows:

Short-term benefits	2023	2022
Payroll payable	13,294	13,601
Severances	90,910	72,465
Interests on severances	10,882	8,875
Holidays	54,620	47,855
Vacation bonus	66,316	57,084
service premium	6,838	960
Holidays (Christmas) bonus	248	582
Bonuses	16,579	18,378
Other bonuses, salaries and legal benefits	38,036	44,247
Total short-term benefits	**297,724**	**264,047**

Amounts stated in millions of Colombian pesos -

Note 26. Taxes, contributions, and fees payable

The detail of taxes, contributions and fees, other than income tax, is as follows:

Taxes, contributions, and fees	2023	2022
Withholding tax (1)	224,839	199,535
Industry and commerce tax (2)	133,231	105,835
Value Added Tax	79,196	73,247
Fees	50,381	40,923
Other national taxes	9,571	16,512
Contributions	5,189	28,262
Customs tax and surcharges	5,086	6,964
Other municipal taxes	3,224	29,635
Taxes, contributions and fees abroad	951	8,822
Unified property tax	889	766
Royalties and monetary compensation	871	752
National consumption tax	7	6
Motor vehicle tax	-	12
Penalties	-	9
Total taxes, fees and contributions	**513,435**	**511,280**

Amounts stated in millions of Colombian pesos -

[1] The value caused in December 2022 was lower than in December 2023, due to the lower amount to be paid for the concept of self-withholdings.

[2] The increase in the taxable base for the Industry and Commerce Tax is due to higher revenues in the 2023 period.

[3] The taxable base for the tax by fees increased by the value of the payments paid to the municipalities for the concept of energy generation as established by Law 99.

Note 27. Provisions, contingent assets and liabilities

The reconciliation of provisions is as follows:

Concept	Dismantling or environmental restoration [1]	Litigation [2]	Contingent - business combinations	Guarantees [3]	Other provisions	Total
Initial balance	259,373	653,831	164,112	106,053	640,030	1,823,399
Additions	2,859	844,663	-	-	192,580	1,040,103
Capitalizable Additions	7,883	-	-	-	-	7,883
Uses (-)	(42,525)	(129,486)	(551)	(102,607)	(150,048)	(425,218)
Reversals, Unused amounts (-)	(5,950)	(49,420)	(1,323)	(9,566)	(17,473)	(83,732)
Reversals, Unused amounts (-) capitalizable	(388)	-	-	-	-	(388)
Adjustment for changes in estimates	6,242	33,506	3,402	-	66,572	109,722
Adjustment for changes in estimates capitalizable	227,058	-	-	-	-	227,058
Exchange rate difference	-	(1,200)	(31,260)	-	-	(32,460)
Financial update	28,156	67,920	6,764	6,120	5,430	114,389
Foreign currency conversion effect	(794)	(6,344)	-	-	(119,077)	(126,215)
Other change	-	(212)	-	-	-	(212)
Final balance	**481,915**	**1,413,258**	**141,143**	**-**	**618,014**	**2,654,330**
Non-current	285,842	1,305,754	140,987	-	463,348	2,195,931
Current	196,073	107,504	156	-	154,666	458,399
Total	**481,915**	**1,413,258**	**141,143**	**-**	**618,014**	**2,654,330**

Amounts stated in millions of Colombian pesos-

As of December 31, 2023, the Group's significant provisions were:

[1] The increase in the provision for dismantling is an adjustment in the social provision of Ituango and in the forest compensations for the environmental effects of Hidroituango (paragraph 27.1.1.)

[2] The increase in the provision of litigation and lawsuits is due to the arbitration award against EPM for the penalty clauses of enforcement for non-compliance with milestones in Hidroituango. (Paragraph 27.1.2).

[3] The decrease in the guarantee provision is due to the payments made to XM for the guarantee of arrears in Hidroituango (Numeral 27.1.4

27.1.1 Decommissioning or restoration

The Group is obliged to incur costs of dismantling or restoring its facilities and assets in the following events:

- Removal of transformers containing PCBs (polychlorinated biphenyls). The Group has committed to the dismantling of these assets from 2008 to 2026, under Resolution 222 of December 15, 2011 of the Ministry of Environment and Sustainable Development and the Stockholm Convention of May

22, 2008. Applies in Colombia, Panama and El Salvador. The provision is recognized at the present value of the expected costs to pay off the obligation using estimated cash flows. The main assumptions considered in the calculation of the provision are: estimated costs, CPI and TES fixed rate. As of December 31, 2023, the national subsidiaries that contribute to this item are: ESSA with $222, CENS with $397, EDEQ with $140, EPM with $113, CHEC with $80 and Afinia with $55 and the international ones that contribute are: ENSA with $537.

- In the sanitation service in Colombia, due to the disposal of solid waste in the subsidiary EMVARIAS and it is a land on which cells or vessels are built for the deposit of garbage, being necessary to restore it through a series of activities aimed at carrying out the closure, closure and post-closure of it. The obligation begins from the moment in which the landfill is in optimal conditions for the performance of the final disposal activity and goes until the regulatory environmental entity, by resolution, decrees the termination of the closure, closure and post-closure stage. This obligation is defined in the RAS 2000 (Technical Regulations for Drinking Water and Basic Sanitation), which establishes the basic criteria and minimum environmental requirements that sanitation systems must meet in order to mitigate and minimize the impacts that occur in the activities of design, construction, commissioning, operation, maintenance, decommissioning, completion and closure. As of December 31, 2023, payments of $1,640 have been generated and the balance of the provision ended at $25,102.

- Dismantling of the Jepírachi Wind Farm located in the department of La Guajira, in the towns of Cabo de la Vela and Puerto Bolívar in Colombia, which through CREG resolution 136 of 2020, published in the Official Gazette of July 15, 2020, allows the restart of operations until 2023, which led to the activation of the provision worth $9,640 million, for a ending balance as of December 31, 2023 of $943.

- Dismantling of the Hidroituango central camp

  With the entry into operation of the two power generating units of the Hidroituango power plant, the dismantling of the Tacuí – Cuní camp, which was initially conceived and dimensioned for the construction of the Ituango Hydroelectric Project, is planned. Once the construction stage is over, the operation of the project begins and the sizing for the construction stage is much greater than that required for the operation stage. For this reason, it is estimated that the dismantling will begin in 2027, which is the probable date of the completion of the construction and delivery to operation of the 8 generation units. The estimated cost for the dismantling of the camps was assessed according to the areas that are not required for the operation of the plant and according to the plan and dimensioning of the facilities. The balance of the provision as of December 31, 2023 amounted to $18,893.

- In EPM, provision for environmental impact in the construction of infrastructure projects: this arises as a legal obligation derived from the granting of the environmental license to compensate for the loss of biodiversity during the construction phase, as well as compensation for the subtraction of reserve areas, affectation of prohibited species and forest exploitation; obligations that are formalized, through the resolutions of the ANLA (National Environmental Licensing Authority), CAR - Regional Autonomous Corporation and/or MADS - Ministry of Environment and Sustainable Development. The execution of the project's biotic environmental offsets extends beyond the time in which the asset begins to operate technically, making it necessary to implement the figure of provision with the aim of ensuring that these expenditures remain as the greatest value of the construction in progress. The Group has committed to compensate for the loss of biodiversity, subtraction and closures from 2016 to 2019 according to the resolutions: Res. 1313/2013 ANLA, Res. 519/2014 ANLA, Res LA. 0882/04/08/2014 ANLA, Res. 1166/2013 MADS, Res. 1852/2013 CAR, Res. 2135/2014 CAR, Resolution 1189/22/07/2104 MADS, Res. 1120907/17-03-2015 CORNARE, Res. 141011206/16-10-2014 CORANTIOQUIA, Res LA. EIA1-9872 04/21/2014 CVS, among others. The provision is recognized at the present value of the expected costs to pay off the obligation using estimated cash flows. The main assumptions considered in the calculation of the provision are:

estimated costs, CPI and TES fixed rate. As of December 31, 2023, the main subsidiaries contributing to this concept are: EPM with $7,722, ESSA with $4,918 and CENS with $2,951.

- Environmental effects of the Hidroituango power plant: with the entry into operation of the two power generating units of the Hidroituango power plant, obligations arise for the use of the natural vegetation cover that was found in the areas where different infrastructures were implemented for the project (reservoir, camps, roads, workshops, storage areas, etc.). among others), in this sense, according to its environmental license, the project must make forest compensations in a ratio of 1 to 1 in the intervened areas of tropical humid forest and from 1 to 5 in the areas of tropical dry forest. In general, these compensation obligations are associated with the WFP programs for the biotic environment related to the management and conservation of vegetation cover, the subprogram for the restoration of forest cover, the subprogram for the management and protection of fish and fisheries resources in the lower and middle basins of the Cauca River, as well as the with the execution of these activities, attention is given to the obligations associated with requests for the exploitation of species with regional restriction by the competent authorities (Coranquia and Corpourabá). The balance of the provision as of December 31, 2023 amounted to $167,670.
- Environmental compensation and forced investment of 1%: Law 99 of 1993 established the mandatory nature of environmental licensing for the development of any activity that may cause serious deterioration to renewable natural resources or the environment or introduce considerable or notorious modifications to the landscape and depending on the type of activity, the size and location of the project. and assigned the competencies in relation to environmental licensing to the National Environmental Licensing Authority, the Regional Autonomous Corporations, or the metropolitan areas.

Article 321 of Law 1955 of 2019, indicates that all holders of an environmental license who have pending investments as of May 25, 2019 may benefit from the percentage increase in the value of the liquidation base of the forced investment of no less than 1%, according to the year of commencement of activities authorized in the environmental license and defined the requirements and procedures to update the pending investments and new terms of execution subject to ANLA approval.

As of December 31, 2023, EPM Group has obligations of this type amounting to $47,274 related to the use of water taken directly from natural sources, in the projects carried out at: the Hidroituango, Porce III and Porce II power plants. In accordance with the law, the executed values of 1% are: Hidroituango power plant for $44,490 and Porce III for $2,785.

Additionally, as of December 31, 2023, EPM includes a provision of $38,656 for environmental contingency, established by the specific action plan for the recovery of the parties affected by the events of the plugging of the Cauca River diversion tunnel that the Hidroituango plant had on April 28, 2018; by the closure of floodgates in 2019 that decreased the flow of the river downstream of the project; and by the events that may be caused by the technical milestones, pending to be achieved typical of the contingency, as well as of the execution of the project itself. During 2023, the provision was adjusted by $10,832 for financial expense and payments amounting to $28,373 have been made. The balance of the provision as of December 31, 2023 amounted to $38,656.

The specific action plan for recovery should consider three framework programmes:

a. Recovery of affected swamps
b. Recovery of affected fish fauna
c. Restoration of aquatic habitats located in the affected area

These three programs correspond to the environmental component as a response to the identification of the effects caused, as well as discretionary actions. Also included are social programs, economic activities, infrastructure, risk management, among others.

The different actions are planned to be carried out between the municipalities of Valdivia and Nechí, however, if affectations are identified in the municipalities that are part of La Mojana, they will also be the object of the intervention.

In the EPM Group, with the entry into operation of the two power generating units of the Hidroituango power plant, the provisions of the following were recognized:

Monitoring: obligation originated by the monitoring and follow-up plan that is part of the activities contemplated in the project's environmental license, generally these monitorings correspond to the follow-up that the project must carry out to the different physical, biotic, and socioeconomic variables that are addressed with the environmental management measures contemplated in the project's Environmental Management Plan (PMA). and their basic purpose is to evaluate over time the evolution of these variables in order to identify their behavior and response to the appearance of the impacts caused by the development of the project and the application of the management measures contemplated in the MAP. The balance of the provision as of December 31, 2023 amounted to $43,964.

Mandatory social commitments: obligations related to the execution of activities related to the agreements with the Nutabe indigenous community of Orobajo, improvement of living conditions, restitution of social or community infrastructure, and compensation for loss of housing or economic activities of families and communities that were impacted by the construction and/or operation of the Ituango project. These obligations are contemplated in WFP programs and projects (social component), which include, among others, the program for the comprehensive restitution of living conditions, the project for the restitution of community infrastructure, the attention to commitments associated with the agreements with the Nutabe indigenous community, and the other programs for the management of the socio-economic environment contemplated in the project's environmental license. The balance of the provision as of December 31, 2023 amounted to $67,773.

27.1.2 Litigation

This provision covers estimated probable losses related to labor, administrative, civil and tax (administrative and governmental) litigation arising from the operation of the Group's companies. The main assumptions considered in the calculation of the provision are: Average CPI to actual data in previous years and projected data in future years, discount rate calculated with reference to market yields of bonds issued by the National Government, estimated value to be paid, start date and estimated date of payment, for those lawsuits classified as probable. To date, there is no evidence of future events that could affect the calculation of the provision.

In the Group companies operating in Colombia, in order to reduce the uncertainty conditions that may arise with respect to the estimated date of payment and the estimated value payable of a lawsuit classified as probable, there are business rules based on statistical studies with which the average duration of the processes per action was obtained and also the application of the jurisprudence to the maximum ceilings that it defines for the value of non-pecuniary or immaterial claims when these exceed their amount, as described below:

Average duration of proceedings per action

Administrative and tax

Type of legal action or procedure	Average length (in years)
Abbreviated	4
Petition for compliance	4
Group Action	6
Representative actions	4
conciliation (pre-trial)	2
Partie civile proceedings	4
Contractual (Breach of contract)	13
Survey and demarcation	5
Executive	5
Singular executive	3
Expropriation	4
Comprehensive reparation incident (criminal)	2
Imposition of easement	4
Nullification of administrative acts	5
Nullification and reestablishment of rights	10
Nullification and reestablishment of labor rights	11
Ordinary	7
Ordinary of Membership	5
Accusatorial Criminal (Law 906 of 2004)	4
Division's lawsuits	4
Protection of consumer rights	6
Police Grievances	3
Right to Reclaim	7
Direct compensation	12
Oral	5

Labor proceedings

Type of legal action or procedure	Average length (in years)
Labor solidarity	3.5
Pension	3.5
Extra Hours	3.5
Job Reinstatement	4
Salary Scale Equalization	3.5
Unfair Dismissal Compensation	3.5
Reassessment of Social Benefits	3.5
Compensation work accident	4
Refund of Health-Pension Contributions	4

Application of jurisprudence

Typology: The amounts of the claims for compensation for non-pecuniary damages shall be recorded according to the following typology:

- Moral prejudice.
- Damage to health (physiological or biological damage), resulting from bodily or psychophysical injury.
- Damage to relationship life.
- Damage to constitutional and conventional assets.

The amounts of other non-pecuniary claims not recognized by jurisprudence will not be recorded, unless it can be inferred from the claim that, despite being denominated otherwise, they correspond to one of the admitted typologies. Claims for non-pecuniary compensation for damage to property shall not be recorded either.

Quantification: The amount of non-pecuniary claims shall be recorded uniformly as follows, regardless of their typology:

Direct victim Compensation	100 Monthly Minimum Legal Wage Enforced (SMMLV)
Indirect victim compensation	50 Monthly Minimum Legal Wage Enforced (SMMLV)

- For subsidiaries in Chile: with respect to the probable date of payment of the lawsuits, the type of process, previous cases, and the progress of the procedural stages of each case are taken into consideration, which can be very specific and varied depending on the subject matter. In this regard, labor proceedings, being oral and having only two hearings, have a maximum duration of six months, except in specific cases where there are problems in the notification of the claim, or the hearings are suspended. In civil lawsuits, given that they are long processes of long knowledge and written processing, they can last at least two years, so the estimated time in the lawsuits currently being processed by the subsidiary Aguas de Antofagasta S.A., considering its state of progress, should be until 2023.

Quantification: to determine the amount of the judgments, in principle, the amount of the plaintiff's claim is considered, since jurisprudence cannot be applied in this sense, and the amount will vary depending on the Court and the cause of action. Additionally, in civil lawsuits, the amount of the compensation will depend on the court that dictates it, since in Chile there is no precedent system. What a civil judge cannot do, and even less the appellate and supreme court, is to award higher amounts to the claims.

- **For subsidiaries in Panama:** regarding the estimated payment date, each case is evaluated individually with external legal counsel, taking into consideration the average duration of similar processes.

  Quantification: The estimated amount to be paid in a lawsuit is determined based on the amount of the plaintiff's claim and an analysis of the specific condition that motivates the lawsuit in order to determine the recognition of a possible damage. For this purpose, we rely on the assessment of external legal advisors of each company and in certain cases with the support of insurance advisors in case an actuarial valuation is required.

- **For subsidiaries in El Salvador:** the estimated date of payment for administrative or judicial processes is estimated based on the average duration of the processing of similar processes, obtained from statistical data over the 20 years of operation of the subsidiaries.

  Quantification: El The estimated amount payable in litigation is determined based on the amount of the initial claim filed against the company.

The following are the recognized litigations:

Company	Third party	Pretension	Value
EPM	Hidroeléctrica Ituango S.A.	Declare that between HIDROITUANGO and EPM, there exists a Contract for the financing, construction, assembly, development, commissioning, and operation of the Pescadero Ituango Hydroelectric Project, known as BOOMT, entered into on 2011/03/30, where EPM ITUANGO assigned its contractual position in favor of EPM. In Hidroituango's opinion, EPM failed to meet milestone 7 "Closure of the diversion gates and start of the reservoir filling (...)" initially planned for 2018/07/01, milestone 8 "Commencement of commercial operation of unit 4" initially planned for 2018/11/28, and milestone 9 "Commencement of	781,978

Company	Third party	Pretension	Value
		Commercial Operation of Unit 1" initially planned for 2019/08/27. As a consequence of the above, Hidroituango requested that EPM be ordered to pay the "Penalty Clauses for Failure to Meet Milestones" up to the value of the "maximum financial liability" for US$450 million, and the recognition of the remuneration agreed upon in the contract for the plant not having commenced operation on the scheduled dates.	
	Maikol Arenales Chaves	To declare the defendants administratively liable, as the cause of the unlawful damage for having destroyed the fishing resource of the Ciénagas de Montecristo complex, which is due to the construction of the IHP. Note: By order of 16 November 2021, 1223 persons were accepted as members of the group	330,425
	Oscar Elias Arboleda Lopera	It includes 173 plaintiffs who worked for EADE; and, they state that in the dissolution and liquidation of said company there was an employer substitution with EPM, which obliges it to all labor debts.	46,894
	Roger Alberto Gil Barragán	To recognize, by way of compensation, for each of the members of the "ASOBAPEBEL" group, that there are one hundred and ninety-three (193) for the unlawful damage caused, the moral and material damage, and the violation of fundamental rights such as a dignified life, a minimum of life, decent housing, work, food security, and the destruction of their source of subsistence, the displacement of their territory and the unlawful psychological and physical transformation of their lives, having as an imputation the exceptional risk due to the emergency that caused the damage to the Cauca River.	22,347
	Luis Fernando Anchico Indaburo	To declare EPM administratively responsible, as the cause of the unlawful damage for having destroyed the fishing resource of the Montecristo swamp complex, which is due to the construction of the PHI (Ituango Hydroelectric Project) and requests the recognition and payment of a minimum wage for each family nucleus from February 2019 until the judgment is issued, This is referred to by the defendants as consolidated loss of profits.	22,332
EPM	Other Labors	125 processes with an average of $110 and an amount of less than $1,100.	21,505
	Santiago Andrés Ortiz Mora	To declare EPM responsible for the damage caused, the moral and material damage and the violation of fundamental rights, caused to the members of the "SAN ROQUE" group, by the destruction of their source of subsistence, the displacement of their territory and the psychological and physical transformation of their lives due to the affectation caused by the "Hidroituango" project in April 2018. The amount for each of the 161 members of the group is 100 SMMLV, for a total of $14,132,628,300. A claim for loss of profits in the amount of $1,146,431,034 is claimed.	18,010
	Rodrigo Antonio Muñoz Arenas	To declare the State's responsibility for the deficiencies or omissions incurred by the defendants, by not measuring the danger, threat and damage that would be caused by the indiscriminate felling of trees in the area of influence of the dam, to which the communities attribute the changes in the behavior of the river and the landslides in the area. To order the plaintiffs and the members of the affected group to pay the minimum subsistence not received for the duration of the emergency, $4,307,103,200.00.	14,509
	Javier Maure Rojas	To declare EPM administratively responsible, as the cause of the unlawful damage for having destroyed the fishing resource of the Montecristo swamp complex, which is due to the construction of the PHI (Ituango Hydroelectric Project); that a minimum wage be recognized and paid for each family unit from February 2019 until the judgment is handed down and the recognition of a future loss of earnings that goes from the time of the judgment to the probable period of life of each of the plaintiffs.	14,042
	Other Administrative	29 litigations with an average of $527 and an amount of less than $1,956.	12,717
	Gustavo Jimenez Perez	To declare EPM E.S.P. liable for the unlawful damage caused, the moral and material damage and the violation of fundamental rights caused to the 75 members of the "ASOMIBA" group; for the destruction of their source of subsistence, the displacement of their territory and reparation of the damage; It is requested to pay to the members of the "ASOPEISLA" group, the damages of an immaterial and material nature caused since the beginning of the emergency originated in the "Hidroituango" project, of compensation for each of the members of the "ASOMIBA" group, is set at One Hundred (100 SMLV).	8,986
	Esilda Rosa Romero Aguas	They request that EPM be declared administratively liable as a result of the damage caused to the plaintiffs and that the sum of 80 SMLMV be recognized for each of the plaintiffs in the form of moral damages: 39 in total.	8,301
	Diogenes de Jesús Cossio	For environmental damage, the sum of 50 SMLMV for each of the 41 plaintiffs. It is classified as damage to constitutional and conventional property, in the absence of a category such as the one indicated by the plaintiff. For damage to	7,170

Company	Third party	Pretension	Value
EPM		the family or damage to the life of the relationship 50 SLMV for each of the plaintiffs. For moral damages, the sum of 50 SMLMV for each of the plaintiffs. For consolidated and future loss of profits, the sum of ARS 289,767,141,000, for Mr. FABIO ENRIQUE GOMEZ ATEHORTUA.	
	John Walter Jaramillo	That the plaintiffs be reinstated in the same position or trade or another of the same or higher category that they had been performing, that as a consequence, by way of compensation, all the salaries and legal social benefits not received must be paid, in addition to all the contributions caused in favor of the Comprehensive Social Security System.	5,537
	Municipality of Copacabana	Declare that EPM has partially breached the 8405949 contract and that it is responsible for the economic damages suffered by the Municipality of Copacabana, as the public lighting fee for the industrial and commercial sectors was not collected during the periods of 2007, 2008, 2009, 2010 and part of 2011; Which have been liquidated in the sum of $1,034,385,066 and that must be paid when the order that resolves the present lawsuit becomes enforceable.	3,237
	Humberto Hernando Gómez Franco	To declare EPM administratively and financially liable for the injuries suffered by Mr. HUMBERTO HENANDO GÓMEZ FRANCO, when he was electrocuted by high-voltage cables owned by the defendant entity, on 10/23/2013, at the La Playa farm owned by Mr. Antonio Lopera, located in the La Virgen sector, of the Vereda Hoyorrico, jurisdiction of the Municipality of Santa Rosa de Osos.	2,353
	Francisco Javier Muñoz Usman	The plaintiffs claim to have worked at Empresa Antioqueña de Energía S.A. E.S.P., which was liquidated. That the conciliation agreement signed be declared null and void due to defect in the consent and consequently order the reinstatement of the employment contract, the reinstatement, the payment of all the salaries and benefits not received, in the same way that the social security contributions be cancelled from the moment of dismissal and until the plaintiff is effectively reinstated.	2,187
	Moraine Olave De Larios	Relatives of a former Integral worker who died in Ituango, sue for full compensation for damages, for moral damages caused. Solidarity.	2,038
	Omar Augusto Lugo Hoyos	That the conciliation agreement signed be declared null and void due to defect in the consent and consequently order the reinstatement of the employment contract, the reinstatement, the payment of all the salaries and benefits not received, in the same way that the social security contributions be cancelled from the moment of dismissal and until the plaintiff is effectively reinstated.	1,373
	Jaime De Jesus Marin Hernandez	Employer's fault.	1,141
	CORANTIOQUIA - Regional Autonomous Corporation of Central Antioquia	That as a result of the declaration of nullity of Resolution No. 130 TH1106 – 8318, of June 7, 2011, CORANTIOQUIA repays the fee for the use of water collected from the Riogrande and that was collected with invoice No. TH1195 of April 11, 2011, corresponding to the period 2010, as established by Decree 155 of 2004, and pay EPM back what it overpaid.	1,108
	Luis Bernando Mora Meneses	EAS Re-Entry	1,097
	Aburrá Valley Metropolitan Area	To declare the nullity of the Metropolitan Resolutions: No. S.A. 001085 of 2012/07/05 "For the collection of remuneration rate - Connected Sector"; and, the No S.A. 000189 of 2014/02/17 "That resolves an Appeal for Reconsideration" both issued by the Environmental Deputy Director of the Metropolitan Area of the Aburrá Valley; and, to declare that EPM E.S.P. are not obliged to pay the AREA a sum whose refund must be made in an indexed manner from the time of making the payment and until the date on which effective compliance with the judgment with which the controversy is put to an end is verified.	1,073
	Various Prosecutors	11 processes with an average of $196 and an amount of less than $5,253.	258
Total EPM			**1,330,618**
CHEC	Cartones y Papeles del Risaralda S.A. and Others	Reparation and payment of moral and material damages	5,207
	Jose Aníbal Acevedo, Julián Andrés Galvez Henao, Germán Alberto Morales Flórez, Juan Pablo Orozco and Others	Reinstatement to office, repayment of social benefits and moratorium penalties.	2,690
	Leidy Marcela Jimenez Jaramillo	Loss of profits / Material-moral damage	2,565

Company	Third party	Pretension	Value
CHEC	Deibi Bibiana Siagama Arce	Moral and pecuniary damages are claimed for the electrical accident that caused death.	2,515
	Héctor Giraldo Mesa and other	Employer's fault for accidents at work/solidarity	2,513
	Salomón Galvis Giraldo and Others	Conventional Retirement	1,550
	Hernando de Jesús Ocampo Jiménez and Others	Reality Contract / Pension Contribution	1,340
	José Hernando Anturi Noriega and others	Permanent travel expenses - social security contributions	805
	Nestor Hernández Morales and others	Pension substitution	518
	Luis Alberto Merchan Gómez	Compensation for Consequential Damages	456
	Maria Eugenia Motato Gañan	That they be paid compensation for damages for the death by electrocution of their family member/that they be compensated for the fatal damages received	412
	Carlos Alberto Montoya Gonzalez and Others	Pension resettlement	288
	Frank Estivar Escudero Aristizábal and Others	Payment of severance pay and social benefits	139
	Germán Neira Marín	Resettlement - Readjustment of salaries and social benefits	98
	José Alberto Bedoya Uribe and Others	Recognition 100% allowance 14	39
	Colpensiones	Nullity of administrative act	37
	Rodolfo Gonzalez Pineda and Others	Partial Energy Exemption	16
	Payments made without finishing processes	Payments made without completing processes in different periods	(8)
Total CHEC			**21,180**
CENS	Elsa Reyes de Buitrago and others	Indexation of the first pension allowance, in their capacity as pensioners and/or pension substitute to all the claimants and cancellation of interest to the legal maximum contemplated in Law 100 of 1993 in its article 141.	4,486
	Carlos Omar Rincón Carrillo and other	Recognition and payment of the transport allowance deducted by the contractor, expenses incurred for the maintenance of work tools, social benefits, holidays and moratorium compensation for the payment of the severance payment at the end of the employment contract, in addition to the costs of the process.	2,576
	Other labor proceedings with an amount of less than $150 million	Other labor proceedings (48) with an amount of less than $150 million	2,261
	William Alexis Ramirez	Cease the collection of public lighting to the municipality of Cúcuta, reimbursement of the balances for public lighting to the municipality, payment of contractual and non-contractual damages. Claim: $928,023,004.78 Incentive: 15% of the value recovered by the Municipality.	1,522
	Sara Franco Guerrero and other	Material damage / moral damages / damage to life in relation to	1,431
	Jesús Efraín Ibarra Ochoa	To declare the pension compatibility between the retirement pension recognised by CENS and the old-age pension recognised by the ISS pensions, now Colpensiones.	1,404
	Luis Héctor Rivero Rey	To declare the Company CENS S.A. E.S.P liable for the damages caused to the plaintiffs due to the failure in the service that generated a fire in the commercial premises and that as consequence moral damages are recognized, Consequential damages for the loss of premiums, Good Will, loss of profits.	837
	Ermelina Pérez de Rivera and other	That it is declared that CENS has the obligation to continue paying the full amount of health contributions and to continue paying 12% of the pension allowance; Likewise, to reimburse the contributions not paid since the date of the shareability of the pension, indexing them, plus default interest.	833

Company	Third party	Pretension	Value
CENS	Luis Alberto Peña Villamizar	Claim for compliance with the judgment issued within the ordinary labor process 200-097.	767
	Blanca Doris Pacheco Bayona and Others	Declare the defendants administratively and civilly jointly and severally liable and order the payment of subjective moral damages, compensation for pecuniary damages as well as future loss of earnings.	669
	Carmen Rosa Galvis Urbina	To declare CENS and Ingeniería y Servicios Unión Temporal liable for the damages caused to the applicant as a result of the death of Freddy Díaz. Moral damages. Consolidated and future material losses.	635
	José Herlin Velandia Rojas and others	Recognize the conventional benefits of articles 20, 21, 26, 36 in the same way as workers who joined the company as workers before February 1, 2004, the moratorium compensation of article 99 of Law 50 of 1990, costs, indexation and extra and ultra petita.	476
	Richard Arcenio Rodríguez Camargo and other	That it be declared that the time of service as a SENA apprentice in CENS of the plaintiffs will be taken into account for all purposes with the date on which they began as contract workers for an indefinite term, in accordance with the provisions of the collective bargaining agreement, and that it be declared that the company has failed to fully comply with the postulates provided for in said agreement, and that the plaintiffs be recognized and paid all corresponding labor claims.	463
	Other Tax Processes with Amounts Less Than $250 Million	Other tax proceedings (2) with an amount of less than $250 million.	281
	José Javier Velandia	That CENS and Acomyconta be declared administratively and non-contractually liable for the damages caused by the disqualification of Mr. José Velandia, for loss of earnings, moral damages, in the amount of 1,500,000 from the date of filing of the lawsuit.	223
	Elda Beatriz Villamizar Vivas	That CENS be ordered to cancel the health contributions consisting of 12% of the value of the pension allowance of all the plaintiffs and to repay the pension consisting of the 14 allowances per year, from the time that this 12% has been deducted to date with the inclusion of the percentage factor included in the pension, Likewise, reimburse the health contributions discounted to the plaintiffs for an amount of 12%, in addition to the values corresponding to the pension difference must be recognized and paid indexed and with recognition of interest to the legal maximum.	221
Total CENS			**19,085**
ADASA	Superintendence of Health Services	SISS Sanctioning File - 2024	4,495
	Superintendence of Health Services	SISS Sanctioning File - 2023	3,946
	Superintendence of Health Services	SISS Sanctioning File - 2022	2,674
	Superintendence of Health Services	SISS Sanction File - 2021	1,403
	LASERMED Professional Society	C-3934-2020 Claim for compensation for damages due to flooding in dermatological clinics.	1,302
	Galarce/ Aguas de Antofagasta	Compensation for damage caused to real estate	972
	Municipality of Sierra Gorda	C-2883-2020 Claim for compensation for damages, for settlement in former mayor's building.	607
	Cordero and other / ADASA	O-454/697-2023 -O-5996-2022, O-1307-2023, O-1738-2023, O-1679-2023, O-1415-2023, O-697-2023, O-1440-2023, O-1698-202,	359
	Morales and other / ADASA	7813/21-7/ M-606-2022/ T-87-2023/ Audit report 17879, 11382, 16966, 16894, 13736, 17103	330
	Gonzalez Ayala / ADASA and Others	J-11-2022 Collection of post-mortem indemnities	306
	Archbishopric of Antofagasta	2030-21 Lawsuit for flooding of AS in chapel for two events	294
	Sources/Investments Roma SPA	T-538-2023	40
	Directorate-General for Water	FO-0203-299 Inspection for unauthorized work in riverbed	28
	State Defense Council/ADASA	C-3796-2017 Application of fine for water extraction over the authorized flow of Toconce catchment	3
Total Aguas de Antofagasta S.A. (ADASA)			**16,759**

Company	Third party	Pretension	Value
ESSA	Alba Liliana Ochoa Hernández and other	Declare ESSA administratively responsible for the deaths of individuals and order the payment of moral and material damages.	2,622
	Johana Andrea Granados Olarte and others	Request for payment for moral and material damages, injuries, loss of earnings/consequential damages.	2,261
	Gabriel Antonio Villegas Murcia and others	Orders Electrificadora de Santander S.A. E.S.P. to pay compensation for the applicant's accident at work;	1,334
	Laura Constanza Acevedo Pérez and other	Declare termination of the employment contract in violation of due process	1,213
	María Eugenia Cobos Ramírez	Claim for occupational disease, obligation to pay the claimants the full and ordinary compensation for damages contemplated in Article 216 of the CST.	318
	Alicia Roa de Parra and other	Recognition of pension substitution/disability pension	298
	Payment of processes made in September and December 2023	Payment made in September 2023 for the 19019920 and 16014817 processes, which as of the cut-off date - August 2023 - are in force.	(966)
Total ESSA			**7,080**
AFINIA	SINTRAELECOL Nacional	Nullity of agreements/Payment of permanent union leave for executives	1,368
	Sabel Humberto Puerta Padilla and others	Disability Payment	1,209
	Oscar Puello Andraus and others	Reassessment of benefits	1,138
	Ana María de Jesús Sofan Sánchez and others	Compensation for damages / ATEP	623
	Darío Tordecilla Burgos and others	Death/Personal Injury Indemnity	546
	Berenice Castillo Meza and others	Indemnification of easement / restitution of property	513
	Martha Pareja Medina	Wage equalization	371
	Francisco José Ayola Méndez and Others	Retroactive severance pay/contributions	305
	Luis Ramon Delgado Gonzalez and Others	Reinstatement Action	208
	Carmen Inés Yanes Ortiz	Nullity of affiliation and transfer of pension fund	170
	David Torres Bello	Nullity of the 2003 Agreement	95
	Atenogenes Guerrero Muñoz	Contract Reality	51
Total AFINIA			**6,597**
DELSUR	Ministry of Finance	Income taxes due to audits of previous years	4,295
	SIGET	Claim for Technical Indicator Compensation Refunds	347
	Miscellaneous Clients	Claim for Error in Fare Classification	314
	Mayor's Office of San Salvador and others	Municipal Tax Claims for Pole Installation	147
	Plásticos Divers S.A. de C.V. and others	Claiming Damaged Appliances	27
	San Esteban Catarina Municipal Mayor's Office	Fee for the use of poles and installation of structures	23
Total DELSUR			**5,153**
EMVARIAS	William Alexander Saldarriaga Benjumea	Recognition of non-pecuniary damage	859

Company	Third party	Pretension	Value
EMVARIAS	Pedro Nel Rendón Morales and others	Application/ readjustment of conventional pension/ repayment of pension/ compensation in lieu of pension	841
	Eliana de las M. Rojo Echavarría and other	Survivor's Pension / Funeral Assistance	544
	Arley Alonso Vélez Toro and others	Labor liability/ nullity and reinstatement of labor law/ employer's fault	482
	Héctor Fabio Correa and other	Direct Repair	439
	Alexis de Jesús Botero Jiménez	Labor solidarity with JAC Pradera/ Corprodec	222
	Verónica Milena Cardona Acosta and other	Contract Reality	196
Total EMVARIAS			**3,583**
ELEKTRA NORESTE S.A.	Alex Montenegro and other (Urbanización La Toscana)	Civil Procedure - Residents of Tuscany	1,128
	ASEP	Civil Proceeding for Lawsuit Against Res.12581	573
Total ELEKTRA NORESTE S.A.			**1,701**
National Waters	Alberto Guerrero Castro and others	Repayment of wages, benefits and social security and moratorium compensation.	861
	Fray Noe Betancurt Taborda and others	Reinstatement & Workers' Compensation	357
	Natalia López Montoya	Declare the existence of the employment relationship, payment of wages, social benefits, compensation, moratorium sanction of article 65 CST.	184
	Carlos Augusto Castano Roldán	The CCTV contractor caused damage to the plaintiff's taxi. The vehicle was not insured and by virtue of this, it is requested that Aguas Nacionales S.A. E.S.P. respond for the damages caused because on the date on which the events occurred, the vactor type vehicle was carrying out activities for ANEP. A lawsuit is also filed against Seguros Generales Suramericana S.A., and the individuals Edilson Gilberto Mesa Correa and Alejandro Wilson Mateo Rojas Guerrero	58
	Margarita María Arcila López	Recognition of material damage due to the wastewater that entered your home due to the interventions carried out by EPM	42
Total National Waters			**1,502**
Total Recognized Litigation			**1,413,258**

Amounts stated in millions of Colombian pesos-

27.1.3 Contingent consideration - Business combinations

Corresponds to the contingent consideration related to the acquisition of the subsidiaries Espíritu Santo Energy S. de R.L. and Empresas Varias de Medellín S.A. E.S.P. - EMVARIAS. The balance as of December 31, 2023, amounted to $126,243 and $14,900, respectively, for a total provision in the Group of $ 141,143.

The main assumptions considered in the calculation of the contingent consideration related to the acquisition of Espiritu Santo are estimated date of occurrence of the milestones associated with the contingent payment, the associated probability of occurrence and additionally, the discount of the payment flows was considered by applying a discount rate (Libor rate) according to the risk of the liability. To date, there is no evidence of future events that could affect the calculation of the provision.

The main assumptions used on the future events of the contingent consideration related to the EMVARIAS acquisition are: litigation in progress against EMVARIAS at the date of the transaction, definition of the year of materialization of each of the litigations, definition of the value linked to each of the litigations, estimate of the future contingent disbursements linked to the litigations estimated for each year and discount rate (TES fixed rate) to discount the flows of future contingent disbursements. To date, there is no evidence of future events that could affect the calculation of the provision.

27.1.4 Guarantees

For the non-compliance from November 2021 to October 2023, to the transporter Intercolombia for the months following the entry into operation of the connection infrastructure of the Hidroituango power plant. During 2023, the provision was adjusted by $9,566 for recovery income, $6,119 between provision expense and financial expense, and payments amounting to $102,607 have been made. As of December 31, 2023, there is no balance on the guarantees.

27.1.5 Other provisions

The subsidiaries that, in the Group, contribute to the item of other provisions are:

EPM in Colombia includes the detail of the following provisions: a) for events focused on the quality of life of employees and their family group, such as: employer's policy, multiplier points, Somos program, technical reserve and provision for high cost and catastrophic diseases; b) provisions related to environmental sanctioning procedures and sanctions imposed by the competent authorities; c) provisions related to the Ituango Hydroelectric Power Plant; d) union contribution.

The main assumptions considered in the calculation for each type of provision are as follows:

Employer's policy: Granted to EPM servers as an extralegal benefit. An aggregate deductible was incurred from July 1, 2023 through June 30, 2024 for $4,750. The main assumptions considered in the calculation for each type of provision are: TES discount rate, fixed rate, estimated amount payable and estimated payment date. To date, there has been no evidence of future events that could affect the calculation of the provision. The balance of the provision as of December 31, 2023 amounted to $4,082, which includes payments of $4,280.

Technical reserve: associated to the Medical and Dental Service Unit of EPM and which is stipulated in Article 7 of Decree 2702 of 2014, which has the purpose of maintaining an adequate reserve to guarantee the payment of the provision of health services of the Social Security Health System. This reserve includes both the health services already known by the entity, as well as those occurred, but not yet known, which are part of the mandatory health plan and complementary plans, as well as disabilities due to general illness. The basis for calculating the reserve is that corresponding to all service authorizations issued and which at the cut-off date on which the reserve is to be calculated have not been collected, except those corresponding to authorizations issued more than twelve months ago or those that at least four months after having been issued, there is evidence that they have not been used. The balance of the provision as of December 31, 2023, amounted to $18,047.

High-cost and catastrophic diseases: the basis for calculating this provision is the analysis of the entire population of members and beneficiaries of the EPM Adapted Health Entity (EAS) who suffer from any of the authorized pathologies. The balance of the provision as of March 31, 2023 amounted to $9,618.

For the other provisions described, the main assumptions considered in the measurement are: life expectancy is estimated, estimated payment date, estimated payment value, discount rate calculated with reference to the market yields of the bonds issued by the National Government.

Environmental sanctioning procedures:

As of December 31, 2023, the Group had a balance of $1,408 for environmental sanctions imposed by ANLA on Sociedad Hidroeléctrica Ituango S.A. E.S.P. resolution No. 00826 of April 26, 2022, for the impact on soil, flora and water resource protection assets in the affected areas around the Hidroituango power plant.

Other penalties:

- As of December 31, 2023, the Group has a balance of $82 due to penalties imposed by the Superintendence of Industry and Commerce on EPM for the result of the technical audits of the Natural Gas Vehicle service stations, due to non-conformities found for supply in the chips, in accordance with resolution 40278 issued by the Ministry of Mines and Energy.

- As of December 31, 2023, the Group has a balance of $14,389 in EPM, due to the imposition of easements for the San Lorenzo-Calizas energy project.

Hidroituango Central Contingency:

- In EPM, provision for the contingency of the Hidroituango power plant that caused the flooding of the waters of the Cauca River as a result of the blockage of the project on April 28, 2018. This provision covers the care of those affected in Puerto Valdivia for compensation for consequential damages, loss of earnings, moral damages and reparation to the community infrastructure. During 2023 Adjusted provision by $6,730 between expenditure and financial expenditure and payments amounting to $3,285 have been made. As of December 31, 2023, the balance of the provision amounted to $37,584.

REGIONAL WATERS – Urabá – Colombia: includes provision for environmental sanction issued by Corpourabá for non-compliance with the Sanitation and Discharge Management Plan (PSMV) approved by the municipality of Apartadó. The balance of the provision as of December 31, 2023 amounted to $6,036.

CENS – Norte de Santander – Colombia: includes provision corresponding to expected losses on construction contracts. The balance of the provision as of December 31, 2023 amounted to $23.

ADASA in Chile: includes the provision related to the return of the existing working capital at the end of the term of the concession of the Sanitary Concession Transfer Agreement, signed between the Company and Econssa Chile S.A. The balance of the provision as of December 31, 2023 amounted to $51,368.

ENSA in Panama: includes the provision related to compensation to customers for non-compliance with service quality standards, which are regulated by the National Authority of Public Services of Panama (ASEP). The balance of the provision as of December 31, 2023 amounted to $44,363.

TICSA in Mexico: includes provisions related to: contractual obligations, electricity expenses and other expenses related to plant construction projects. The balance of the provision as of December 31, 2023 amounted to $2,722.

DELSUR in El Salvador: includes provision related to customer claims for improper charges, voltage variations, damage to electrical appliances, among others. The balance of the provision as of December 31, 2023 amounted to $3,428.

27.1.6 Estimated payments

The estimate of the dates on which the Group considers that it will have to make payments related to the provisions included in the consolidated statement of financial position as of the cut-off date is as follows:

Estimated payments	Dismantling or environmental restoration	Litigation	Business combination	Guarantees	Other provisions	Total
To One year	201,627	1,017,869	-	-	32,891	1,252,387
To Two-year	77,318	462,937	153	-	21,289	561,696
To Three years	29,484	72,531	-	-	13,881	115,896
To Four or more years	172,727	103,094	145,143	51,771	-	472,735
Total	**481,154**	**1,656,431**	**145,295**	**51,771**	**68,061**	**2,402,713**

Amounts stated in millions of Colombian pesos-

27.2. Insurance technical reserves

The technical reserves associated with insurance contract obligations for property damage, tort liability, infidelity and financial risks, directors and officers, errors and omissions, and cyber risk programs are detailed below:

Insurance technical reserves	2023	2022
Loss reserves payable	104,982	136,500
Reserve for unreported incurred losses	182,799	201,910
Unearned premium reserve	113,518	84,381
Total	**401,299**	**422,791**

Amounts stated in millions of Colombian pesos-

The movement in insurance technical reserves is as follows:

2023	Initial balance	Adjustments in technical reserves	Final balance
Loss reserves payable	136,500	(31,518)	104,982
Reserve for unreported incurred losses	201,910	(19,111)	182,799
Unearned premium reserve	84,381	29,137	113,518
Total	**422,791**	**(21,492)**	**401,299**

Amounts stated in millions of Colombian pesos-

2022	Initial balance	Adjustments in technical reserves	Final balance
Loss reserves payable	116,235	20,265	136,500
Reserve for unreported incurred losses	149,384	52,526	201,910
Unearned premium reserve	60,917	23,464	84,381
Total	**326,536**	**96,255**	**422,791**

Amounts stated in millions of Colombian pesos-

27.3 Liabilities, contingent assets

The composition of contingent liabilities and assets that are not recognized in the financial statements are as follows:

Type of contingency	Contingent liabilities	Contingent assets
Litigation	2,607,345	82,476
Guarantees	289,078	-
Total	**2,896,423**	**82,476**

Amounts stated in millions of Colombian pesos

The Group has litigation or proceedings that are currently pending before jurisdictional, administrative and arbitration.

The main litigations pending resolution and judicial and extrajudicial disputes to which the Group is a party as of the cut-off date, as well as disputes, are indicated below:

27.3.1 Contingent liabilities

Company	Third party	Pretension	Value
EPM	Other Administrative	528 Litigations under $2,105 with an average of $537.	536,129
	ISAGEN S.A. E.S.P.	EPM is ordered to compensate ISAGEN for the damages it suffered as a result of the fire and the consequent unavailability of the Guatapé Power Plant.	390,418
	ELECTRICARIBE - Electrificadora del Caribe S.A. E.S.P.	To declare that EPM breached the Acquisition Agreement by refraining from making the adjustment of the Compensatory Payment for Collection foreseen, in favor of ELECTRIFICADORA DEL CARIBE S.A. in liquidation. As a consequence, ELECTRIFICADORA DEL CARIBE - IN LIQUIDATION - is entitled to receive the difference between the Compensatory Payment for Collection at the Closing Date and the Compensatory Payment for Final Collection, which amounts to (COP$43,548,032,051). Declare that EPM, due to its non-compliance, is obliged to pay default interest, between 2020/11/09 or the date determined by the Court and the date of effective payment of the capital sentences.	156,247
	Villa Esperanza Neighborhood	Non-pecuniary damage in the proportion of 100 SMLMV for each of the members of the group, that is, for one thousand two hundred and ninety-six (1296) people, which in total is equivalent to One hundred thirteen thousand seven hundred sixty-three million one hundred thirty-nine thousand two hundred pesos ($113,763,139,200). Material damage as consequential damage for the destruction of each of the homes, calculated in an individual value per dwelling of five million pesos ($5,000,000) which in total indicates 377, for a total of one thousand eight hundred and eighty-five million pesos ($1,885,000,000).	135,504
	CCC Ituango Consortium	To declare that the Claimants constructed the GAD in accordance with the detailed plans and drawings; the Technical Specifications of construction; and, the instructions and requirements of EPM and the Auditor's Office; that the contingency that occurred in the Project from 2018/04/28 is not attributable to a breach of contract by the Claimants; nor for the operation of the works delivered. Requests that EPM be ordered to pay the Consortium $70,000,000,000 as an incentive for the execution of the accelerated works program; and, to reimburse the Claimants for any sums they may be obliged to pay as a result of decisions taken in the compensation actions brought by third parties allegedly affected by the Contingency. A total of 22 claims.	85,354
	Municipality of Bello	That the nullity of Resolutions 2022- RESCRED-77 of November 24, 2022 and 2022 – RESCRED-1 of August 31, 2022 and 2022- RESCRED-100 of December 30, 2022, issued in the coercive collection process promoted by EPM for the collection of the judgment issued by the Council of State, in the process filed 05001233100020110134301 /That the by way of restoration of the right be declared that the order of payment that consists of the return of the sums paid by the Municipality of Bello to EPM on the occasion of the payment agreement conditional on the outcome of the Extraordinary Appeal for review filed against the judgment filed 05001233100020110134301.	79,231
	Aures Bajo S.A.S. E.S.P	First main claim. Declare that EMPRESAS PUBLICAS DE MEDELLIN E.S.P. seriously and repeatedly breached the energy supply contract No. CT – 2015 - 000363, signed with AURES BAJO S.A.S. E.S.P., by failing to pay the full price of the energy supply for the months of September, October, November and December 2022 and January in a timely manner, February and March 2023. That AURES BAJO S.A.S. E.S.P. has the right to have the unilateral termination of the supply contract declared with effect from September 30, 2022. That the defendants be ordered jointly and severally to pay all the damages caused constituting consequential damages and loss of profits, in a minimum value of twenty thousand eight hundred and ninety million eight hundred thirty-three thousand three hundred and thirty-three pesos M.L. ($20,890,833,333	70,201

Company	Third party	Pretension	Value
EPM	Aura De Jesús Salazar Mazo	Collective right of approximately 113 people who each claim $1,133,400 for Consolidated Loss of Profit and $78,753,854 for Future Loss of Profit, for destroying, interrupting and cutting the ancestral mule paths that lead from the Alto Chiri village of the municipality of Briceño to the Valle de Toledo township.	40,764
	Guzmán Bayona E Hijos S EN C	To declare the Mining and Energy Planning Unit (UPME) and Empresas Públicas de Medellín ESP to be held jointly and severally liable for the de facto conduct they incurred in awarding and installing electrical wiring towers in a mining concession area without prior coordination and without any administrative act or judicial resolution for the affectation of the acquired rights.	31,852
	Other Labors	220 processes under $1,298 with an average of $98.	19,398
	Obras Civiles E Inmobiliarias S.A - Oceisa	That it be declared that EPM's failure to comply with the main obligation to deliver studies and designs prevented the execution of the contract by OCEISA and that it is not contractually liable for those portions of the work that could not be executed by third parties due to events beyond the control of the parties that prevented the normal execution of the contract.	21,300
	Edwin David Yepes García	EPM and others are declared jointly and severally and administratively liable for all patrimonial and non-patrimonial damages caused to the plaintiffs on the occasion of the overflow of the Cauca River that originated in the Ituango Hydroelectric Project.	2,970
	Dayron Alberto Mejía Zapata	Material Damages: Loss of Profits: calculated at $569,000,923, a sum that must be updated in accordance with the evidence; Moral damages: estimated at 100 s.m.m.l.v.; Damage to health: estimated at 100 s.m.m.l.v.; And, Damages to Constitutional Property: which estimate in the amount of 100 s.m.m.l.v., all of the above for each of the plaintiffs, or failing that, the maximum granted by jurisprudence for similar cases, for a total to date of 4,500 s.m.m.l.v.	14,989
	New Hope Temporary Union	To declare that EPM failed to comply with and unbalanced the contract CT-2013-000641 whose object was the execution of the construction and electromechanical assembly works of the 230KV transmission lines Guavio - Nueva Esperanza and associated reconfigurations paraíso - Nueva Esperanza - circo y paraíso- Nueva esperanza - San Mateo.	14,445
	Iván De Jesús Zapata Zapata	To declare the defendant entities administratively liable for all material and moral damages and damage to the life of the relationship, caused as a result of the execution of an administrative operation that ended with the eviction of the plaintiffs and their families from Finca La Inmaculada, carried out on 2019/10/18. Order the defendants to pay the value of the land, buildings and furnishings as well as the agroforestry valuation of the property; the damages and affliction derived from the suffering caused by the eviction, the violation of human dignity, and seeing how their homes and crops were destroyed. He claims 100 SML for each of the plaintiffs.	11,532
	Abraham de Jesús Barrientos	To declare HIDROELECTRICA ITUANGO and EPM liable for the damages caused; and, in solidarity with IDEA, the MAYOR'S OFFICE OF MEDELLÍN and the DEPARTMENT OF ANTIOQUIA. Loss of earnings: for the loss of income in the displacement due to the emergency caused, damage due to the impossibility of exercising the ancestral economic activity of barequeo, from which the plaintiffs are supported, calculated at 2 SML, for 27 months equivalent to $50,920,072 per person; for emotional affectations, for each, 100 SMLV, with estimate of $87,780,300 for a total of $10,094,734,500.	11,198
	Martha Cecilia Arango Usme	That it be declared that EPM occupied the property or lot of land located in the urban area of Medellín called ASOMADERA owned by the plaintiff without having exhausted any legal process or mechanism against my client; That is, by means of a de facto way, to install electric power towers and electrical conduction lines in this abusive way, leading to irreversible damage and affectations that must be repaired.	10,760
	Darío de Jesús Pérez Piedrahíta	That the defendant be held liable for the violation of the fundamental and collective rights to life, health, family privacy, the enjoyment of a healthy environment, the existence of ecological balance and the rational management and use of natural resources, which led to the causing of the unlawful damage caused to the plaintiffs by the imposition of easements in compliance with an energy generation plan which has caused significant damage to the actors, both material and moral.	9,410
	INMEL Ingeniería S.A.S.	To order EPM to compensate the BGA Line Consortium for the damages suffered, in proportion to its participation in the contractor consortium (80%), after the submission of the bid, conclusion, execution and completion of the	9,616

Company	Third party	Pretension	Value
EPM		CT 2016 001695 contract, where unforeseen situations arose not attributable to the contractor that varied the conditions of execution and made compliance more onerous for the contractor; and that the contracting party failed to comply in that it refused to restore the financial or economic equilibrium of the contract.	
	Radian Colombia S.A.S.	To declare that between EPM and Radian Colombia SAS there was work record CT-2015-002500-A1 whose purpose was: "Construction, replacement and maintenance of networks, connections and accessory works of the infrastructure of EPM's aqueduct networks". That EPM failed to comply with clause 1.4 Scope and location of the works, and its obligation to pay the additional administrative and locative resources required for the attention ofe northern zone that was assigned to it after the aforementioned work act.	9,355
	VELPA SOLUCIONES INTEGRALES S.A.	Declare null and void EPM's decision to reject the proposal submitted by the company VELPA SOLUCIONES INTEGRALES S.A., in the context of the procurement process PC-2009-0974 opened by EPM, on the grounds that it is allegedly disqualified from contracting with EPM and order it to pay the amount of the damages suffered as a result of the rejection of the claim in procurement process No. 2009 - 0974 and the sums that it will no longer receive as a result of the impossibility of contracting with the State for a period of 5 years, as a result of the decision adopted by EPM.	7,935
	ELECTRICARIBE - Electrificadora del Caribe S.A. E.S.P.	To declare that the term of the indemnity obligation in charge of ELECTRIFICADORA DEL CARIBE S.A. E.S.P. in liquidation, as Seller provided for in the Share Acquisition Agreement, has already expired and that no Loss has materialized for EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P., CARIBEMAR DE LA COSTA S.A.S. E.S.P., nor for any Indemnifiable Party of the Buyer that gives rise to the release of the Guarantee Resources in favor of EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P. The period during which the Guarantee Resources were to remain deposited in the corresponding Sub-Account of the Trust has already expired.	5,265
	VELPA SOLUCIONES INTEGRALES S.A.	EPM is ordered to pay the amount of damages suffered by VELPA Soluciones as a result of the rejection of its proposal in procurement process No. 2009-0927 and the award to the firms ELECTROLUMEN Ltda and MELEC S.A.; as well as the amount of the sums that VELPA SOLUCIONES INTEGRALES S.A. will no longer receive, given the impossibility of contracting with the State for a period of 5 years, as a result of the decision adopted by EPM.	6,946
	German Alcides Blanco Álvarez	He requests the recognition of 100 SMLMV on the occasion of the diagnosed and firm incapacity for work, of 17.79%, causing a decrease in his work and physical activity, causing a detriment to the patrimony that will enter Mr. Germán Blanco Álvarez due to the accident of 29/04/2011, where damages were caused to the plaintiffs.	3,008
	VELPA SOLUCIONES INTEGRALES S.A.	That EPM be ordered to pay the amount of the damages suffered from Loss of Profits and Consequential Damages, as the contract CT 2009 0220 was declared suspended, and the eventual decision to terminate the contract based on grounds such as a non-existent cause and for the sums that VELPA SOLUCIONES INTEGRALES S.A. will no longer receive; given the impossibility of contracting with the State for a period of 5 years, and this, based on the contracts entered into exclusively with the State during the year 2009 and its projection for the next period of 5 years.	6,337
	AXEDE S.A.	Loss of profits due to having affected their right to free competition, given the actions and omissions carried out by EMPRESAS PÚBLICAS DE MEDELLÍN EPM and the company MVM INGENIERIA DE SOFTWARE.	5,841
	International Business Group S.A.S.	The PLAINTIFF requests a declaration of liability of the parties for the damages suffered by the events narrated and an order to pay the material damages, in the sense of: consequential damages, consolidated loss of profits and future loss of profits.	6,181
	I.A. S.A. (Associate Engineers)	To declare the breach of contract CW 10084 of 2017 and to order compensation for damages in the form of consequential damages for the concepts of payroll between May 9 and 15, 2018, transportation, tools and equipment; compensation for loss of profits due to the availability of equipment and tools between 10 May 2018 and 31 May 2021; and, compensation for damages in the form of loss of profits for financial returns not received between May 10, 2018 and May 31, 2021.	6,028
	Zandor Capital S.A. Colombia	It requests the nullity of administrative acts No. 0156SE-20170130033319 of March 14, 2017, 015ER-20170130045192 of April 8, 2017 and SSPD-	5,094

Company	Third party	Pretension	Value
		20178300036125 of June 20, 2017 and as a restoration of the right an initial claim of five thousand (5,000) million pesos.	
	Inversiones Gallego Tobón SAS	Material damage resulting from: construction of two synthetic courts, dismantling of the courts, assembly of the gymnasium; Lease fee for 48 months; Labor Expenses, Advertising and Marketing Expenses; Payment of public services, stationery, supplies, cleaning supplies; purchase of gym equipment; Future loss of earnings: $1,416,371,947; Moral damages, for the 5 natural persons convening: 500 SMLMV/Physiological damage, for 5 natural persons: 500 SMLMV/Loss of opportunity, for the 5 natural persons: 500 SMLMV.	5,031
	Yovan Antonio Quintero Gómez	Declares EPM ADMINISTRATIVELY AND CIVILLY LIABLE. and/or THE COMPANIES; directly for the material and moral damages in their different manifestations and to compensate my principals as DRAGUEROS MINERS in their MAIN ACTIVITY in which they worked from 1.995 to date, adding up to 27 consecutive years. INDEMNIFY EVERYTHING THAT BY RIGHT BELONGS TO THEM AND IS COVERED BY LAW, and the provisions of the Manuals of Unit Values for the Payment of Compensation for Economic and Productive Activities; I must deliver to them and transfer to my principals the housing compensation, according to the MVU in the place where they decide.	5,127
	Licuas S.A.	That EPM be ordered to recognize and pay the contractor the monies withheld, The nullity of the official letter 201901301521030257 of 2019 contractual act by which the unilateral termination of the contract was declared CW20106 for non-compliance. To order EPM to restore the project and to recognize and pay the cost overruns caused to LICUAS, due to the interruption of the project for reasons not attributable to the contractor.	5,028
EPM	Albeiro de Jesús Valencia Pérez	The plaintiff requests the payment of social benefits and the moratorium penalty, from July 9, 2010, until the total amount owed by all the plaintiffs is paid, in order to obtain payment of the judgment issued by the Eighth (08) Labor Court of Decongestion of the Medellín Circuit in the labor lawsuit with file 05001-31-05-005-2011-0135-00, in which EPM was not a party to the process.	4,818
	Coonatra Copa SAS Bus Depot	PROFIT. Estimating from the entry into operation of the logistics center (January 1, 2019), until September 30, 2019, in an estimated $280,740,048 per month. CONSEQUENTIAL DAMAGE, for payment of salaries and social benefits of the staff who have provided permanent custody services of the property and its maintenance, from December 2018, until September 30, 2020, since, as the holder of the real right of ownership, in any case, he is responsible for the conservation and custody of the property.	4,804
	SMARTGROWTH S.A.S	To declare that EPM is responsible for the unlawful damage and material damages caused to the plaintiffs by actions and omissions in the constitution of the unformalized electrical easement over the rural property "La Cascajera", located in Madrid, Cundinamarca; and, the damage caused to the mining activity carried out. Condemn EPM to remove the electrical power wiring that crosses the property; and, to compensate for the damage of $1,477,586,746, which corresponds to the compensation for the occupied area and which is susceptible to the constitution of an unformalized easement since 2016.	4,821
	Humberto de Jesús Jiménez Zapata	That the process be carried out as a class action in accordance with Law 472 of 2008, against Hidroeléctrica Ituango S.A. ESP and EPM ITUANGO S.A. ESP, so that the living conditions of the plaintiffs, which were stable, are respected, and the values that are relative to each of the families and persons registered are given, declaring that EPM Hidroituango project did not duly pay the values and compensation to each of the families and individuals who were registered, in accordance with the manual of unit values.	3,647
	Katerine Miranda Miranda	To declare the CONSORCIO HIDROELECTRICA HIDROITUANGO S.A. E.S.P, EPM, the MAYOR'S OFFICE OF MEDELLÍN and others, jointly and severally and administratively liable for all patrimonial and extrapatrimonial damages caused to the plaintiffs, as a result of the emergency generated by the overflow of the Cauca River and until July 26, 2019, an event that originated in the Ituango Hydroelectric Project. Moral damages: 100 SMLMV; loss of earnings $12,844,891; and, Damage to constitutional and conventional property: 100 SMLMV for each of the plaintiffs.	2,894
	Hilos Hebratex S.A.S	Claims the benefit for: The five months of 2012, $474,987,000; for the twelve months of 2013, $1,271,857,300; for the six months of 2014,	4,226

Company	Third party	Pretension	Value
EPM		$1,170,634,000. For the paralysis during the 25 days it took to repair the engines and fix and deliver the machines, $82,125,000; for the repair of the machines, $2,400,000; for payroll during the 25 days of the company's paralysis, $4,172,646; for the production materials that were damaged, $2,312,000; and, for rent payment during the twenty-five days of paralysis of the company, $2,348,000.	
	OPTIMA S.A.	That CORANTIOQUIA AND EPM are jointly and severally and administratively liable for all damages, patrimonial and extra patrimonial, caused to OPTIMA S.A. CONSTRUCCIÓN Y VIVIENDA Y PROMOTROA ESCODIA S.A., as a result of the breach of the duty of care, prevention, protection, maintenance, recovery and other actions, which guaranteed the balance and sustainable development of the environment in the Las Brujas basin, Loma de las Brujas and Cuenca del Ayura in the Municipality of Envigado.	4,190
	Miguel de Jesús Gómez Ramírez	To declare EPM responsible for including the plaintiffs as persons affected by the Ituango Hydroelectric Project, as miners and to cancel the compensation to which they are entitled for loss of economic activity, granting them Type 3 compensation for the population and to compensate the plaintiffs as miners for 28 years, and therefore, to pay them for their improvements, crops, possession, construction and maintenance of roads, legal premiums, relocation, consequential damages, loss of profits and moral damages.	4,170
	INCIVILES S.A.	Declare null and void EPM's Resolutions 0041 of January 21, 2005 and 00283 of April 21, 2005, which declared the risk of breach of the contract No 020113590 entered into between EPM and INCIVILES.	3,645
	Gustavo Vélez Correa	That it be declared that EPM is administratively responsible for the economic damages caused to the plaintiff by the fact that the plaintiff is the holder of a mining concession contract over the area that EPM required for the imposition of easements and expropriation, related to the Valle de San Nicolás project, in the jurisdiction of the municipality of El Retiro.	3,689
	Carlos Augusto Jiménez Vargas	Declare that the defendants are jointly and severally liable for all damages suffered by the plaintiffs due to the sewerage works of CENTRO PARRILLA.	3,799
	Horacio de Jesús Gómez Ramírez	To declare EPM administratively, civilly and financially liable for not including HORACIO DE JESÚS GÓMEZ RAMÍREZ, IMELDA RODRÍGUEZ HENAO, MIGUEL DE JESÚS GÓMEZ RAMÍREZ, MARÍA CAROLINA SÁNCHEZ DE GÓMEZ as affected by the Hidroituango project, as Chorreros miners since 1994; to compensate them for the loss of economic activity for 28 years; pay them improvements for possession, cultivation, construction and maintenance of a road, legal premiums, relocation, consequential damages, loss of profits, and moral damages caused; and, to pay them $2,675,664,000.	3,802
	Ingeniería Total Servicios Públicos S.A. E.S.P.	That it be declared that EPM breached Contract CT-2010-0499, the purpose of which was the "Construction and replacement of aqueduct and sewer networks in the Moravia neighborhood of the municipality of Medellín and paving of the roads affected by these works... ". That, as a result of such breach, the economic equilibrium of the Contract was broken and is responsible for the restoration of that equilibrium.	3,300
	Darío Sepúlveda Hernández	The convener requests that the damages generated with the construction of the PH PORCE III be covered, due to the abandonment that he had to make of his ranch and his activity as a barequero at the height of the LAS BRISAS and REMOLINO landscapes, due to the non-compliance with the agreements reached with EPM.	3,260
	Horacio de Jesús Gómez Ramírez	To declare EPM responsible for including Mr. Horacio and Mr. Miguel de Jesús Gómez Ramírez; María Carolina Sánchez de Gómez and Imelda Rodríguez Henao, as affected by the Hidroituango Project; as MINEROS CHORREROS since 1994 and, therefore, to pay the compensation to which they are entitled, for the payment of compensation for loss of economic activity and to INDEMNIFY the children for 27 years; and to pay for their improvements, cultivation, possession, construction, and maintenance of the road; legal premiums, refusal, consequential damages, loss of profits and moral damages since 2018/05/26.	3,414
	Oscar Jaime Restrepo Molina	For the frustrated profits, due to the decrease in the contracts that he may have had with EPM and his inability to contract with it, as a result of the presentation of the complaint that was made with the company the suspension of the contracts that were in execution.	3,307
	María Isabel Lora López	That EPM be declared administratively liable for all the pecuniary and non-pecuniary damages suffered by the plaintiffs as a result of the death of the minor named MONICA ANDREA LORA LOPEZ and the injuries suffered and	3,084

Company	Third party	Pretension	Value
		suffered by MARIA ISABEL LORA LOPEZ; for the events that occurred on 02/02/2000 in the Causes de Oriente neighborhood of the municipality of Medellín.	
	Luz Estela Arrieta Morales	To declare the entities summoned, jointly and severally and administratively responsible for all the patrimonial and extrapatrimonial damages caused to the plaintiffs, on the occasion of the overflow of the Cauca River that originated in the Ituango Hydroelectric Project; and to pay each of the plaintiffs 100 minimum wages for moral damages. Due to the impact on the constitutional rights of the plaintiffs, such as decent housing, work, health, among others; and, to the rights enshrined in international conventions and treaties on human rights, the payment of one (1) minimum wage for each month that the red alert remained.	3,289
	José Isaac Guerra Diaz	It is hereby declared that the MUNICIPALITY OF MEDELLÍN, the Government of Antioquia, EMPRESAS PUBLICAS DE MEDELLÍN, the Municipality of Ituango and the Municipality of Taraza, are administratively responsible for the unlawful damages caused to the plaintiffs, on the occasion of the immediate evacuation of their properties, also ceasing their commercial activities. For each of the claimants for non-material damages, the total sum of 100 SMLMV.	3,261
	RUBEN DARIO ESCOBAR VILLA	It is declared that within the employment relationship, the plaintiff performed work schedules in the standby modality, without these times having been paid.	1,661
	Cuenca Networks Consortium	To declare that EPM was unfairly or illicitly enriched by the execution of contract CT-2014-000377-A1, which was not perfected, for which reason it must compensate for the alleged impoverishment suffered by the CORSORCIO REDES CUENCAS.	3,172
EPM	Yuneidy Mazo Gaviria	Declare EPM and others responsible for the damages caused by the overflow of the Cauca River that originated in the Hidroituango Project. Moral damages 100 SMLMV for each claimant. $12,844,891 for the impact on constitutional assets, on the rights enshrined in international conventions and treaties on human rights; and, to the other rights that the Judge finds proven. IN THE ALTERNATIVE, the judge is requested that, if he does not decree the compensation indicated, alternatives such as a study kit and tools for recreation and sports be granted for a minimum of $5,000,000.	2,970
	Alberto Arroyo Montiel	To declare Hidroituango, EPM, and others administratively liable for the damages caused to the defendants, for what they did not receive when they had to travel due to the emergency caused, due to the exceptional risk due to the impossibility of carrying out the economic activity from which the plaintiffs' livelihood was derived, calculated for 27 months, it is settled with 2 SMLV for 12 months. Due to the emotional effects of the victims, 100 SMLV is requested for each one for 2020. The estimate is $87,780,300 per person, for a total of $2,896,749,900. There are 33 plaintiffs.	2,960
	Wilfran Enrique Gonzalez Castro	That the entities be declared jointly and severally and administratively liable for all the patrimonial and extrapatrimonial damages caused to the plaintiffs, on the occasion of the overflow of the Cauca River that originated in the Ituango Hydroelectric Project.	2,954
	Adonai Vanegas Jimenez	To declare the CONSORCIO HIDROELECTRICA HIDROITUANGO S.A. E.S.P, EPM, the MAYOR'S OFFICE OF MEDELLÍN and others, jointly and severally and administratively liable for all patrimonial and extrapatrimonial damages caused to the plaintiffs, as a result of the emergency generated by the overflow of the Cauca River and until July 26, 2019, an event that originated in the Ituango Hydroelectric Project. Therefore, the defendant entities must pay $87,780,300 to each of the 19 plaintiffs.	2,894
	Diego Alberto Olaya Sánchez	That the defendant entities be declared administratively responsible for the facts complained of. As a result of the above declaration, the Court ordered to pay moral damages of 87,780,300 for each of the 19 defendants. Consolidated loss of earnings, for the months that these people were away from their homes. 100 minimum wages for each plaintiff for constitutional and conventional goods.	2,889
	Eurocerámica S.A.	It is intended that EPM recognize and pay the sum of THREE THOUSAND ONE HUNDRED THREE MILLION FIVE HUNDRED SEVENTY-EIGHT THOUSAND NINE HUNDRED- AND THREE-PESOS M/L ($3,103,578,903), allegedly incorrectly invoiced by EPM.	3,078
	Rafael Segundo Herrera Ruiz	It is declared that EPM and others are jointly and severally and administratively liable for all the patrimonial and extra patrimonial damages	3,126

Company	Third party	Pretension	Value
EPM		caused to the plaintiffs, due to the overflow of the Cauca River that originated in the Ituango Hydroelectric Project.	
	Digna Tulia Acosta Ramos	To declare EPM and other official entities jointly and severally and administratively liable for all patrimonial and extra patrimonial damages caused to the actors, as a result of the emergency generated by the overflow of the Cauca River and until 2019/07/26, the date on which Elevation 435 was terminated and the National Disaster Risk Management System modified the state of red alert to Orange, This was the case with the Ituango Hydroelectric Project; order them to pay $87,780,300 to each of the plaintiffs.	3,086
	Sadis Marcela Estrada	To declare the plaintiffs jointly and severally and administratively liable for all the patrimonial and extra patrimonial damages caused to the plaintiffs on the occasion of the overflow of the Cauca River that originated in the Ituango Hydroelectric Project. To order the defendant entities to pay 100 SMLMV to each of the 17 plaintiffs for MORAL DAMAGES; to the payment of the Minimum Wage for each of the months that these people were away from their homes due to the declaration of red and orange alerts for the Municipality of Tarazá.	3,056
	Francy Elena Avendaño Gómez	To declare EPM and other official entities jointly and severally and administratively liable for all patrimonial and extra patrimonial damages caused to the actors, as a result of the emergency generated by the overflow of the Cauca River and until 2019/07/26, the date on which Elevation 435 was terminated and the National Disaster Risk Management System modified the state of red alert to Orange, This was the case with the Ituango Hydroelectric Project; order them to pay $87,780,300 to each of the plaintiffs.	3,055
	José Eduardo Suárez	Declare the summoned entities responsible for the patrimonial and extra patrimonial causes caused to the actors, by the overflow of the Cauca River that originated in the Hidroituango Project. The defendants are ordered to pay SML 100 to each plaintiff for moral damages. Make the payment of 1 SML for each month that the red alert remained for the Municipality of Cáceres, between 2018/05/12 and 2019/07/26. If it is presented that the red alert has been extended, they request recognition of the minimum wages that the plaintiffs stop earning, from the date of the new facts, until the end of the alerts.	2,946
	Dennis Esther Sehuanes Angulo	It is declared that the MUNICIPALITY OF MEDELLÍN, the Government of Antioquia, EMPRESAS PUBLICAS DE MEDELLÍN, the Municipality of Ituango and the municipality of Taraza, are administratively responsible for the unlawful damages caused to the plaintiffs, on the occasion of the immediate evacuation of their properties, also ceasing their commercial activities due to the overflow of the Cauca River, which has brought a great alteration to the constitutional and conventional rights of the plaintiffs.	3,004
	Mercantile Company TECNOLOGÍA INSTRUMENTACIÓN Y GAS, T.I. GAS S.A.S.	To declare that EPM is administratively liable for the MATERIAL damages, since it has carried out abusive conduct of the dominant position and limitation of freedom of competition, against the commercial company TECNOLOGIA INSTRUMENTACIÓN Y GAS, T.I. GAS S.A.S., for the commercialization in the Aburra Valley and a large part of the Department of Antioquia of G-1.6 diaphragm gas meters for residential use, generating with such conduct, an unlawful damage to the Company in question.	3,019
	Ruby Susana Arrieta Baldovino	That the entities be declared jointly and severally and administratively liable for all the patrimonial and extra patrimonial damages caused to the plaintiffs, due to the overflow of the Cauca River that originated in the Ituango Hydroelectric Project.	2,899
	Juliana Urrea Giraldo	It is intended to declare the employer's fault of the MISPE Consortium and jointly and severally to EPM, for the payment of patrimonial and extra patrimonial damages.	1,144
	Sebastián Garzón López	Request reimbursement from EPM for state of health and employer's fault for work accident	1,389
	Sirle Johana Villareal Henríquez	To declare the defendants liable for the pecuniary and extra patrimonial damages caused to the plaintiffs, as follows: for moral damages, $87,780,300 per plaintiff. CONSOLIDATED LOSS OF PROFITS: 12,844,891,299 each. FUTURE LOSS OF EARNINGS: If the red alert is extended, recognize the minimum wages that the plaintiffs stop earning until the alerts end. DAMAGE TO CONSTITUTIONAL AND CONVENTIONAL PROPERTY: 100 SMLV each. ALTERNATIVELY, a study kit and tools for recreation and sport for a minimum of $5,000,000 for each of the plaintiffs.	2,917

Company	Third party	Pretension	Value
EPM	Ciudadela Comercial Unicentro Medellín PH	To decree the nullity of the administrative act issued by EPM with file 20190130037817 of 2019-02-27. To order the restoration of the plaintiff's right by ceasing to collect the electricity tax provided for in Law 142 of 1994, Law 143 of 1994 and Law 223 of 1995; and, to make the refund of what was paid for this concept from January 1, 2017 and until the date of judicial notification that ends the process.	382
	Parcelación Estación Popalito P.H.	That by way of reinstatement of the right, the refund of the sums paid for the concept of Electric Energy Tax by the Popalito PH Parcel to EPM from December 1, 2016 to June 2021 and November 2022, for a value of $13,958,822 COP, is ORDERED. To condemn for the value of the default interest at the maximum legal rate on the sums paid for the concept of Electricity Tax, until the date on which the respective refund of these sums is made from May 20, 2022.	10
Total EPM			**1,852,525**
National Waters	HHA Consortium	Recognition of costs related to damages, due to longer permanence on site due to the presence of unforeseeable physical conditions, claim higher socio-environmental and financial costs.	444,867
	Dayron Alberto Mejía Zapata	Recognition of material and moral damages, compensation.	13,835
	Compañía Colombiana de Consultores S.A.S.	Consequential damage and loss of profits, indexed.	714
	Other	Processes for less than $315	1,116
Total National Waters			**460,532**
ESSA	Luis Aurelio Mutis Ardila	To condemn, therefore, the Municipality of Piedecuesta - Electrificadora de Santander - Gobernación de Santander - Metrogas, as reparation for the damage caused as reparation for the damages caused by the Municipality of Piedecuesta - Electrificadora de Santander - Gobernación de Santander - Metrogas - Metrogas, as reparation for the damage caused as reparation for the damages caused by the Municipality of Piedecuesta - Electrificadora de Santander - Governacion de Santander - Metrogas, as reparation for the damage caused as reparation for the damages caused by the Municipality of Piedecuesta - Metrogas - Metro	75,225
	Tomon Ltda and Others	It is requested that the existence of a Strategic Alliance contract between ESSA and the Unión Temporal San Gil Iluminado be declared.	19,471
	Elquin de Jesús Tobón Clavijo and others	Proceedings involving less than 650,000,000.	12,809
	HMV Ingenieros Ltda	Declare that ESSA breached the contract by refraining from authorizing HMV to submit the action plan in accordance with the monthly progress of the works and order it to pay HMV the value that is proven	7,948
	Promotora Agrotropical Colombiana SAS	To declare the non-compliance with the commercial offer No.ON-013-2008, ordering ESSA to pay damages.	1,604
	Jose De La Cruz Carreño Acevedo	To declare the permanent occupation of the private property by Electrificadora de Santander S.A. E.S.P., on 10 urban lots owned by Mr. José de la Cruz Carreño Acevedo since mid-September 2016.	1,089
	Martha Leonor Rodriguez Ochoa	To order the Nation, the Attorney General's Office, ESSA and the municipality of Málga, jointly and severally, to pay the plaintiff the material damages for her loss of employment as a result of the serious injuries to her body and loss of working capacity. As well as declaring them administratively and non-contractually liable for the damages caused by the death of Mr. Manuel Rodríguez Ochoa and serious injuries caused to the minor Deisy Susana Ballesteros Rodríguez in events that occurred on January 7, 2017.	922
	Gerrsson Enmanuel Duarte Pabon	Declare the ESSA liable for the damages caused to Gerson Duarte and his family group (4 people), for the damages derived from the improper location of energy networks that caused the electrocution of the plaintiff on July 30, 2011, when he was carrying out work on the property located on Calle 10 con carrera 14 no. 10-37 barrio San Antonio de Piedecuesta. That ESSA be condemned for the material and moral damages derived from the act described, which in the opinion of the plaintiff are equivalent to the sum of $2,128,885,110.	3,662
	Blanca Sepúlveda Oviedo and Others	Moral damages, damage to life, loss of earnings	5,543
	Maria Edith Chavarro Cruz	The conveners request that those summoned recognize the joint and several non-contractual civil liability before the conveners in relation to all the	1,567

Company	Third party	Pretension	Value
ESSA		compensable damages they have suffered due to the death of Carlos Uriel Piza Ariza.	
	Luz Mary Herrera Bohorquez	It corresponds to the compensation for the pain caused on the occasion of the death, causing deep pain to a permanent companion, own and foster children, parents and siblings	1,379
	Maria Eugenia Reyes Contreras	That an employment contract existed between Mr. Daniel Soto Palomino (R.I.P.D.) and the company Electificadora de Santander S.A E.S.P. - ESSA S.A. E.S.P., from September 15, 1997 to May 28, 2020. That the accident at work suffered by Mr. Daniel Soto Palomino (r.i.p.d.) occurred due to the fault of the employer, Electificadora de Santander S.A. E.S.P. - ESSA S.A. E.S.P.	1,337
	Martha Liliana Alarcón Castellanos	Non-material damage suffered by the applicants, the impairment suffered by a person in his or her integrity without having the obligation to bear it. Affectation that they have suffered in their relationship due to the death of Mr. Sandoval.	788
	Hermides Pineda Silva	To declare ESSA and Iluminación Yarigues S.A. administratively and non-contractually liable for the damages caused to the plaintiffs, due to the death of Robert Andrés Pineda Balaguera, in events that occurred on May 23, 2017.	825
	Briceida Oviedo De Rodriguez	To declare the company ESSA contractually liable for breach of the obligations arising from the contractual relationship for the preparation of material works and supply of electricity with Mrs. Briceida Oviedo de Rodríguez.	665
Total ESSA			**134,834**
EMVARIAS	William Alberto Giraldo Ocampo, Eusebio De Jesus Gonzalez Barrera, Sebastian Jimenez Garcia, Orlando de Jesus Torres and Others	Reality Contract	16,881
	Alcides Martínez Díaz and others	Direct reparation / non-pecuniary damage	17,471
	JAC La Cejita and others	Declarative	0
	Gabriel Hernán Rúa Sepúlveda, Sorleny Correa Montiel and others	Profit	22,983
	José Edilberto Jaramillo Arteaga	Change of modality from public worker to official worker	1,258
	Juan Camilo Agudelo, Sandra Bibiana Agudelo Ortiz and others	Wage equalization	907
	Aleyda Patricia Chaverra Sierra	Failure of service - repair of damage caused	770
	Linda Johana Martinez H. et al.	Recognition and payment of the damages caused by the death of Mr. Marlon David Martinez Herazo when he was run over by an EMVARIAS sweeper	451
	Efraín Antonio Hernández G. et al.	Pension substitution / Pension settlement readjustment	338
	Joel Suárez Mira e Inversiones Juanfa S.A.S. and others	Nullity and reinstatement of the right/ Appeal for guarantee	278
	Edwin Yovany Cano	Recognition of the employment contract with EMVARIAS	123
	Juan Guillermo González Velásquez and others	Labor responsibility in solidarity with COOMULTREVV	143
	Nubia Estella Torres Amariles	Responsibility for solidarity with the U of A Foundation.	52
	Claudia María Henao Cifuentes	Employer's fault	48
	Luis Fernando Gutiérrez Correa	Compensation for work-related injuries filed by Mr. Fernando Gutiérrez Correa, based 05001310500220170025300	275
Total EMVARIAS			**61,978**
CHEC	María Marleny Montoya de García et al.	Material damage/ non-material damage/ consequential damage/ damage to health/ unlawful damage, compensation	30,265
	Héctor Castro et al.	Conventional Retirement	17,033
	Positiva Compañía de Seguros S.A.	Claim for the return of the mathematical reserve of capital constituted to cover the future pension allowances of the beneficiaries of the law/ Payment of assistance and economic benefits derived from the moral event that occurred at the La Esmeralda Plant in September 2011.	1,595
	Francisco Javier Taborda	declare chec liable for unlawful damage and order compensation; That Mr. Julio Cesar Cardona be held responsible for failing to take security measures on the premises	972

Company	Third party	Pretension	Value
CHEC	Flor Maria Sanchez Palace	Material damages are claimed on the occasion of the death of Mr. Rogelio Palacio Sanchez in events that occurred in the area of La Escombrera in the municipality of La Merced in the department of Caldas/moral damages are claimed	508
	Carlos Andrés Velásquez Marín and others	Moral and patrimonial damages are claimed as a result of an electrical accident that caused loss of work capacity	713
	Carlos Eduardo Jerónimo Arango and others	Pension allowance repayment/ Recognition of 100% allowance 14	484
	José Jair Granada and others	Permanent travel expenses-social security contributions	482
Total CHEC			**52,052**
CENS	María Riquilda Poveda Murillo and others	Moral damages, material damages, loss of profits	16,573
	Paht Construcciones S.A.S.	To order the liquidation of Contract CT-2015-000070, where CENS S.A E.S.P., must readjust the contractual equity in favor of Paht Construcciones S.A.S., with the application of the theory of unforeseeability, as well as the sums as a complement to the payment of act No. 6 for works executed, recognized and not paid.	2,055
	Nubia Boada Dueñas	Continuity in the payment of 12% on the pension allowance, reimbursement of the contributions deducted from the moment of the shareability of the pension, duly indexed and payment of default interest of article 141 of Law 100 of 1990, plus costs of the process.	1,905
	Other administrative proceedings, with an amount of less than $250 million	Other administrative processes (7) with an amount of less than $250 million.	926
	Other labor proceedings with an amount of less than $250 million	Other labor proceedings (10), with an amount of less than $250 million.	382
	Carlos Augusto Rangel Alvarez	Recognition of conventional benefits	506
	Cesar Augusto Labastidas Arias	Enforcement process following the ordinary labor process that seeks to enforce the judicial title-judgment	459
	Cable Guajira Ltda.	Declare CENS SA EPS and/or UNE EPM Telecomunicaciones S.A., liable for the breach of contract by not applying the rates and the formula for use, access and payment of the shared infrastructure provided for in resolution CRC No. 5283 of 2017 and incorporate them into the infrastructure lease contracts signed with the plaintiff companies Cable Guajira Ltda, Cable Éxito S.A.S. and Cable Digital de Colombia S.A.S.	441
	Nury Leticia Rodríguez Benitez	To declare the non-existence of the residential sewer easement in charge of the alleged servient properties, in favor of the alleged dominant property, called Palujan #1.	395
	Freddy David Rojas Suarez	To condemn CENS, Colombia Telecomunicaciones and TELMEX Colombia jointly and severally for injuries caused to the personal integrity of the plaintiff in events that occurred on October 20, 2020.	378
	SYM Ingeniería Ltda.	To declare CENS liable non-contractually and administratively for declaring the plaintiffs' inability to contract with the State. That economic damages for loss of opportunity be recognized.	304
	Condominium Centro Comercial La Estrella P.H.	Declaration of non-collection of the energy tax from the plaintiff and therefore, nullity of resolutions No. 20191030011621 and 20191030015458, ordering the cessation of collection of the tax and the refund of the sums paid.	33
Total CENS			**24,357**
EDEQ	Maria Amparo Fernandez Gil	Direct reparation for the death of plaintiffs' family members	2,898
	Danielly Arcila de Gil	Declare the defendants administratively, non-contractually, jointly and severally liable for the injuries suffered by the plaintiffs in different events	3,530
	John Jairo López Pérez y Otros	EDEQ is sued for the alleged damages suffered by the plaintiffs with the death of their relatives	3,757
	Fabián Alexander Bedoya Machado y Otros	Those injured by the fall of the bridge of the park of life that occurred in 2018 during the EDEQ Christmas lighting lawsuit are suing.	642
	Campo Elía Buritica Herrera	The plaintiff seeks a declaration of the employer's fault in the accident at work he suffered, that he and his family be paid material (loss of future and consolidated earnings) and immaterial damages (moral damages and damage to health).	623
	Nelson Forero Perez	Declare termination of the employment contract without just cause and without authorization from the labor office, ordering the defendant to pay compensation.	88

Company	Third party	Pretension	Value
EDEQ	Juan de Dios Botero	Request for restitution of the part of the "Vista Hermosa" farm that was occupied with electricity networks.	16
Total EDEQ			**11,554**
Regional Waters	María Inés Osorio Montoya	To order the municipality of Apartadó and Aguas Regionales EPM, to pay material damages (current and future), moral damages and damage to health, on the occasion of the death of the young man Cesar Augusto Jiménez Osorio, determined by the injuries suffered in the events that occurred on June 1, 2016 in the city of Apartadó.	712
	Ana Arboleda de Mosquera	They request a decree that EPM together with Aguas Regionales are administratively responsible for the damages caused to the plaintiffs, and therefore order the payment of non-patrimonial damages and patrimonial damages.	1,101
	Elsa Rubiela Henao Pérez	To order the municipality of Apartadó and Aguas Regionales EPM to pay the material and immaterial damages caused by the failure in the service derived from the completion of the paving work on 104, 106 and 107 streets in the Laureles neighborhood.	799
	Sara Cristina Ferreiro Morales	They are asking for the readjustment of wages, unpaid overtime and the recognition of all salary emoluments caused throughout working life.	419
	Antonio Blanco Hernandez	Between the plaintiff and the company RODRIGO LENIS SAS, there was a contract for work or labor on the date of the facts, the defendant presents a loss of work capacity of 16.91% due to an ACCIDENT at WORK.	415
	Juan Carlos Lastra Serna	Declare the existence of an indefinite-term employment contract.	279
	Rosmery Velásquez Herrera	Order Aguas Regionales EPM S.A E.S.P to return the property to the owners	172
Total Regional Waters			**3,897**
Aguas de Antofagasta (ADASA)	ROWE and Others v Aguas de Antofagasta S.A.	C-2311/ 2316 - 2022 Claim for damages	1,171
	Soto with ADASA	C-4372-2019 Claim for compensation for damages due to non-contractual liability.	868
	Bravo/ ADASA and others	C-2782-3941-2304 2023/C- 4468 2020/ C-1516 2019	195
	Contreras/ ADASA	609-2022	434
	Límari v Ezentis Chile S.A. and Others	O-5919 2020/ 515-945-1244 2023	195
	Continental P&C Insurance Company	Compensation for damages due to flooding of the Bicentennial building	44
	Audit reports	13736 PTAS Sierra Gorda	50
	Other processes		296
Total Aguas de Antofagasta (ADASA)			**3,253**
ELEKTRA NORESTE S.A.	Alex Montenegro and others (Urbanización La Toscana)	Civil Procedure - Residents of Tuscany	1,128
	ASEP	Civil Procedure for Lawsuit Against Res.12581	573
Total ELEKTRA NORESTE S.A.			**1,701**
EPM Investments	DIAN - Directorate of National Taxes and Customs	To declare the nullity of the administrative acts: Resolution No.112412020000026 of 2020 and Resolution No.900006 of 2021, issued by the DIAN; as well as Sanction Resolution number 2021011060000347 of September 23, 2021 File: 202082350100015897 also issued by the DIAN, notified to EPM Inversiones S.A. on September 29, 2021.	370
Total EPM Investments			**370**
Waters of Malambo	Nelson Mercado Luna	Payment of invoice No. 0095 by virtue of alleged works carried out to address emergency in Cra 22 with Calle 22 in the Municipality of Malambo.	234
	Emer Enrique Conrado Anguilla	Declare liability for material damages, damages, damages, damages to health, other goods and/or rights conventionally and constitutionally protected and, in general, of any other type that is demonstrated, caused as a result of the failure to provide the service.	25
	Fabian Bacca Jimenez	Recognition of the employment relationship acquired in 2015 and 2016, and consequently, the payment of vacations, bonuses, severance pay, bonus for signing the agreement and compensation for dismissal without just cause.	22

Company	Third party	Pretension	Value
	Indeterminate Persons	Fraudulent Connection Process 2022	11
Total Waters of Malambo			**292**
Total contingent liabilities			**2,607,345**

Amounts stated in millions of Colombian pesos-

27.3.2 Contingent liabilities Guarantees

Company	Third party	Pretension	Value
ELEKTRA NORESTE S.A.	Generating Companies	Performance guarantee to provide credit security and compliance with obligations under power purchase agreements.	153,702
	Empresa de Transmisión Eléctrica, S. A.	Bank guarantee to guarantee the payment of one month's billing of the Transmission System. And letter of credit as a guarantee of the payment of the costs of purchasing energy in the occasional market.	75,602
	National Public Services Authority	Performance bond to guarantee compliance with the obligations contracted in the Concession Agreement.	57,331
	Regulatory Operator of El Salvador	Letter of credit as a guarantee of payment of the costs of purchasing energy in the occasional market.	1,320
	Chugani & Other Investments	Civil Lawsuit for Damages of Contract Cancellations	1,051
	Osman Moreno and Others	Employment Lawsuits	72
Total ELEKTRA NORESTE S.A.			**289,078**
Total Contingent liabilities Guarantees			**289,078**

Amounts stated in millions of Colombian pesos-

With respect to the uncertainty in the estimated date of payment and the estimated value to be paid, for contingent liabilities the same business rules indicated in note 27.1.2.

In the Group, EPM also has as contingent liabilities, Environmental Sanction Proceedings, with the following information:

Third	Pretension	Value
Metropolitan Area of the Valley of Aburra	Discharge of wastewater from the San Fernando WWTP in violation of the minimum 80% removal level for parameters DBO5_Biochemical Oxygen Demand_, SST_Total Suspended Solids_, fats and oils established in Article 72, new user, Decree 1594 of 1984._ Metropolitan Resolution No. S.A. 000415 of April 28, 2014. A plea for conclusion was presented.	It is not possible to know the sanction to be imposed.
National Environmental Licensing Authority “ANLA”	Construction of a mini-center without authorization and use the ecological flow to generate energy without being authorized in environmental license (Porce III hydroelectric plant)_Auto 4335 of December 17, 2013.	It is not possible to know the sanction to be imposed
Metropolitan Area of the Valley of Aburra	Discharge of domestic wastewater to the ravine La Paulita as a result of the rupture of the collector. St. Peter's building	It is not possible to know the sanction to be imposed.
National Environmental Licensing Authority “ANLA”	Termosierra 1. To carry out the air quality samples reported in ICA 13, 14 and 15, without the periodicity established by the Industrial Air Quality Monitoring System, authorized in the environmental instrument corresponding to this project. 2. For conducting environmental noise monitoring reported in ICA 13, 14 and 15, with an Environmental Laboratory not accredited by IDEAM._Auto 350 of February 5, 2018. SAN0142-00-2017.	No charges have been made, and it is not possible to know the sanction to be imposed.

Third	Pretension	Value
National Environmental Licensing Authority “ANLA”	Use of explosives in construction of Nueva Esperanza tower. The environmental license granted by this resolution does not cover any kind of work or activity other than those described in the Environmental Impact Study, the Environmental Management Plan, and in this administrative act. _ Auto 02574 of June 27, 2017 ANLA_	It is not possible to know the sanction to be imposed; disclaimers were filed
Metropolitan Area of the Valley of Aburra	Dumping of domestic wastewater from the rupture of the sewage pipe that leads to these waters, on a potrero and later on the gorge Dona Maria, a property called Torremolino. Allegations of conclusion were submitted on 2 September 2022.	It is not possible to know the sanction to be imposed; no charges have been made.
Metropolitan Area of the Valley of Aburra	In an authorized channel occupation over the La Malpaso gorge, a bed covering was observed and the walls of it in particular cyclopeo, work was not approved by the environmental authority. Metropolitan Resolution N° S.A. 1002 of June 4, 2020 aburra “by means of which an administrative procedure of an environmental sanction is initiated”.	It is not possible to know the sanction to be imposed; no charges have been made.
National Environmental Licensing Authority “ANLA”	Do not submit the Definitive Biodiversity Loss Compensation Plan, in accordance with the established guidelines and Environmental License, in accordance with the provisions of the Handbook for the Allocation of Biodiversity Loss Compensation issued by the Ministry of Environment and Sustainable Development. New Hope. ORDER INICIO No. 08029 (24 August 2020), file: SAN0175-00-2020	It is not possible to know the sanction to be imposed; it has only begun.
National Environmental Licensing Authority “ANLA”	1. To have carried out the dumping of the waste water generated in the Nueva Esperanza substation, by means of infiltration fields, without the corresponding modification of the Environmental License. 2. Not to have presented the results obtained during the measurements made at the concentrations of particulate matter, SOx and NOx, which were carried out during the construction stage of the New Hope substation. 3. Have not carried out the animal monitoring for the groups of mammals, amphibians and reptiles, for the year 2018." New Hope. Auto 01479 March 17, 2021 -SAN030-00-2021	Disclaimers were filed on July 19, 2023 POSSIBLE
Ministry of Environment and Sustainable Development_MAD_	Do not allow documentation of the Banker's property, on its acquisition and participation of the Environmental Authority in its selection, processing of forest reserve area, Project Nueva Esperanza at 500 kv. A cessation of procedure 28/11/2022 was requested	It is not possible to know the sanction to be imposed; it has only begun.
Metropolitan Area of the Valley of Aburra	To verify the facts or omissions constituting a violation of the environmental standards in force with regard to the flora resource. Irregular pruning intervention of one (1) tree individuals of the species Chiminango. Metropolitan Resolution N° S.A. 001 of January 2, 2023 “through which an environmental sanction procedure is initiated”	Disclaimers were filed on September 5, 2023. Possible discards.
Metropolitan Area of the Valley of Aburra	Sludge discharge to the outlet channel of the lagoon toward the river aburra-Medellin, then the dilution with water of the Manantiales Potabilization Plant, with a flow of approximately 26 liters/second (diluted sludge) on September 9, 2021. Metropolitan Resolution No. S.A. 2357 of September 21, 2022. “Through which an environmental sanction procedure is initiated”	There were discards. POSSIBLE.

Third	Pretension	Value
Metropolitan Area of the Valley of Aburra	To verify the facts or omissions constituting a breach of the existing environmental rules concerning the natural water resource, basically by the non Presentation-timely sharing of information. Metropolitan Resolution N° S.A. 0027 of January 3, 2023 "through which an environmental sanction procedure is initiated"	Possible
Regional Autonomous Body of the Black and Nare River Basins	Alleged intervention without authorization to the channel of the unnamed water source in the sector El Tranvia of the municipality of Rionegro and the capture of a flow of water in a hydraulic work, directed entirely by a canal, without permission from the competent environmental authority. Resolution RE-00012-2023 "through which a preventive measure is imposed"	Possible
National Environmental Licensing Authority "ANLA"	1. Do not submit certificates, records, and information in Environmental Compliance Reports 2. For not restoring the whole of eroded areas and without vegetation. 3.Inadequately dispose of excess building materials. 4.To make a forest harvest greater than the one approved in the Environmental License, on the coverage of "Gallery Forest or Ryparium" 5.Construction and installation of 2 new towers. "MEDIUM MUFFIN AT 230 KV". By means of Auto 4577 of 17 June 2022, it provides that the requested procedure should not be terminated and makes a statement of five objections. On July 15, discards were filed against the Auto 4577 of June 17, 2022. CAR No. 03458 _ (June 27, 2018)-SAN-140-00-2017. Auto 4577 of June 17, 2022.	Possible
CORANTIOQUIA _ South aburra	Occupation of the channel in the La Honda Gorge without authorization	Possible
CORANTIOQUIA _ South aburra	Alteration of the water and landscape resource. Presence of blue coloring in the gorge The dirty one that conflows to the right bank of the Medellin River at the level of the channels of the ravines The Dirty and the Mine in the bridge of the Metro Station of Envigado.	Disclaimers were filed on December 27, 2023. Possible
CORANTIOQUIA _ South aburra	Alleged damage to wastewater to La Hondita Gorge	Possible
CORANTIOQUIA _ South aburra	Damage to local networks and associated collectors of the sewage system at the Refugio del Esmeraldal Park. Administrative Act 130AS-1208-9159 of August 2, 2012.	Possible
CORANTIOQUIA _ South aburra	Dumping of domestic wastewater in the margin of the Peladeros gorge in the Los Gomez vereda of the Manzanillo district of the municipality of Itagui. Administrative Act 130AS-1601-12557 of January 26, 2016.	Possible
CORPOGUAJIRA	For failing to comply with Article 2,2,6,1,3,1(f) of Decree 1076 of 2015 as regards the obligations of the generator of hazardous waste or waste at the Jepirachi wind farm (register with the competent environmental authority for one time and keep the registration information updated annually). Auto 976 of October 2, 2017; Resolution 1373 of September 29, 2020.	It is not possible to know the sanction to be imposed; no charges have been made.

Third	Pretension	Value
National Environmental Licensing Authority “ANLA”	Having carried out inadequate practices with respect to surface water sources in the project's area of influence; having carried out the collection of the water resources from the Quebradas “El Roble”, “Burunda” “Bolivia” and “Guacimal”, at flows higher than the concessionaires and/or authorized for the development of the project; not having implemented in each of the concessioned water bodies, the infrastructure that would allow monitoring of the remaining flows, for the purpose of being presented in the environmental compliance reports; Not having carried out and delivered water quality monitoring and hydrobiological communities in the “Cauca River”, under the conditions set out in the environmental license. For not having carried out the reformation and recovery of the channel of the “San Andrés River” and of its flood zone to its natural conditions, within the time granted; having carried out the exploitation of stone materials coming from “San Andrés River”, without the updated environmental permits; For not having delivered the results of the sediment monitoring of “Rio Cauca”, in order to establish the baseline of comparison at the time of the start of the project's operation phase. Having exceeded the maximum permissible levels of PST (particulate matter) and atmospheric pollutants in the asphalt plant located in the “El Valle” Industrial Zone; for not having built the necessary facilities and infrastructures in the asphalt plant chimney for monitoring emissions from fixed sources; For failing to comply with the management measures of the “Management and Disposal Plan of Materials and Botadero Areas” disposition of plant material mixed with inert material within the deposits and lack of signaling of the material disposal zones that remain active. All this in the area of influence of the project “construction, filling and operation of the Pescadero - Ituango Hydroelectric Project… (SAN0033-00-2019_Auto 2920 of 2015).	It is not possible to know the sanction to be imposed. Decadergo tare registered with 2018041852-1-000 of 10 April 2018 Presentation
National Environmental Licensing Authority “ANLA”	Auto 00009 of January 8, 2021 La ANLA initiates the environmental sanction procedure for the contingency associated with the auxiliary deviation system, to verify the following facts: 1. Not to have reported within the term provided for in the law (24 hours) the contingent event that occurred on April 28, 2018. 2. To have continued the construction of the SAD and its infrastructure, without having sufficient technical information related to the environmental characterization of the area operated for the geology and geotechnical components. 3. For allegedly generating negative impacts on renewable natural resources. 4. Not having guaranteed for the first days of the month of May of the year 2018 and before the evacuation of the water dam of the Cauca River by the project's machine house, the ecological flow of that source downstream of the dam site, to ensure the integrity of ecosystem services and environmental protection goods that are part of the water source. By the contingency associated with the Auxiliary Deviation System. *No charges are available; however, a request was made for a cessation of the sanctioning procedure by Communiqué No. 2018064395-1-000 of 24 May 2018 (SAN0097-00-2018_Auto 02021 of 2018)	Without any charges, the lawyer considers it possible. The opinion of the expert expert expert expert (Poyry) for the lifting of the preventive measure was submitted on 30 December 2021. By means of Auto No. 4076 of June 07, 2023, notified on June 16, THE ANLA ordered a series of administrative proceedings in the course of the environmental sanction procedure. To date, no charges have been made.
National Environmental Licensing Authority “ANLA”	HYDROELECTRIC ITUANGO S.A. E.S.P. - HIDROITUANGO S.A. E.S.P. *Initiation of sanction procedure for not guaranteeing downstream water of the dam of the project “Construction and operation of the Pescadero - Ituango hydroelectric project” The ecological flow to ensure the integrity of the ecosystem services and the environmental protection goods that are part of the water source “Rio Cauca”.	Without any charges, the lawyer considers it possible.

Third	Pretension	Value
	By Car 4915 of 29 June 2022, charges were made. Written disclaimers were filed on August 5, 2022. Auto No. 8016 of September 29, 2023 - ANLA opens a probationary period and orders the practice of tests requested by the Society and those considered by it. *No charge formulation available. (SAN0001-2019_Auto 0060 of 2019/01/21)	
National Environmental Licensing Authority “ANLA”	HYDROELECTRIC ITUANGO S.A. E.S.P. – HIDROITUANGO S.A. E.S.P. 1. Dumping on intermittent dry channel X=1157241 and Y=1281506 coordinates 2. Discharge to the rain water channel from the mixer wash system located in the industrial zone of main works THE ANLA opened a sanctioning file but it has not been formally initiated. By Resolution No. 1222 of December 03, 2013, THE ANLA imposed preventive measures to suspend dumping. By Resolution No. 1363 of October 31, 2017, the ANLA lifted the preventive measure mentioned above. Auto 1282 On March 22, 2019, an environmental sanction file was opened Auto 03429 of April 24, 2020, ANLA initiates Environmental Sanctioning Procedure Auto No. 1821 of 21 March 2023, ANLA formulates statement of objections. With Vital Communiqué No. 3500081101479823041 of April 14, 2023, written disclaimers are presented. Office No. 20231420526581 of October 20, 2023 by which THE ANNA cites witness proceedings. On October 26, the witness test is practiced. License file LAM2233 for the same to work in file SAN0031-2019.	Without any charges, the lawyer considers it possible.
National Aquaculture and Fisheries Authority_“AUNAP”	HYDROELECTRIC ITUANGO S.A. E.S.P. – HIDROITUANGO S.A. E.S.P. *Start preliminary investigation for affects to fishing activity during the closing of the machinery house gates. *No charge formulation available. (No file AUNAP_Auto 002 of February 14, 2019).	Without any charges, the lawyer considers it possible.
National Environmental Licensing Authority “ANLA”	HYDROELECTRIC ITUANGO S.A. E.S.P. – HIDROITUANGO S.A. E.S.P. Repeated non-compliance with imposed obligations. La ANLA charged with Auto No. 8082 of october 03, 2023. By writing with Vital Communiqué No. 3500081101479823141 on october 30, 2023, a written statement of disclaimers was filed. The sanction procedure is being processed by Auto 11359 of December 19, 2019. SAN0284-00-2018 _December 19, 2019_.	Situation not resolved. To date, they have not made any charges.

Third	Pretension	Value
National Environmental Licensing Authority "ANLA"	HYDROELECTRIC ITUANGO S.A. E.S.P. – HIDROITUANGO S.A. E.S.P. Non-compliance Contingency Obligations: - Not having permanently carried out the proper management of non-domestic wastewater and filtration in the left margin of the Gallery 380 MI. - Not having presented the hydrogeological model of the right margin of the project. - Not to have presented the cartographic information related to water quality and hydrobiological monitoring to be carried out at different points downstream of the project dam site. - Not having presented the results of the monitoring of offensive odors, water quality and physiochemical sludge quality during the pumping activity of the machine house. Auto No. 2423 of March 30, 2020, by which environmental sanction procedure is initiated. With vital registered N°3500081101479823014, a replacement appeal is filed against Auto N°00101 of 2023, which denied the practice of tests. Auto N°3541 of May 19, 2023, by which the ANLA confirms the Auton°00101 of January 11, 2023, which denies the practice of tests. Trade no. 20236600141911 of June 09, 2023, by which the ANLA gives a response to an authorization submitted by the company Hidroelectrica Ituango S.A. E.S.P. for the electronic notification of Auto No. 3541 of 19 May 2023, in which the entity denies a replacement appeal filed against Auto No. 00101 of january 11, 2023 (which denies evidence), with that decision being signed. SAN0030-00-2020_ March 30, 2020_ To date no charges have been filed.	Situation not resolved. Charges were filed by Auto 9812 of 18 November 2021 and charges were filed on 13 December 2021.
National Environmental Licensing Authority "ANLA"	HYDROELECTRIC ITUANGO S.A. E.S.P. – HIDROITUANGO S.A. E.S.P. Repeated non-compliance with the obligations imposed under the contingency. Initiation of the environmental sanction procedure by means of Auto No. 06576 of July 13, 2020. The ANLA made statements of objections by means of Auto No. 7190 of 06 September 2023. On September 29, 2023, written disclaimers were filed with Vital Vital No. 3500081101479823123 SAN1285-00-2019 _ July 13, 2020_	Situation not resolved. To date, they have not made any charges.
National Environmental Licensing Authority "ANLA"	HYDROELECTRIC ITUANGO S.A. E.S.P. – HIDROITUANGO S.A. E.S.P. _ Pass air quality and odor monitoring without meeting protocols established by the Minambiente. _Perform sample analysis for air quality and odor sampling by laboratories not accredited to IDEAM. Initiation of the environmental sanction procedure by means of Auto No. 07774 of August 14, 2010. Charges were filed by Auto 9931 of 22 November 2021 and charges were filed on 13 December 2021. By means of Vital Nº 3500081101479823015, a replacement remedy is presented against Auto Nº 00104 of 2023 by which THE ANLA denies the practice of tests. Auto N°3418 of May 15, 2023, by which THE ANLA resolves the appeal of replacement filed against the second article of Auto N°00104 of January 11, 2023, confirming it in its entirety. SAN1258-00-2019 _ August 14, 2020_ To date no charges have been filed.	Situation not resolved. To date, they have not made any charges.

Third	Pretension	Value
National Environmental Licensing Authority “ANLA”	HYDROELECTRIC ITUANGO S.A. E.S.P. – HIDROITUANGO S.A. E.S.P. _ Verifications and uptake of water at unauthorized points Exceilling of catchment flow with respect to the authorized lack of monitoring in specific periods Overcoming of discharge flow with respect to the authorized. Initiation of the environmental sanction procedure by means of Auto No. 4173 of June 2, 2022. By Resolution No. 00617 of March 29, 2023, the ANLA imposes a preventive measure consisting of the suspension of the discharges of domestic wastewater that are discharged into the water sources “Rio San Andrés” and “Quebrada Tacui”, Coming from the domestic wastewater treatment systems of Camp Tacui Cuni, “TACUI CASINO PORTERIA”. SAN0067-00-2022 _ June 2, 2022_ To date no charges have been filed.	Without any charges, the lawyer considers it possible.
National Environmental Licensing Authority “ANLA”	HYDROELECTRIC ITUANGO S.A. E.S.P. – HIDROITUANGO S.A. E.S.P. _ 1. Failure to implement measures to control erosion and degradation of conditions on the slopes and on the upper and lower slopes in the area known as “La Honda”, Between the abscissa of km 17+800 - km 18+221 - Bridge 32 in the La Honda Gorge of the way Puerto Valdivia – Presa. 2. To have carried out the occupation of the channel of the body of waters “Quebrada Tacui”, without having previously obtained the modification of the Environmental License granted for the development of the project (Res. no. 0155 of 2009). Auto N°5345 of July 17, 2023 by which THE ANLA provides to initiate environmental sanction procedure SAN0076-00-2023 _ 17 July 2023_ To date no charges have been filed.	Without any charges, the lawyer considers it possible.
Metropolitan Area of the Valley of Aburra	Alleged environmental affectation to the flora resource due to the severe pruning of one (1) individual tree of the species Cheflera (Schefflera actinophylla). Metropolitan Resolution No. S.A. 1050 of June 8, 2020 “through which an environmental sanction procedure is initiated”.	It is not possible to know the sanction to be imposed; no charges have been made.
Corantioquia - South aburra Territorial Office	Non-compliance with the permit for forest harvesting and harvesting of species in good condition and in closed conditions without permission. Administrative Act 160AS-1506-12031 of June 17, 2015.	It is not possible to know the sanction to be imposed; disclaimers were filed
Corantioquia - Tahamies Territorial Office	To make charges against PUBLIC COMPANIES IN MEDELLIN, identified with NIT 890.904.996-7, for the alleged commission of environmental offenses on the basis of guilt and for the effects caused to the flora resource, derived from the events consisting of the burning of a sector of approximately 10 hectares, being 2,5 hectares of natural forest and stubble. Resolution 160TH-ADM1903-1901 of March 29 and 2019- TH4-2013-8	It is not possible to know the sanction to be imposed.

Works for tax purposes

The Group also has as contingent liabilities, works for taxes, with the following information:

In exercise of the provisions of Article 238 of Law 1819 of 2016, Empresas Públicas de Medellín E.S.P. -EPM- as a taxpayer of income tax and complementary taxes was linked to the mechanism of works for taxes, among others, with the project "Improvement of tertiary roads in Cocorná" prior concept of technical feasibility of the Ministry of Transport, as a form of payment of a portion of the income tax for the 2017 taxable period in the amount of $33,701 million, with a 10% stake by Empresa de Energía del Quindío S.A. E.S.P. -EDEQ-. Subsequently, the Ministry of Transport objected to the scope of the project, resulting in the disappearance of the factual and legal basis of the administrative act linking to the mechanism, so that it lost its enforceability and consequently the project became unenforceable for EPM.

By virtue of the above and considering the decay of the administrative act, it is expected that the Directorate of National Taxes and Customs DIAN will issue the administrative act with which the extinction of the tax obligation would be obtained once the judicial discussion is concluded, in that order, the company is exploring alternatives and taking steps to achieve the closure of this issue. This situation could imply an accounting recognition of interest for arrears pending determination and assumption of the costs executed in the work, which to date amount to $1,011 million, once the procedure to which this matter is subject under the terms of Decree 1625 of 2016 is concluded.

In line with the exploration of alternatives that has been carried out, with the purpose of mitigating the risk of interest being caused by future arrears in the income tax of the taxable year 2017 of EPM and EDEQ, in the event of a possible declaration of non-compliance by means of a final administrative act by the competent national authority or a ruling by a judicial authority, An advance deposit was made on September 16, 2022, in favor of the DIAN for $77,985, which is reflected in the financial obligation of the companies as a surplus, which in legal and tax terms is equivalent to an overpayment or of what is not due and can be returned to taxpayers once this matter is definitively resolved in their favor. The deposit of these resources in no way obeys an express or tacit conduct of acceptance of any type of responsibility on the part of EPM and EDEQ and does not imply acceptance or manifestation of non-compliance with their obligations derived from the link to the mechanism of works for taxes. Nor do they waive any claims they may make in relation to this matter to show that there is no breach and therefore no interest or penalties should be paid.

Once it is determined that there was no non-compliance with the works for taxes mechanism by taxpayers, the DIAN must return any sum that results in favor of EPM and EDEQ.

In addition to the above, and as a mechanism to protect the interests of the companies, EPM filed a lawsuit before the Administrative Court of Antioquia in the exercise of the means of control of nullity and restoration of the right against: the Agency for the Renewal of the Territory (ART), the Ministry of Transport, the National Institute of Roads (INVIAS), the Directorate of National Customs Taxes (DIAN), and the National Planning Department (DNP). In order that, among others: the nullity of the administrative act issued by the Agency for the Renewal of the Territory on May 13, 2022, by virtue of which it refuses to recognize the exception of the loss of enforceability and/or request for a study of direct revocation of Resolution 175 of 2018 "by which a request for linking the payment of income tax and complementary taxes to an investment project in the areas most affected by the armed conflict – ZOMAC"; recognize the exception of "loss of enforceability" and, consequently, refrain from requiring EPM and EDEQ to comply with the obligations contained in Resolution 175 of 2018 issued by the ART, due to the lapse of the act within the framework of their competences within the works for taxes mechanism; it is declared that EPM and EDEQ made the timely and full payment of the resources destined for the cancellation of the income tax for the 2017 annuity. An appeal filed by EPM against the order rejecting the claim on the Lands that the act issued by the ART is not subject to judicial review is currently pending, pending the decision on the appeal by the Fourth Section of the Council of State.

It is important to note that since May 24, 2018, the resources for the payment of income tax by EPM and EDEQ taxpayers were deposited in the trust provided for the works-for-taxes mechanism whose income is recognized in favor of the competent national authority and therefore there is no reason to understand that there is a delay in the fulfillment of the tax obligation by the taxpayers. As of December 2023, yields amount to $11,508 million, of which $448 million have already been transferred to the General Directorate of Public Credit and National Treasury.

27.3.3 Contingent Assets

Company	Third party	Pretension	Value
EPM	The Nation Ministry of Health and Social Protection	The Ministry of Health has the legal and constitutional obligation to recognize and cancel the value of the services provided to affiliates in relation to medicines and/or procedures, interventions or elements not included in the Mandatory Health Plan (POS).	21,697
	Miscellaneous Administrative	97 Litigations under $922 with an average of $59.	8,334
	Interamericana de Productos Químicos S.A. (Interquim S.A.)	That by means of a judgment, the expropriation in favor of EPM of the right of ownership of the property called "Finca Torremolino" located in the village of San Diego, in the municipality of Girardota, owned by Interamericana de Productos Químicos SAS, which will be used for the execution of the project of the Girardota Wastewater Treatment Plant Project, be decreed by judicial means.	9,705
	Constructora Monserrate de Colombia SAS	That the expropriation be decreed by judicial means in favor of Empersas Públicas de Medellín E.S.P. for the Project "Expansion of the Capacity of the Prijunia Distribution in the Western Sector of Medellín-Cadena Occidente Tanque Calazans" property called Lot 7, located in the Altos de Calazans sector, of the Municipality of Medellín owned by the Sociedad Constructora Monserrate de Colombia SAS.	7,656
	Poblado Club Campestre Ejecutivo S.A.	To declare the Poblado Club Campestre Ejecutivo S.A., Optima S.A. Vivienda y Construcción and the Municipality of Envigado responsible for the damage to the collector owned by EPM, which collects and transports wastewater from the sanitary basin of the La Honda creek in the Municipality of Envigado, and to compensate EPM for the value of all patrimonial damages that are proven by the damage to the collector that collects and transports the wastewater of the sanitary basin.	4,533
	Notary Office 25 of Medellín	Reimbursement of the amount paid by EPM Ituango S.A. E.S.P., on December 1, 2011, duly indexed, is requested.	3,646
	Municipality of Envigado	Declare the inapplicability by means of which urban sanctions are established for being contrary to the Political Constitution, the Law and the Regime of Residential Public Services. Order that EPM be reimbursed $655,460,000 for the penalty imposed in the administrative acts whose nullity is requested.	1,307
	Corantioquia - Corporación Autónoma Regional del Centro de Antioquia	That the nullity of Article Five of Resolution No. 130 TH - 1302 - 9864 issued by the Tahamíes Territorial Director of "Corantioquia" be declared null and void for the fee for the use of surface water for the period 2011, from the Rio Grande source, at a flow of 19.5 m3/sec. To reimburse Empresas Públicas de Medellín E.S.P., the higher amount paid for the fee for the use of Surface Water Dec. 155 - 4742, Hydrological Unit: Magdalena River - Cauca, between January 1, 2011 and December 31, 2011 made by invoice TH - 1927 of April 30, 2012. That Corantioquia be ordered to recognize and pay EPM the legal, current and default interest that has been legally caused; to the payment of the costs and agencies in law to which they may be entitled in accordance with the provisions of Article 188 of Law 1437 of 2011 and other concordant regulations.	834
	SSPD - Superintendence of Residential Public Services	That the official settlement of the Special Contribution for the Year 2022 by the aqueduct service and official settlement of the special contribution be declared partially null and void and that, as a result of the nullity, the right of EPM be restored, the refund of the sum of money corresponding to the highest value cancelled for the aforementioned concept and the interest caused on the sums claimed from the time of payment of the the contribution.	778
	Other	Process for an amount less than $702.	592
Total EPM			**59,082**
CENS	Corporación Minuto de Dios y Otros	To impose in favor of CENS S.A. E.S.P. the public easement for the transmission of electric energy over the properties; building electrical infrastructure; allow transit through the area; removing crops and other obstacles; construct temporary roads and/or use existing ones; prohibit the planting of trees that may hinder the exercise of the easement and registration of the easement sentence.	2,512
	Consorcio CDE Ltda.	Obtain cancellation of the resources owed in favor of CENS	1,254
	Superintendency of Residential Public Services	Declare the nullity and order the return of the net amount of money, which was paid by CENS S.A. E.S.P. for the sanction in the form of a fine imposed by the SSPD.	1,119
	Other civil, labor, criminal, and	Other processes with an amount of less than $20 million.	250

Company	Third party	Pretension	Value
CENS	administrative proceedings with an amount of less than $20 million		
	Municipality of Medellín	Declare null and void so that any sum that it may pay for the Special Public Works Contribution may be reimbursed to the CENS.	589
	Ministry of Environment and Sustainable Development - MINAMBIENTE	Declare the nullity and order the ANLA to reimburse CENS of any sum that it may pay as sales tax for the acquisition of BT multiplex braided cable for the Rural Electrification project.	317
	Ladrillera Colcucuta Gres SAS	That it declares itself non-contractually liable for the unlawful damage caused to CENS, as a result of the destabilization of the land where a medium-voltage concrete pole is supported, for which it is requested that the defendant be ordered to make payment for the stabilization of the land that supports the 34.5 kV structure.	233
	Nelson Osvaldo Cubides Herrera	It is required to impose an easement strip of 8,681.11 square meters in favor of CENS, on a lot of land called "Lot A alligator island", located in the municipality of San José de Cúcuta and identified with the real estate registration No, 260-101376 of the ORIP of Cúcuta. Property of Mr. Nelson Osvaldo Cubides Herrera.	39
Total CENS			**6,313**
Waters of Malambo	Municipality of Malambo	A payment order is issued against the Municipality of Malambo - Atlántico and in favor of Aguas de Malambo S.A. ESP. for interest on arrears on the previous principal from December 31, 2012 until the obligation is cancelled.	3,800
	Municipality of Malambo - Subsidies	I request that a Payment Order be issued against the Municipality of Malambo - Atlántico, for the concept of capital and for the value of the default commercial interest from the date on which the default was incurred until the payment of the obligation is made in full at the maximum legal rate allowed.	1,216
Total Waters of Malambo			**5,016**
AGUNAL	Buenos Aires Consortium and Others	The purpose of the lawsuit is to obtain a declaration of contractual civil liability of the Buenos Aires Consortium and the Sanitation 17 Consortium with respect to the Audit Contract, causing the damages that are the subject of the compensation claim specified in the lawsuit.	4,109
Total AGUNAL			**4,109**
Regional Waters	Municipality of Chigorodó and Others	Please issue an order for payment in favor of Aguas de Urabá S.A. E.S.P and against the Municipality of Chigorodó, legally represented by Dr. Daniel Segundo Álvarez, in his capacity as mayor, or by whoever takes his place at the time of service of the lawsuit.	2,299
	CORANTIOQUIA	Demand for imposition of easement of sewer utilities.	199
	Jesús Aguirre and Others	To impose in favor of Aguas Regionales S.A. E.S.P. the real right of easement of public sewerage services, over the property in the rural and urban area of the Municipality of San Jerónimo.	250
	Miscellaneous Prosecutors and Administrative Officers	Miscellaneous Prosecutors and Administrative Officers	956
	SSPD - Superintendence of Residential Public Services	Refund of the sum of money corresponding to the highest amount cancelled for the Special Contribution of the year 2018.	70
Total Regional Waters			**3,774**
Emvarias	DIAN Directorate of National Taxes and Customs	That the official letters issued by the Internal Working Group for the Control of Obligations of the Sectional Tax Directorate of Medellín, by which the requests for correction of the income tax returns were denied, be declared null and void.	1,769
	Superintendency of Residential Public Services	Declare null and void the official notices issued denying the requests for correction of the income tax returns, taxable years 2016, 2017 and 2018.	206
Total Emvarias			**1,975**
ESSA	SSPD - Superintendence of Residential Public Services	The nullity of the administrative acts issued by the Superintendence of Residential Public Services (SSPD) on the Special Contribution for the year 2016 is declared.	1,735
	Ministry of Labour	Administrative acts issued by the Ministry of Labour are declared null and void. That the defendant be ordered to comply with the judgment in the	400

Company	Third party	Pretension	Value
ESSA		terms established in Article 192 of the Code of Administrative Procedure and Administrative Litigation.	
Total ESSA			**2,135**
CHEC	Jose Alonso Arias Reyes	Imposition of easement	43
	SSPD - Superintendence of Residential Public Services	Declare the nullity and reinstatement of the right	14
	Paula Andrea Botero Díaz	Damages for forgery of a document	9
	Bertha Elena Romero García and Others	Indemnity	6
Total CHEC			**72**
Total contingent assets - Litigation			**82,476**

Amounts stated in millions of Colombian pesos-

Estimated payments and receipts

The estimate of the dates on which the Group believes it will be required to make payments related to the contingent liabilities or receive collections on the contingent assets included in this note to the consolidated statement of financial position at the balance sheet date is as follows:

Years	Contingent liabilities	Contingent assets
To one year	1,380,094	32,120
To two years	351,743	15,707
To three years	225,420	9,416
To four years and beyond	3,350,528	44,139
Total	**5,307,785**	**101,382**

Amounts stated in millions of Colombian pesos

Note 28. Other liabilities

The composition of other liabilities is as follows:

Other liabilities	2023	2022
Non-current		
Amounts received in advance	71,613	76,093
Resources received in administration	17,956	20,230
Collection received for third parties [1]	10	10
Revenue received in advance [2]	9,250	5,617
Government grants	393,549	518,083
Assets received from customers or third parties	19,048	26,066
Other deferred loans	20,810	20,881
Transfer of assets and financial guarantees	29,886	40,874
Total other non-current liabilities	**562,122**	**707,853**
Current		
Amount received in advance	92,078	107,571
Resources received in administration	7,262	17,022
Collection received for third parties [1]	324,364	518,689
Revenue received in advance [2]	1,154,849	645,286
Government grants	119,349	119,505
Assets received from customers or third parties	22	23
Transfer of assets and financial guarantees	8,179	10,248
Total Other Current Liabilities	**1,706,103**	**1,418,344**
Total Other Liabilities	**2,268,225**	**2,126,198**

Amounts stated in millions of Colombian pesos-

[1] It corresponds to the collections received for contributions of public works and UdeA stamp, from the employees' fund, from the Sanitation fee to Emvarias, Public lighting to the different municipalities of Antioquia, the commercial representation contract that EPM has with ESSA and CHEC and the collections to be classified according to IAS 32.

[2] It corresponds to the collections received for leasing, sales of energy service, public lighting, reliability charge, registration of the POIR for aqueduct and sewerage, sales of gas service, agreements made with different entities and compensations from the biller.

28.1 Deferred reinsurance commissions

The detail of deferred reinsurance commissions, which is included in prepaid income, is as follows:

Deferred income for reinsurance commissions	2023	2022
Initial Balance	14,658	10,466
Additions	35,049	42,622
Amortization	(33,656)	(38,430)
Final Balance	**16,051**	**14,658**

Amounts stated in millions of Colombian pesos -

Corresponds to reinsurance commissions of the subsidiary Maxseguros and is included in other deferred income (see note 28.3).

28.2 Government grants

The movement in government grants as of the cut-off date is as follows:

Government grants	2023	2022
Initial Balance	637,589	753,346
Granted during the period	150	317
Recognized in the period result [1]	(119,938)	(119,985)
Foreign currency conversion effect	(4,716)	4,131
Other changes	(186)	(221)
Final Balance	**512,898**	**637,588**
Non-current	393,549	518,083
Current	119,349	119,505
Carrying amount as of December 31	**512,898**	**637,588**

Amounts stated in millions of Colombian pesos -

[1] Corresponds to the subsidies of Caribemar de la Costa S.A.S E.S.P., received from the Government as compensatory payments for the variations in the collection indicators and energy losses, in accordance with the share purchase agreement signed by Electrificadora del Caribe S.A. E.S.P. - in liquidation (the Seller) and Empresas Públicas de Medellín E.S.P. (the Purchaser) on March 30, 2020.

The Group has received grants from the Inter-American Development Bank (IDB) for the micro and small business financing program; from Financiera del Desarrollo (FINDETER) as a favorable rate loan for the construction of water and sewage infrastructure; from Fondo para la Reconstrucción del Eje Cafetero (FOREC) for the reconstruction of energy networks as a result of the earthquake in that region of the country.

The Group has not failed to comply with any of the conditions related to the grants.

28.3 Deferred income

The detail of deferred income as of the cut-off date was as follows:

Deferred income	2023	2022
Non-current		
Leases	862	30
Construction contracts	5,382	2,186
Sales	-	264
Sale of energy service	2,941	3,109
Other income received in advance	65	28
Total non-current deferred income	**9,250**	**5,617**
Current		
Leases	118	1,110
Construction contracts	118,320	83,423
Sales [1]	613,219	271,732
Sale of energy service [2]	107,279	99,420
Sale of aqueduct service [3]	137,048	85,648
Sale of sewerage service [3]	81,817	45,826
Sale of cleaning services	-	677
Sale of gas fuel service	3,499	3,511
Other income received in advance [4]	93,549	53,939
Total current deferred income	**1,154,849**	**645,286**
Total deferred income	**1,164,099**	**650,903**

Amounts stated in millions of Colombian pesos -

[1] The increase is explained by higher amounts received in advance for all services provided, mainly in long-term energy, electricity and regulated market energy contracts.

[2] The higher value was in the revenue received in advance under the reliability charge due to a higher value received in the sale of the energy service.

[3] This value is recorded annually for the Water Tariff Structure, which applies to the measurement and recognition of the revenue received in advance from the execution. of the "Regulated Works and Investment Plan (POIR)", which is approved by the CRA and generates the obligation to execute the investments, the component of the tariff that corresponds to this obligation should not be recognized until it is executed, IFRS 15 states that an entity shall only recognize revenue when it has satisfied the required or contracted performance obligations.

[4] Includes $16,051 (2022: $14,658) for deferred reinsurance commissions of the subsidiary Maxseguros.

Note 29. Changes in liabilities for financing activities

The reconciliation of liabilities arising from financing activities is as follows:

Reconciliation of liabilities arising from financing activities 2023	Initial Balance	Statement of cash flows	Changes other than cash		Other changes [1]	Total
			Foreign currency movement	Fair value changes		
Loans and borrowings (see note 21)	29,490,269	2,100,963	(2,103,780)	-	(1,610,512)	27,876,940
Lease liabilities (see note 23)	874,146	(109,816)	-	-	131,468	895,798
Pensional Bonds (see note 23)	648,421	(47,735)	-	-	161,090	761,776
Hedge instruments	(462,667)	-	-	2,089,356	(9,965)	1,616,724
Dividends or surpluses paid	68,799	(1,844,117)	-	-	1,832,462	57,144
Capital subsidies	637,589	150	-	-	(124,842)	512,897
Other funding flows	-	3,696	-	-	(3,696)	-
Total liabilities for financing activities	**31,256,557**	**103,141**	**(2,103,780)**	**2,089,356**	**376,005**	**31,721,279**

Amounts stated in millions of Colombian pesos -

Reconciliation of liabilities arising from financing activities 2022	Initial Balance	Statement of cash flows	Changes other than cash		Other changes[1]	Total
			Foreign currency movement	Fair value changes		
Loans and borrowings (see note 21)	25,765,792	255,296	1,757,858	-	1,711,323	29,490,269
Lease liabilities (see note 23)	726,236	(63,672)	-	-	211,582	874,146
Pensional Bonds (see note 23)	659,443	(61,475)	-	-	50,453	648,421
Hedge instruments	27,970	37,233	-	(328,087)	(199,783)	(462,667)
Dividends or surpluses paid	55,358	(2,023,436)	-	-	2,036,877	68,799
Capital subsidies	753,346	317	-	-	(116,074)	637,589
Other funding flows	-	(3,130)	-	-	3,130	-
Total liabilities for financing activities	**27,988,145**	**(1,858,867)**	**1,757,858**	**(328,087)**	**3,697,508**	**31,256,557**

Amounts stated in millions of Colombian pesos -

1 It includes interest paid during the year by $2,223,197 (2022: $1,885,286), which by company policy are classified as operating activities in the statement of cash flows; Interest Caused $2,454,856 (2022: $2,467,617); conversion effect $-1,451,711 (2022 $1,153,055); dividend and surplus ratios $1,832,462 (2022 $2,036,877) and Other $-236,406 (2022 $-73,563).

Note 30. Deferred Regulatory Accounts

The balance of the deferred regulatory accounts as of the date of presentation of the consolidated financial statements corresponds to the local regulatory framework applicable to the subsidiary Elektra Noreste S.A. – ENSA, established by the National Authority of Public Services of Panama (ASEP). This entity is in charge of regulating and establishing the fees that the Company bills its customers. The Company maintains its accounting records in accordance with the uniform system of accounts established by ASEP for electric utilities.

The regulated system under which the Company operates allows any excess or deficiency between the estimated cost of energy considered in the tariff and the actual cost incurred by the Company to be included as a compensatory adjustment, to be recovered from (or returned to) customers, at the next tariff review. Any excess in the cost of energy charged to customers is accrued as a deferred regulatory account credit balance in the Group's consolidated statement of financial position and entails a reduction in the next tariff review to be applied to customers. In the same way, any deficit in the cost of energy charged to customers is accumulated as a debit balance in a deferred regulatory account in the Group's consolidated statement of financial position and leads to an increase in the next tariff review to be recovered from customers.

Deferred regulatory accounts with debit balance represent likely future revenues associated with certain costs that are expected to be recovered from customers through the fee process. Deferred regulatory accounts with credit balances represent likely reductions in future revenue associated with amounts that are expected to be credited to customers through the fee process.

The movement of the regulatory accounts is as follows:

Deferred regulatory accounts	Asset	
	2023	2022
Initial Balance	56,115	136,282
Result for the period	105,156	(97,743)
Foreign currency conversion effect	(23,388)	17,576
Final Balance	137,883	56,115

Amounts stated in millions of Colombian pesos -

Balances associated with regulatory accounts deferred in accordance with the regulation must be recovered or repaid within the following two semesters.

The movement in deferred taxes associated with regulatory accounts is as follows:

Deferred regulatory accounts	Liability	
	2023	2022
Initial Balance	(16,834)	(40,884)
Additions	-	-
Other changes	-	(1,048)
Result for the period	(29,408)	30,625
Foreign currency conversion effect	4,877	(5,527)
Final Balance	**(41,365)**	**(16,834)**

Amounts stated in millions of Colombian pesos -

Cash flows used/generated by regulatory accounts amounted to $(75,748) (2022: $67,117), which, by Group policy, are classified as operating activities in the statement of cash flows.

Note 31. Income from ordinary activities

For presentation purposes, the Group disaggregates its income from the services it provides, according to the lines of business in which it participates and the way in which management analyzes them. The breakdown of income from ordinary activities is as follows:

Ordinary activities revenue	2023	2022
Rendering of services		
Energy distribution service [1]	24,622,746	22,153,223
Energy generation service [2]	7,692,013	6,368,408
Energy transmission service	508,934	469,994
Energy intersegment eliminations	(1,901,776)	(2,007,900)
Gas fuel service [3]	1,505,667	1,219,000
Sanitation service	1,047,564	923,597
Aqueduct service [4]	1,952,762	1,709,254
Cleaning service	319,086	279,605
Insurance and reinsurance services	58,466	51,274
Financing services	79,732	73,821
Computer services	315	1,204

Ordinary activities revenue	2023	2022
Contracts with customers for the construction of assets [5]	402,209	199,132
Fees	19,582	10,653
Commissions	24,450	22,735
Billing and collection services	48,880	41,600
Financing component [6]	669,799	395,055
Other service [7]	500,704	378,808
Returns	(653,380)	(764,909)
Total rendering of service	**36,897,753**	**31,524,554**
Sale of goods	**83,399**	**55,457**
Leases	157,935	148,397
Total	**37,139,087**	**31,728,408**

Amounts stated in millions of Colombian pesos

1 The increase in the energy distribution and commercialization service is mainly due to: i) the recognition of the tariff option in the national energy subsidiaries in accordance with CREG resolutions 102 and 058 of 2020 for a value of $281,430, as follows: AFINIA $167,563, EPM $52,190, CHEC $42,859, ESSA $9,198, EDEQ 15,080 and CENS -$5,460; in addition, due to an increase in the energy tariff due to the fact that its components have an impact of macroeconomic factors (PPI and CPI), together with a greater amount of energy sold; ii) in the international subsidiaries: mainly by the subsidiary EEGSA due to the net effect of an increase in customers, higher units sold and a decrease in the average selling price; in ENSA, an increase due to greater demand for energy from the commercial sector and government and an increase in the sale price; in DELSUR the increase is due to a combined effect of higher sales to the industrial sector, decrease in the price of the tariff and lower energy losses, and in COMEGSA due to a greater amount of energy sold and an increase in the average sale price.

2 Power generation service increased year-over-year, mainly in EPM, CHEC and ESSA due to higher stock market and long-term power sales, along with higher prices given the increases in the IPP and TRM that impact the reliability charge.

3 The increase in the fuel gas distribution and marketing service is caused by higher rates due to an increase in the TRM and macroeconomic factors (CPI and IPP), in addition, by growth in demand from the regulated market, increase in sales to thermal power generation plants and other marketers.

4 The increase in the aqueduct service is basically explained by EPM due to the greater users and increase in indexation fees; in ADASA due to higher users, consumption and tariffs in both the regulated and non-regulated market and due to the growth of inflation; and in Hidrosur due to the higher rates for the sale of water in Catán, impacted by the UF (development unit), which in turn was affected by inflation.

5 The increase compared to the previous year corresponds mainly to TICSA's subsidiaries by $132,895 due to the fact that there is a greater number of projects in execution that are being completed, among which the construction of a wastewater treatment plant for Diageo México Comercializadora, S.A. stands out. (tequila don Julio) in Jalisco, Mexico. Likewise, the projects entered into with Gilbane Alberici Construcciones México S. de R. L. de C.V., Brown Forman and Seltzer Nava (entered into with Compañía Cervecera de Coahuila S. de R.L. de C.V.), which have had greater execution during the year 2023 and in ADASA for $82,817 for the performance of sanitary constructions to the company Copec and the construction of sections of track to the company Ferrovial for works on the Route of the Loa River.

6 The increase is explained by a combined effect of the subsequent valuation at amortized cost of the financing of public services, due to the increase in the reference rate for the collection of interest and additionally, by the financing component of the tariff option, in the national energy subsidiaries,

as follows: AFINIA $263,043, EPM $108,750, CENS $34,839, CHEC $16,575, ESSA $19,036, and EDEQ $9,580.

[7] The variation is mainly due to EPM in the Shared Services Center, for greater technical support services specialized in hardware and software and in others for billing and collection to third parties; in the subsidiary ADASA for $72,733 corresponding to other services related to the ADASA Quinchamale-Radomiro Tomic Codelco interconnection, which is part of the sanitary concession and the construction of infrastructure to third parties.

In the Group, performance commitments are met and measured on a cyclical basis, as the Group is mainly engaged in the provision of public services (regulated and non-regulated market, long-term contracts and secondary market) and the provision of services related to public services to other agents in the sector (reliability charge, firm energy, AGC). These public services are delivered to the user on a permanent basis, but consumption is measured, and income is recognized on a periodic, typically monthly basis.

The Group recognized the following values in the period, for contracts in force at the cut-off date:

Construction Contracts

The method used to determine the degree of progress of construction contracts is the
of the resource.

The Group recognized the following values in the period, for the contracts in force at the cut-off date described in the preceding paragraph:

2023	Contract asset balance at the beginning of the period	Contract asset balance at the end of the period	Liability balance at the beginning of the period	Liability balance at the end of the period	Income recognized during the period corresponding to the prior period liability	Outstanding value of performance obligations that are not met prior year
Contract 1 - FAER Contract GGC-105	-	-	1	1	-	1
Contract 3 - Ecopetrol Agreement	-	-	1,848	1,734	162	1,734
Contract 4 - Government Contract	-	-	134	134	-	134
Contract 6 - FAER Administration Fee GGC 105 and 313 - Construction contracts	-	1,867	4	4	-	4
Contract 7 - FAER Contracts 2019 Third Party Resources	-	1,584	8,052	2,815	8,052	-
Contract 8 - FAZNI Contract 2020	96	96	48	23	48	-
Contract 9 - OHL Arrangement	50	50	-	-	-	-
Contract 10 -FAER 2019-Administration	1,613	-	-	-	-	-
Construction contracts - TICSA	-	-	66,386	136,716	-	66,386
Construction contracts - agreements	476	235	281	3,336	-	281
Contract- Line construction contracts	2,869	1,227	8,211	12,760	-	8,211
Construction contracts - ADASA	163,342	119,672	36,664	6,628	22,399	14,265
Total	**168,446**	**124,731**	**121,629**	**164,151**	**30,661**	**91,016**

Amounts stated in millions of Colombian pesos

2022	Contract asset balance at the beginning of the period	Contract asset balance at the end of the period	Liability balance at the beginning of the period	Liability balance at the end of the period	Income recognized during the period corresponding to the prior period liability	Outstanding value of performance obligations that are not met prior year
Contract 1 - FAER Contract GGC-105	-	-	1	1	1	1
Contract 3 - Ecopetrol Agreement	-	-	1,895	1,848	29	1,848
Contract 4 - Government Contract	-	-	134	134	23	134
Contract 6 - FAER Administration Fee GGC 105 and 313 - Construction contracts	-	-	4	4	-	4
Contract 7 - FAER Contracts 2019 Third Party Resources	614	-	30,041	8,052	333	8,052
Contract 8 - FAZNI Contract 2020	-	96	2,296	48	764	48
Contract 9 - OHL Arrangement	52	50	-	-	47	-
Contract 10 -FAER 2019-Administration	782	1,613	-	-	782	-
Construction contracts - TICSA	-	-	32,644	66,386	-	-
Construction contracts - agreements	879	476	940	281	-	-
Contract- Line construction contracts	-	2,869	-	8,211	5,582	-
Construction contracts - ADASA	-	163,341	-	36,665	-	-
Total	**2,327**	**168,446**	**67,954**	**121,629**	**7,560**	**10,087**

Amounts stated in millions of Colombian pesos

Other contracts with customers clients

2023	Contract asset balance at the beginning of the period	Contract asset balance at the end of the period	Liability balance at the beginning of the period	Liability balance at the end of the period	Income recognized during the period corresponding to the liability of the prior period.
Uniform terms contract for regulated services(1)	3,057,619	3,034,498	135,544	229,164	474
Unregulated market -MNR or large customers(2)	143,709	20,133	95,275	102,517	94,599
XM representation contract (3)	59,068	12,050	-	-	-
Other contracts with customers	-	-	11,419	5,800	281
Total	**3,260,397**	**3,066,681**	**242,239**	**337,481**	**95,354**

Amounts stated in millions of Colombian pesos -

2022	Contract asset balance at the beginning of the period	Contract asset balance at the end of the period	Liability balance at the beginning of the period	Liability balance at the end of the period	Income recognized during the period corresponding to the liability of the prior period.
Uniform terms contract for regulated services(1)	1,815,300	3,057,619	51,945	135,544	1,474
Unregulated market -MNR or large customers(2)	206,245	143,709	22,357	95,275	7,241
XM representation contract (3)	8,011	59,068	-	-	-
Other contracts with customers	-	-	166	11,419	402
Total	**2,029,556**	**3,260,397**	**74,468**	**242,239**	**9,117**

Amounts stated in millions of Colombian pesos -

1 The purpose of this contract is to define the uniform conditions under which the companies of the EPM Group provide public home services in exchange for a price in money, which will be set according to the current tariffs and in accordance with the use given to the service by users, subscribers or property owners. Hereinafter, the User, who, by benefiting from the services provided by the companies, accepts and accepts all the provisions defined herein.

The asset variation in the uniform terms contracts for energy service was explained in the distribution segment, which includes the recognition of the tariff option in the amount of $281,430 in EPM and in the national energy subsidiaries.

The liabilities in the contracts of uniform conditions mainly include the provision of the Regulated Works and Investment Plan (POIR) for the Water Provision and Solid Waste Management services, in accordance with the provisions of the Commission for the Regulation of Drinking Water and Basic Sanitation in resolution CRA 688 of 2014, for which, an advance receipt of income contributed by EPM and its subsidiaries: Aguas Regionales and Aguas de Malambo was recognized.

2 Resolution 131 of December 23, 1998 of the Energy and Gas Regulatory Commission (CREG) establishes the conditions for the supply of energy and power for large consumers and indicates in Article 2 the power or energy limits for a user to contract the supply of energy in the competitive market; The aforementioned resolution allows the conclusion of contracts with large consumers to establish by mutual agreement the prices of energy and power supply; The purpose of the contract is to supply energy and electrical power to the consumer, as an unregulated user, to meet their own demand.

3 It corresponds to the representation contract with XM, which manages the Colombian Wholesale Energy Market, attending to the commercial transactions of market agents.

The Group expects to recognize the income for performance obligations that are not met during the next accounting period, as most of it corresponds to standard terms contracts for residential utilities, which have a duration of less than one year.

Note 32. Other Income

The detail of other income is as follows:

Other income	2023	2022
Recoveries [1]	190,970	200,792
Government grants	119,939	119,985
Indemnities [2]	16,453	61,587
Other ordinary income [3]	33,248	57,883
Valuation of investment properties	11,116	20,753
Utilization [3]	14,581	20,498
Excesses [3]	3,393	5,626
sheet sales [3]	1,292	694
Past service cost of defined benefit plan	1,708	473
Reversal of impairment loss on right-of-use assets [4]	34	117
Photocopies	1	1
Total	**392,735**	**488,409**

Amounts stated in millions of Colombian pesos

[11] The decrease is mainly due to lower recoveries of the contingent consideration provisions of Espíritu Santo, environmental and social and costs and expenses.

The value of effective recoveries in the Group amounted to $122,400 (2022: $83,150) and non-effective recoveries to $68,570 (2022: $117,643), disclosed in the statement of cash flows.

[2] The variation is mainly due to EPM because the previous year compensation was received for the generation segment for loss of profits from Termosierra for $24,122 and compensation for damage arising from the incident at the Playas plant for $26,592; while in 2023 the compensation for consequential damages was $10,829, and for loss of profits $364.

[3] Values disclosed in the statement of cash flows as actual income corresponding to money inflows.

[4] Loss of impairment of property, plant and equipment, right-of-use assets and intangible assets is disclosed under the reversal item.

Note 33. Profit on sale of assets

The detail of the profit on sale of assets is as follows:

Income from sale of assets	2023	2022
Profit on disposal of properties, plant, and equipment [1]	2,314	5,515
Profit on derecognition of rights-of-use [2]	2,580	67
Profit on disposal of investment properties [1]	-	70
Total	**4,894**	**5,652**

-Amounts stated in millions of Colombian pesos-

[1] Non-cash items that are disclosed as part of the item, result from disposition of property, plant and equipment, rights of use, intangibles and investment properties of the statement of cash flows.

[2] Non-cash item and is disclosed as part of the item, income from withdrawal of property, plant and equipment, right-of-use assets, intangible assets and investment property of the statement of cash flows.

Note 34. Costs for the provision of services

The detail of the costs for the provision of services is as follows:

Costs for services rendered	2023	2022
Bulk purchases [1]	7,071,262	5,645,044
Stock exchange purchases [2]	6,702,473	5,333,171
Use of lines, networks, and duct	2,609,284	2,433,359
Personal services [3]	1,466,868	1,197,373
Orders and contracts for other services [4]	1,414,118	1,127,718
Depreciation [11]	1,331,544	1,057,828
Maintenance and repair orders and contracts [5]	811,241	649,746
Cost of distribution and/or commercialization of natural gas	682,195	767,620
Consumption of direct inputs [6]	500,841	190,490
Licenses, contributions, and royalties [7]	324,513	270,915
Materials and other operating costs	288,848	258,038
Insurance [8]	256,958	159,408
Amortization [11]	236,388	220,854
Commercial and financial management of the service [9]	212,226	321,373
Generals	210,537	218,110
Fees	171,035	174,734
Taxes and fees	136,798	115,515
Other [10]	119,070	138,361
Impairment of Property, Plant and Equipment [11] [12]	115,995	41,349
Connection cost	99,037	93,357
Amortization of rights-of-use [11]	82,362	62,979
Public services	55,722	40,703
Commercialized goods	37,642	31,101
Leases	34,827	35,274
Impairment of intangible assets [11] [12]	28,495	47,298
Costs associated with transactions in the wholesale market	19,858	18,085
Depletion [11]	17,713	16,679
Liquefied natural gas	15,785	15,506
Impairment of rights-of-use [11] [12]	4,755	-
cost of losses in the provision of the aqueduct service	4,628	3,929
Write-down of inventory [11] [13]	2,762	895
Gas compression	682	649
Total cost for services rendered	**25,066,462**	**20,687,461**

Amounts stated in millions of Colombian pesos

[1] Variation explained by the increase in: Afinia $596,037, DECA $320,495, EPM $176,157, CHEC $77,437, CENS $30,893, ESSA $14,413 and EDEQ $11,428 due to higher units acquired at a higher average purchase rate, mainly in the energy distribution and marketing segment.

[2] This increase was explained by higher purchases of energy on the stock exchange at higher prices in the subsidiaries: EPM $612,740, ESSA $277,091, ENSA $262,887, CENS $172,149, CHEC $67,779, EDEQ $40,495 and Afinia $26,156.

[3] The increase was explained by the salary increase which is impacted by the CPI, and temporary vacancies hired, the subsidiaries that contributed the most were: EPM with $153,466, Afinia $21,796, EPM Mexico $21,535, ESSA $19,838, ADASA $14,538, CHEC $10,460, CENS $5,599, EDEQ $4,152, DECA $3,902 and ENSA $3,199.

[4] This increase was mainly explained by the international subsidiaries TICSA $101,669 and ADASA $95,697 due to higher construction services to third parties, installation and uninstallation services in EPM $26,097 and TICSA $13,763, and cleaning services in Emvarias for $17,046.

[5] Increase mainly explained in EPM $84,906, ADASA $28,020, DECA $14,837, Afinia $12,195 and ESSA $10,525 due to higher maintenance and repair costs mainly in lines, networks and ducts, land and constructions and buildings.

[6] This increase was explained by higher chemical inputs, energy and fuels in EPM $262,412, ADASA $32,478, and National Waters $6,672.

[7] Increase explained mainly in EPM for $39,375 due to the contributions of the environmental law associated with the power generation service, and Fazni; Afinia $8,102 and CHEC $3,610.

[8] This item increased mainly in EPM, mainly the costs related to comprehensive insurance.

[9] This decrease is explained in Afinia by $133,567.

[10] This increase was mainly explained by EPM $8,013, Delsur $7,558 and Emvarias $3,059, especially property taxes, stamps and other taxes.

[11] It corresponds to non-effective costs.

[12] It is disclosed as part of the impairment of value of property, plant and equipment, right-of-use and intangible assets of the statement of cash flows.

[13] It is revealed under the heading Write-down of Net Inventories in the Cash Flow Statement.

Note 35. Administrative costs

The detail of the administration costs is as follows:

Administration costs	2023	2022
Staff costs		
Wages and salaries [1]	760,998	646,486
Social security expenditure [2]	180,942	156,061
Pension expenses [9, 10]	63,423	54,395
Other long-term benefits	19,472	7,516
Employee interest rate benefits	13,776	11,625
Other post-employment benefit plans other than pensions [9]	7,657	5,811
Termination benefits [8]	4,092	3,429
Total personnel costs	**1,050,360**	**885,323**
General Expenses		
Provision for contingencies [3, 9, 10]	873,906	115,934
Taxes, contributions and fees [4]	406,202	327,243
Commissions, fees and services [5]	226,136	164,427
Intangible [6]	110,884	88,260
Maintenance	103,572	93,890
Intangibles Amortization [9]	97,165	64,069
Depreciation of property, plant and equipment [9]	78,809	72,831
General insurance	63,390	51,235

Administration costs	2023	2022
Other general expenses	54,931	54,206
Surveillance and security	43,921	35,556
Other Miscellaneous Provisions [7 9 10]	33,022	44,642
Advertising and propaganda	32,110	23,549
Christmas lighting	31,227	27,980
Using rights Amortization [9]	30,196	29,643
Provision insurance and reinsurance [9]	23,126	511
Promotion and dissemination	22,431	18,414
Licenses and voiseways	19,988	13,889
Fuels and lubricants	17,473	8,369
Guest toilet, coffee shop, restaurant and laundry	16,631	14,163
Public services	17,291	17,077
Communication and transport	11,101	10,530
Leases	9,832	7,355
Procedural costs	9,710	4,555
Materials and supplies	8,249	6,071
Print, publications, subscriptions and affiliations	8,238	6,963
Learning contracts	7,959	6,501
Legal expenses	7,731	7,857
Studies and projects	7,724	13,338
Repairs	6,807	1,994
Provision Dismantling, withdrawal and rehabilitation [8 9 1]	6,329	750
Travel expenses and viatics	5,333	4,049
Information processing	5,081	4,822
Cultural events	3,917	2,424
Organization of events	3,019	3,149
Management contracts	2,450	2,488
Photocopies	2,357	2,271
Industrial safety	1,870	1,134
EAS technical reserve [9 10]	1,510	752
Provision of guarantees [9 10]	-	91,859
Total Overhead	**2,411,628**	**1,444,750**
Total	**3,461,988**	**2,330,073**

- Amounts stated in millions of Colombian pesos -

1 The increase was explained by the salary increase which was impacted by the CPI, with the subsidiaries contributing the most: EPM $59,640, Deca $14,151, ADASA $11,518, CHEC $10,845, Afinia $6,132 and ESSA $5,750.

2 The variation was the result of the salary increase mainly in EPM and DECA.

3 Increase associated with the arbitration award against EPM for the penalty clauses of enforcement for non-compliance with milestones in Hidroituango.

4 Increase mainly explained by EPM $44,949, Afinia $8,459, ESSA 8,451, Gesa $4,584 and CHEC $4,068 due to higher industry and commerce tax, tax on financial movements and control and auditing fee.

5 Increase mainly in EPM $44,599, National Waters $6,618, CHEC $4,656 and Afinia $3,431.

6 Increase explained in EPM by greater implementation of projects compared to the previous year.

7 This decrease was mainly explained in EPM by the environmental penalty procedure, the provision for the Ituango contingency and other miscellaneous provisions.

8 Increase explained in EPM by the recognition of the provision for asset dismantling associated with the entry into operation of the Ituango hydroelectric plant, and by the forced investment of the La Sierra, Porce II and Porce III power plants.

9 Corresponds to non-actual expenditure

10 It is disclosed under provisions, post-employment and long-term defined benefit plans in the statement of cash flows.

Note 36. Other Expenses

The detail of other expenses is as follows:

Other expenses	2023	2022
Loss on disposals of property, plant and equipment [1 6 7]	57,530	51,537
Contributions in non-corporate entities [2]	21,437	15,679
Other ordinary expenses [3]	17,671	34,174
Effective interest financing services [4]	17,643	29,705
Arbitral awards and extrajudicial conciliations	4,618	3,562
Sentencing	1,766	483
Loss on derecognition of rights-of-use [5 7]	1,140	80
Loss due to changes in fair value of investment properties [4]	1,104	370
Donations	915	808
Loss on disposal of inventories [5 6]	885	1,128
Taxes assumed	416	168
Loss on sale of property, plant and equipment [5]	307	501
Loss on disposal of intangible assets [5 7]	3	316
Total	**125,435**	**138,511**

Amounts stated in millions of Colombian pesos

1 This increase was mainly explained by EPM $12,657 due to higher losses due to asset obsolescence in the power generation and marketing segments.

2 It corresponds to the contributions made to the EPM Foundation.

3 The decrease is explained by the subsidiary Afinia $11,971 and Adasa $2,357.

4 The decrease is explained by Afinia and corresponds to the valuation of the amortized cost of the financing already billed for energy utilities.

5 Corresponds to non-actual expenditures.

6 It is revealed under the item Write-down of Net Inventory Value of the Statement of Cash Flows.

7 It is disclosed in the income from retirement of property, plant and equipment, right-of-use assets, intangible assets and investment properties of the statement of cash flows.

Note 37. Finance Income and Expenses

37.1 Finance Income

The detail of finance income is as follows:

Financial income	2023	2022
Interest Income:		
Bank deposits [1] [3]	195,003	121,835
Interest on trade receivables and default interest [3]	53,527	71,617
Financial assets at amortized cost [3]	7,997	13,706
Gain from valuation of financial instruments at fair value [2] [5]	396,216	86,315
Other finance income [3]	61,051	48,541
Restricted funds [3]	9,605	37,122
Gain on trust rights [4] [5]	77,670	16,690
Gain from valuation of financial instruments at amortized cost [5]	1,200	1,282
Resources received in administration [3]	853	403
Finance Lease [3]	1,143	337
Gain on monetary readjustment [3]	409	55
Total financial income	**804,674**	**397,903**

Amounts stated in millions of Colombian pesos

1 The variation originates mainly from: i) EPM for $31,934, due to a higher available balance in the deposits of financial institutions, in addition to the increase in bank rates, ii) Maxseguros for $11,448, iii) ADASA for $6,082, and iv) ESSA for $4,270.

2 Increase caused by the fair value measurement of investments classified in financial instruments, which was mainly due to the allocations of fixed-income securities and market behavior that has presented significant valuations, mainly in i) EPM for $290,978, ii) Aguas Nacionales for $6,890, iii) national energy subsidiaries for $9,642 and iv) EPM Inversiones for $2,427.

3 It is disclosed under the interest income and income item of the statement of cash flows.

4 The increase in the income on trust rights corresponds mainly to EPM for $47,350 and is due to the behavior of the market, which has presented significant valuations and is thus reflected in the temporary investments of the portfolio.

5 It is disclosed in the statement of cash flows under the heading of valuation of financial instruments and hedge accounting.

37.2 Finance expenses

The detail of finance expenses is as follows:

Finance expense	2023	2022
Interest expense:		
Interest on lease obligations [2]	74,097	63,280
Other interest expense [2]	49,292	26,584
Total interest	**123,389**	**89,864**
Long-term external financing operations [1 2]	1,152,143	854,249
Long-term internal financing operations [1 2]	669,338	639,523
Financial instruments for hedging purposes [1 2]	768,530	327,762
Short-term internal financing operations [1 2]	188,697	105,572
Short-term external financing operations [1 2]	31,495	41,445
Total interest expense on other financial liabilities that are not measured at fair value through profit or loss [2]	5,653	1,166
Other financial expenses:		
Interest on financial liabilities and valuation losses on investments and other assets [3]	319,782	215,351
Commissions different of amounts included in determining the effective interest rate [2]	8,055	9,950
Total finance expenses	3,267,082	2,284,882

- Amounts in millions of Colombian pesos -

[1] The variation in financing operations originates mainly from EPM, AFINIA, ESSA, ENSA and CENS due to higher indebtedness and increase in interest rates. In EPM due to financial expenses that ceased to be capitalized after the entry into operation of the Ituango hydroelectric project in November 2022, to new disbursements in dollar currency, to the variable interest rate present in some credit agreements, such as the Term SOFR rate, which presented upward variations during 2023, starting at levels of 4.80%, reaching a yearly high of 5.50% and closing in December at 5.16%. Additionally, due to the reduction of exchange rate risk through contracted financial hedges, going from interest rates in dollars to Colombian pesos.

[2] It is disclosed under interest expense and fees in the statement of cash flows.

[3] For presentation purposes in the statement of cash flows: $205,393 (2022: $129,647) are disclosed under the heading of profit or loss from valuation of financial instruments and hedge accounting and $114,389 (2022: $85,712) are disclosed under provisions for tax obligations, insurance and reinsurance and financial update.

Note 38. Net foreign exchange difference

The effect on foreign currency transactions is as follows:

Net foreign exchange difference	2023	2022
Income from exchange difference		
Own position		
For goods and services and others	63,850	24,110
For liquidity	22,423	334,775
Trade receivables	22,208	293,527
Provisions	32,460	-
Other adjustments from exchange difference	141	12,098
Financing operation		
Gross income	2,511,368	10,498
Hedge debt	-	1,311,409
Total Income from exchange difference	**2,652,450**	**1,986,417**
Expenses by exchange difference		
Own position		
For goods and services and others	(17,942)	(76,529)
For liquidity	(102,879)	(158,048)
Trade receivable	(217,300)	(62,872)
Provisions	-	(28,399)
Other adjustments from exchange difference	(13,557)	(262)
Financing operation		
Gross expense	(406,350)	(1,763,393)
Hedge debt	(1,723,234)	-
Total expenses from exchange difference	**(2,481,262)**	**(2,089,503)**
Net foreign exchange difference	**171,188**	**(103,086)**

Amounts stated in millions of Colombian pesos -

The accumulated net income due to the difference in exchange amounts to $171,188, the main income corresponds to the difference in exchange of the debt in dollars for $2,511,368 and the expense for restatement of the debt $1,723,234, associated with the accumulated revaluation of the period of the Colombian peso, which to date amounts to 20.54% (2022: devaluation of 20.82%)

The rates used for currency translation in the consolidated financial statements are:

Currency	Currency Code	Direct conversion to USD as of December 31		Closing exchange rate as of December 31		Average exchange rate	
		2023	2022	2023	2022	2023	2022
United States Dollar	USD	-	-	3,822.05	4,810.20	3,948.21	4,788.49
Quetzal	GTQ	7.83	7.84	488.31	577.92	504.62	568.58
Mexican Peso	MXP	16.92	20.11	225.90	225.39	229.94	221.06
Chilean Peso	CLP	884.59	957.93	4.32	4.73	4.52	4.81

Note 39. Gain on equity investments

The effect of the share in equity investments is as follows:

Share of result of equity investments	2023	2022
Dividends and participations [1]	178,223	77,059
Result on a business combination	(86)	-
Result on sale of equity investments, net	(19)	83
Impairment of investments in subsidiaries, associates and joint ventures - (See note 8)	-	(6,420)
Total share of result of equity investments	**178,118**	**70,722**

Amounts stated in millions of Colombian pesos -

1 Includes dividends from investments classified as financial instruments (see note 13. Other financial assets).

Note 40. Income tax

40.1 Fiscal provisions

The applicable and current tax provisions establish the following:

- The general income tax rate applicable to domestic companies is 35% for the 2023 taxable year, the same for the 2022 tax year. Taxable income from occasional income tax is taxed at the rate of 15%.
- For subsidiaries in Guatemala, the tax is determined by the Regime on Profits from Lucrative Activities, which consists of applying the taxable income tax rate determined from the accounting profit. From the period 2020 onwards, the income tax rate is 25%. The tax is paid through quarterly payments due with a settlement by December 31; or by the Optional Simplified Regime on Income from Gainful Activities, consisting of applying the tax rate on monthly taxable income. From 2014 onwards, the tax rate is 5% on the first Q.30,000 (in unrounded amounts) and 7% on the surplus. The tax is paid by withholdings or, failing that, by direct payment to the Superintendence of Tax Administration, with the due authorization of the Treasury; In addition, the Income Tax rules establish a 5% tax on the distribution of dividends and profits to both resident and non-resident shareholders.

  Likewise, the tax legislation provides for a Regime on Capital Income, Capital Gains and Losses, which establishes a rate of 10% for income from movable and real estate capital, as well as for net capital gains.
- For subsidiaries in El Salvador, 30% for companies with taxable income greater than US$150,000 and 25% for those that do not exceed this limit; for subsidiaries in Mexico a tax rate of 30% and for subsidiaries in Chile the nominal rate is 27% for 2018 and subsequent periods. Panamanian subsidiaries have a general rate of 25% and for companies in which the State has a shareholding of more than 40%, a rate of 30%.
- On June 11, 2008, EPM and the Nation (through the Ministry of Mines and Energy) signed a legal stability contract for the Power Generation activity for a period of 20 years. Among the stabilized tax rules are: ordinary income tax rate (33%), wealth tax, presumptive income, tax cost of fixed assets, depreciation deduction, special deduction of 40% for investments in productive real fixed assets.
- Special treatments are considered to be those granted by the Colombian Holding Companies Regime (CHC), a special tax regime for national companies that have as one of their activities the holding of securities, investment or holding of shares or participations in Colombian or foreign companies or entities.

40.2 Reconciliation of the effective rate

The reconciliation between the applicable tax rate and the effective rate and composition of income tax expense for the periods 2023 and 2022 is as follows:

Income and complementary taxes	2023	%	2022	%
Profit before taxes	5,002,351		5,803,410	
Nominal income rate		35%		35%
Income tax nominal rate	1,750,823		2,031,194	
Effects of changes in tax rates	-	0%	91,729	2%
Elimination in consolidated results	106,453	2%	(271,034)	(4%)
Tax effect of tax rate changes in foreign subsidiaries	(166,223)	(3%)	(47,770)	(1%)
Effect of permanent tax differences:		**(4%)**	**(82,177)**	**(2%)**
Dividend income	(188,321)	3%	196,813	3%
Fiscal income	156,171	0%	28,982	0%
Non-deductible provisions	17,811	6%	24,402	0%
Loss on derecognition of assets	291,080	0%	5,177	0%
Equity method	9,305	0%	0	0%
Impairment of investments in subsidiaries	-	0%	371,339	6%
Non-taxed dividends	(198,476)	(4%)	(138,352)	(2%)
Compensation for consequential damages	(619)	0%	(8,516)	0%
Exempt income	(31,879)	(1%)	(99,322)	(2%)
Special deduction of real productive fixed assets	(199,041)	(4%)	(310,639)	(5%)
Net result of other permanent differences	(19,803)	0%	(39,224)	(1%)
Adjustment of tax rate difference (current/deferred tax)	(212,869)	(4%)	(112,837)	(2%)
Tax deductions	6,006	0%	49,258	1%
Occasional gains	136	0%	105	0%
Adjustments of income from prior years	19,423	0%	46,795	1%
Tax Offsets	-132	0%	(108,794)	(2%)
Income tax at effective rate	**1,513,076**	**30%**	**1,610,791**	**28%**
Detail of current and deferred expenses				
Current tax	1,705,722	34%	1,763,460	30%
Deferred tax	(189,569)	(4%)	(152,669)	(2%)
Income tax	**1,516,153**	**30%**	**1,610,791**	**28%**

- Amounts in millions of Colombian pesos -

Among the most important items in the reconciliation of the effective rate during the years 2023 and 2022 and which contributed to it being 5 and 7 points, respectively, below the nominal rate, was the special deduction of productive real fixed assets in the parent company by virtue of the application of the Legal Stability contract. Another important point in this purification was the treatment of exempt income granted to dividends received by EPM, parent company of foreign subsidiaries, an exemption allowed under the Colombian Holding Companies Regime (CHC).

Likewise, it can be observed in the purging, other items that affected the tax calculated at the nominal rate and that cause said theoretical tax to be modified as a result of the application of the tax provisions; These include the recognition of accounting provisions and impairment of investments, without tax effects.

Relevant events that implied an increase in the effective rate for 2023 compared to 2022 were: a decrease in investments in productive real fixed assets, lower tax discounts, lower offsets of tax losses, an increase in accounting provisions that are not deductible for tax purposes and a decrease in the impairment of investments recognized in 2022.

40.3 Income tax recognized in profit or loss

The most significant components of income tax expense at the cut-off date are:

Income tax	2023	2022
Current income tax expense	1,686,431	1,825,459
Adjustments recognized in the current period related to income tax of prior periods	19,423	46,795
Tax benefits from tax loss, tax credits or temporary differences used in the period	(132)	(108,794)
Current income tax expense, PPUA, Reserves and rectifications		
Total current income tax	**1,705,722**	**1,763,460**
Deferred tax		
Net deferred tax income related to the origination and reversal of temporary differences	(189,569)	(244,399)
Net deferred tax income related to changes in tax rates or laws	-	91,730
Total deferred taxes	**(189,569)**	**(152,669)**
Income tax	**1,516,153**	**1,610,791**

- Amounts in millions of Colombian pesos -

The rates used for the determination of deferred tax for subsidiaries in Colombia are:

Year	2023	2024	2025
Income tax	31%	35%	35%
Occasional gain	15%	15%	15%

The rates used for the determination of the deferred tax are:

35% for the year 2023 and subsequent periods. EPM's Power Generation segment has an income tax rate and supplementary taxes of 33%, stabilized for 20 years by virtue of the legal stability contract EJ-04 of March 31, 2008, modified by ANOTHER YES EJ-01 of June 4, 2010. This rate is only used in cases where, by law, the rental rate in Colombia is increased above 33%.

In the case of assets whose profit is expected to be realized as an occasional gain, a rate of 15% is used.

27% for temporary differences generated in the subsidiaries in Chile, 30% and 25% for the subsidiaries in Panama and Mexico and 25% for the other subsidiaries in Central America.

40.4 Temporary differences that do not affect deferred taxes

Deductible temporary differences and unused tax losses and credits, for which the Group has not recognized deferred tax assets, are detailed below:

Concept	2023	2022
More than one year and up to five years	14,746	21,813
More than five years	1,739	1,737
Without time limit	4,432	4,432
Unused tax losses	**20,917**	**27,982**
Without time limit	568,742	558,206
Unused tax credits	**568,742**	**558,206**
More than five years	6	565
Excess of presumptive income over ordinary net income	**6**	**565**
Total	**589,665**	**586,753**

The deductible temporary differences and the unused losses, tax credits and excesses of presumptive income over ordinary net income, correspond to unused tax losses by Aguas de Malambo S.A. E.S.P. of $3,726 million (2022 $4,796), EPM Inversiones S.A. for $1,374 (2022 $1,374), Hidroecológica del Teribe S.A. for $14,746 (2022 $21,813); unused tax credits by Empresas Públicas de Medellín E.S.P. of $568,742 million (2022 $558,147), Aguas de Malambo S.A. E.S.P. for $59 million (2022 $59) and excesses of presumptive income over ordinary net income not used by EPM Inversiones S.A. of $6 million (2022 $565).

The amount of the current income tax asset or liability is as follows:

	2023	2022
Current income tax asset or liability		
Total non-current income tax liabilities		
Income tax [1]	(33,351)	(33,351)
Total income tax liability	**(33,351)**	**(33,351)**
Total current income tax liability		
Income tax	(368,646)	(500,396)
Total income tax assets	**894,782**	**697,964**
Balances in favor of income tax	894,782	697,964
Total income tax assets	**492,785**	**164,218**

- Amounts in millions of Colombian pesos -

[1] Corresponds to the works for taxes liability of EPM and EDEQ, which represents the possibility for companies to partially pay income tax and complementary taxes by financing and executing public works of social transcendence in the areas most affected by the conflict - ZOMAC - instead of transferring the resources to the DIAN. This possibility arose with Law 1819 of 2016, was mainly added by Laws 1955 and 2010 of 2019 and was regulated by Decrees 1915 of 2017 and 1147 of 2020.

This liability is backed by a mercantile trust contract, which is being executed as the works under this program are being built.

40.5 Income tax recognized in other comprehensive income

The detail of the tax effect corresponding to each component of "other comprehensive income" in the consolidated statement of comprehensive income is as follows:

Accumulated other comprehensive income	2023			2022		
	Gross	Tax effect	Net	Gross	Tax effect	Net
Reclassification of property, plant and equipment to investment property	13,439	(1,107)	12,332	13,439	(1,107)	12,332
Re-measurement of defined benefit plans	(103,206)	33,314	(69,892)	96,942	(32,408)	64,534
Equity investments measured at fair value through equity	2,399,948	(199,716)	2,200,232	2,939,381	(309,124)	2,630,257
Share in other comprehensive income of associates and joint ventures	184,696	-	184,696	17,422	-	17,422
Cash flow hedges	(681,565)	229,617	(451,948)	(1,128,472)	478,445	(650,027)
Hedges of net investments in foreign operations	6,098	(2,064)	4,034	(277,654)	-	(277,654)
Translation of financial statements of foreign operations	841,492	-	841,492	1,969,017	-	1,969,017
Total	**2,660,902**	**60,044**	**2,720,946**	**3,630,075**	**135,806**	**3,765,881**

- Amount stated in millions of Colombian pesos -

40.6 Deferred tax

The detail of deferred tax is as follows:

Tax Deferred	2023	2022
Active Deferred Tax	1,519,458	1,218,248
Passive deferred tax	(2,572,738)	(2,378,569)

- Amounts in millions of Colombian pesos -

40.6.1 Active Deferred Tax

Deferred tax assets	Initial balance	Changes included in the OCI	Net changes included in profit or loss	Effect by conversion adjustments	Other	Foreign currency conversion effect	Final Balance
Assets	**3,896,506**	**1,539**	**839,049**	**(38)**	**(1,073)**	**(136,208)**	**4,599,775**
Property, plant and equipment	1,213,512	(275)	37,911	(38)	10,775	(12,722)	1,249,164
Intangible assets	4,886	-	19,165	-	(104)	(1,150)	22,797
Investments and derivative instruments	-	-	-	-	-	-	-
Trade receivables	-	-	-	-	-	-	-
Investments and derivative instruments	212,534	1,632	111,465	-	(528)	(1,326)	323,777
Accounts Receivable	1,784,120	(3)	434,263	-	(10,190)	(12,435)	2,195,754
Cash and cash equivalents	1,651	-	505	-	-	-	2,156
Inventories	7,946	-	(370)	-	(0)	(252)	7,324
Other assets	360,613	184	182,264	-	(809)	(108,105)	434,147
Rights-of-use - Deferred tax assets	311,245	-	53,847	-	(217)	(217)	364,657
Liabilities	**(2,679,152)**	**(291,524)**	**37,247**	**(384)**	**(216,583)**	**70,080**	**(3,080,317)**
Loans and borrowings	1,063,845	(12)	1,753	(384)	163	(1,786)	1,063,579
Trade payables	16,589	-	285	-	196	(296)	16,774
Employee benefits	281,307	33,055	(25,770)	-	6,550	(9,323)	285,819
Derivatives	1,411	(311,623)	621,080	-	-	-	310,867
Provisions	316,130	67	49,895	-	(960)	(7,737)	357,396
Other liabilities	200,657	(33)	73,253	-	5	(19,058)	254,823
Elimination effect against assets	(4,559,090)	(12,977)	(683,250)	-	(222,537)	108,280	(5,369,574)
Total deferred tax assets	**1,217,353**	**(289,985)**	**876,296**	**(422)**	**(217,656)**	**(66,128)**	**1,519,458**

- Amounts in millions of Colombian pesos -

40.6.2 Deferred tax liabilities

Deferred tax liabilities	Initial balance	Changes included in the OCI	Net changes included in profit or loss	Effect by conversion adjustments	Other	Foreign currency conversion effect	Final Balance
Assets	**6,572,861**	**(265,360)**	**519,814**	**14,318**	**(661)**	**(148,970)**	**6,688,926**
Property, plant and equipment	4,306,281	(31)	193,701	-	(294)	(41,421)	4,458,235
Intangible assets	299,852	129	8,141	-	171	(51,973)	256,320
Investments and derivative instruments	26,774	-	2,029	-	-	-	28,803
Investments and derivative instruments	499,728	(265,391)	124,413	14,318	(326)	(23,212)	349,529
Accounts Receivable	1,066,606	(32)	121,450	-	7	(14,543)	1,173,488
Cash and cash equivalents	1,651	-	-	-	-	-	1,651
Inventories	19,019	5	68	-	(21)	(3,831)	15,240
Other assets	48,354	(40)	21,863	-	5	(13,990)	56,192
Rights-of-use - Deferred tax assets	304,597	-	48,149	-	(202)	-	352,544
Liabilities	**(4,204,470)**	**46,313**	**166,907**	**-**	**(224,613)**	**96,600**	**(4,119,264)**
Loans and borrowings	35,680	97,328	740,411	-	(6)	(1,692)	871,722
Trade payables	5,605	0	7,404	-	(3)	(1)	13,005
Employee benefits	254,937	(37,585)	32,738	-	(859)	(5,980)	243,251
Derivatives	820	(430)	3,175	-	-	(40)	3,525
Provisions	31,348	(79)	38,014	-	(1,184)	(9)	68,089
Other liabilities	26,229	56	28,415	-	(18)	(3,963)	50,719
Elimination effect against assets	(4,559,090)	(12,977)	(683,250)	-	(222,543)	108,286	(5,369,574)
Total deferred tax liabilities	**2,368,390**	**(219,047)**	**686,721**	**14,318**	**(225,274)**	**(52,370)**	**2,572,738**

- Amounts in millions of Colombian pesos -

40.6.3 Temporary Differences

The most significant concepts on which there were temporary differences are the following:

In assets, the greatest impact arises from the temporary differences in property, plant and equipment, due to the difference between the accounting and tax bases, generated, among others, by the recognition of the attributed cost, the adjustments for tax inflation and by the application of different useful lives and methods of depreciation. transactions involving the purchase and sale of assets between companies of the EPM Group that involved the recognition of unrealized accounting profits, on which the companies individually considered had to pay tax. In accounts receivable from the commercial portfolio, it corresponds to the impairment of the portfolio due to the difference in the purging of the portfolio impairment under the tax standard and the portfolio impairment under the accounting standard under the expected loss method, in addition, there were temporary differences due to the effect of the valuation at amortized cost of short-term loans between economic related parties.

Recognized deferred tax liability for tax losses at Aguas de Antofagasta of $358,389 (2022 $424,819).

Regarding liabilities, the items that impacted the calculation of the deferred tax were, for the most part, the settlement of the provision corresponding to pension bond installments, the actuarial calculation in pensions and in the pension commutation of EADE, and credits and loans for the valuation at amortized cost of bonds, securities issued, Short-term loans and credits.

The revaluation effect experienced by the Colombian currency during the last taxable period close to 20.54%, generated a decrease in the deferred tax associated with the difference in unrealized exchange of the debt in foreign currency, which has no tax effects and will only be evidenced at the time of settlement or partial payment of the obligations. based on the difference in exchange actually made, in accordance with the provisions of Articles 269 and 288 of the Tax Code.

In the case of items that do not have future tax consequences, such as tax liabilities and financial returns generated in the plan assets of EPM, CHEC and Emvarias, no deferred tax was generated.

In addition, in the operating contract of the Aguas Claras wastewater treatment plant, the valuation of the account receivable recorded by Aguas Nacionales compared to the valuation made by EPM to the financial lease under accounting standards, is asymmetrical to the extent that different financial assumptions and different accounting bases are used.

Temporary differences on which no deferred tax was generated were, inter alia, investments in subsidiaries, associates and joint ventures, in accordance with paragraph 39 of IAS 12; likewise, in the items that do not have future tax consequences, as is the case of the assets of the plan, of EPM, CHEC and Emvarias because they are exempt income in accordance with the provisions of numeral 7 of article 235-2 of the Tax Statute.

In Aguas de Malambo, no deferred tax was recognized for the years reported, taking into account that in the current period tax losses increased and that, according to the projections analyzed, it is foreseen that its recovery would be postponed beyond 2024, therefore, there is no certainty of its recovery.

The approval of dividends in the EPM Group after the filing date and before the financial statements were authorized for publication, does not generate income tax consequences as it is the policy for national subsidiaries that only untaxed profits and reserves are distributed. The income tax effects that could be generated by dividends decreed by foreign subsidiaries are eliminated with the entry into force of Article 77 of Law 2010 of 2019, since these distributions are considered exempt income from capital in application of the Colombian Holding Companies (CHC) regime.

New regulations for subsidiaries in Colombia

Main amendments incorporated by Law 2277 of December 13, 2022, which adopts a tax reform for equality and social justice and dictates other provisions:

- With the entry into force of Law 2277 of 2022, for legal entities, the general Income Tax rate remained at 35% as of the taxable year 2023 and subsequent years.

  For taxpayers whose main economic activity is the generation of electricity through water resources, a surcharge of 3% was established for taxable years 2023 to 2026, applicable to legal entities that obtain an income equal to or greater than 30,000 UVT in the taxable year, a threshold that will be calculated in aggregate for activities carried out by related persons according to the criteria provided for in article 260-1 of the Tax Code. The rule also establishes that the surcharge is subject to an advance of 100% of its value.

  The Constitutional Court, through Judgment C-389 of 04/10/2023, declared the enforceability of the surcharge, conditioning it to be applied exclusively to the activity of generating energy from water resources.

  On the other hand, the same Law created a minimum income tax rate for tax residents in Colombia, which in the case of taxpayers whose financial statements are subject to consolidation, is called the Group Cleaned Tax Rate (TTDG), which cannot be less than 15% and if it is, The tax must be adjusted, following the formula enshrined in the law.

  EPM's Power Generation activity, having a legal stability contract in force until June 11, 2028, will be able to continue with the application of the stabilized rules in the terms in which they were in 2008, the year in which the contract was signed, as long as the changes that have occurred after the signing of the contract are unfavorable to the interests of the aforementioned activity of the company. generation. If, on the other hand, the amendments to the stabilized rules are favourable, the new rules may be applied. The concept of whether a change is favourable or unfavourable should be reviewed on a case-by-case basis in accordance with other rules.

- Article 259-1 of the Tax Statute establishes a limit to the tax benefits and incentives listed therein and determines that they may not exceed 3% per year of the ordinary net income before deducting the special deductions contemplated in the regulation, and the value resulting from applying the formula indicated in the same article must be added to the value to be paid for income tax.

- Profits from the sale of shares registered on a Colombian Stock Exchange, held by the same beneficial owner, do not constitute income or occasional gain when such sale does not exceed 3% of the outstanding shares of the respective company during the same taxable year.

- 100% of the industry and commerce tax, notices and boards paid, can be taken as deductible in the income tax.

- Article 12-1 of the Tax Statute, on effective place of administration, determines that foreign companies must comply with tax obligations in Colombia, if the necessary commercial and management decisions are made in the country to carry out the day-to-day activities of the company or entity.

- Article 256 of the Tax Statute determines that the discount on income tax for investments made in research, technological development or innovation is 30% of the value of the investment. At the same time, it establishes that the costs and expenses that give rise to the discount may not be capitalized or taken as a cost or deduction again by the same taxpayer.

- Regarding the presumptive income rate, Article 90 of Law 2010 of 2019 amended Article 188 of the Tax Statute to provide for a rate of zero percent (0%) as of the 2021 taxable year. On the other hand, article 191 of the same Statute includes within the exclusions of presumptive income the companies of residential public services.

- Article 689-3 of the Tax Statute establishes the benefit of audit for the taxable periods 2022 to 2026, to determine that the private settlement of taxpayers of income tax and complementary taxes will be final, if the increase in net income tax in relation to that of the immediately preceding year is 35% or 25% and that within six (6) or twelve (12) months following the filing of The tax return, respectively at the above percentages, has not been notified of a summons to correct or special requirement or special summons or provisional assessment.

- This audit benefit does not extend to VAT and Withholding Tax returns that coincide with the period of the Income Tax Return.

Other tax aspects

- In the Single Registry of Final Beneficiaries RUB, which is part of the Single Tax Registry, RUT, contemplated in articles 631-5 and 631-6 of the Tax Statute and in DIAN Resolutions 000164 of 2021, 00037 and 001240 of 2022, natural persons who finally own or control, directly or indirectly, a legal person or other structure without legal personality must be reported.

  The regulation provides that decentralized entities in which the capital is 100% public, as is the case of EPM, are not obliged to identify, obtain, preserve, supply and update in the RUB the information dealt with in the associated regulations and that this exception does not extend to mixed economy companies.

- The general sales tax rate is 19%.

- The provision of domestic public services of energy, gas, water and sewerage are excluded from sales tax.

  The meters associated with the provision of these services are subject to sales tax, since they are not expressly excluded and this has been stated by the tax authority in its doctrine.

  For electric vehicles and their components, parts and accessories, as well as for components and spare parts of the gas vehicle plan, the fee is 5%.

  Article 192 of Law 1819 of 2016 provided that the VAT rate in contracts in which a public entity is a contracting party will be the one corresponding to the date of the resolution or award act, or signing of the respective contract, and will vary whenever the contract is modified or added with economic content.

  In accordance with the provisions of Article 258-1 of the Tax Code, VAT paid on the acquisition, import, construction and formation of productive real fixed assets, including the services necessary to put the asset in a condition of use, and assets acquired through leasing, may be taken as a deduction from income tax.

  The Fourth Chamber of the Council of State, in Judgment 27421 of September 2023, clarified that the taxpayer may split this discount into several periods, to the extent that the regulation did not provide for any prohibition in this regard.

- Dividends received by domestic companies that are income that do not constitute income or occasional gain are subject to a 10% withholding tax on income, which will be transferable and attributable to the resident natural person or investor resident abroad.

  Through the Issuance of Law 1943 of 2018, the Colombian Holding Companies (CHC) regime was incorporated into the legal system, which can be used under certain requirements, national companies that have as one of their main activities the holding of securities, the investment or holding of shares or participations in Colombian and/or foreign companies or entities, and/or the management of such investments. The regulation provides, among other aspects, that dividends or participations distributed by entities not resident in Colombia to a CHC will be exempt from income tax and will be declared exempt from capital income.

Dividends distributed by CHCs to a resident natural person or to a resident legal entity paying income tax shall be taxed at the dividend income tax rate, in accordance with Articles 242 and 242-1 of the tax code.

Dividends distributed by a CHC to a natural or legal person not resident in Colombia shall be understood as income from a foreign source in accordance with paragraph e) of article 25 of the same law.

Companies under the CHC income tax regime, including decentralized public entities, are not subject to withholding tax on dividends distributed by Colombian companies.

The undercapitalization rule of Article 118-1 of the Tax Statute limits the deductibility of interest paid when there is over-indebtedness, specifying that such limitations only apply with respect to debts contracted between economic related parties. For the purposes of deducting interest, the taxpayer must be able to demonstrate to the DIAN, by means of certification from the resident or non-resident entity acting as creditor, that the credit or credits do not correspond to debt transactions with related entities through a guarantee, back-to-back, or any other transaction in which substantially such act as creditors. It should be noted that this provision shall not apply to cases of financing of transport infrastructure or public service projects, provided that such projects are carried out by special purpose companies, entities or vehicles.

- In relation to the transfer pricing regime, our tax system establishes that all taxpayers of income tax and complementary taxes, who carry out transactions with foreign economic affiliates or located in free zones, must comply with the arm's length principle at the time of making such transactions; This implies that trades must be made at market prices. The same treatment must be given to any transaction with persons or entities located in Non-Cooperating Jurisdictions of Low or No Taxation and with entities subject to Preferential Tax Regimes, whether or not they are economically related.
- As of the 2015 taxable year, taxpayers of Income Tax and Supplementary Taxes, subject to this tax with respect to their income from domestic and foreign sources, and their assets owned inside and outside the country, who have assets abroad of any nature, will be required to file the annual declaration of assets abroad. when the equity value of the foreign assets held on January 1 of each year is greater than two thousand (2,000) UVT.
- As for the Industry and Commerce tax, it is generated by the direct or indirect performance of an industrial, commercial or service activity in a municipal jurisdiction, either permanently or occasionally. The Framework Law that governs it is Law 14 of 1983, Law 56 of 1981 and Law 1819 of 2016. As it is a land tax, it is up to the municipal councils to issue agreements for its application. Its taxable base is determined on income and the tax is settled according to the rates established for each activity by the municipalities.

The transportation of Natural Gas is exempt from the Industry and Commerce Tax.

The taxable base of the industry and commerce tax in the distribution of natural gas is the gross margin of commercialization of the fuel, understood as the difference between the revenues from fixed charges, consumption and use of networks, and the costs of purchasing and transporting gas.

The activity of power generation is regulated by Law 56 of 1981 and is taxed in those municipalities where the generation plant is located. The rate corresponds to a few pesos for each kilowatt installed.

With regard to the contribution of public works contracts, it was established by Legislative Decrees of 1992 and 1993, and has been extended and amended by Laws and Regulatory Decrees. The last amendment was introduced by Law 1738 of December 18, 2014, which in Article 8 granted it permanent status. All natural or legal persons and public-private partnerships that sign public works contracts with public law entities or enter into contracts to add to the value of existing ones are liable to pay the aforementioned contribution in favor of the Nation, department or municipality, depending on the level to which the contracting public entity belongs.

The current regulations have established the withholding mechanism by the contracting public entities, including EPM, deducting the value of the contribution from each account that it cancels to the contractors, including advances.

Through Agreement No. 093 of 2023 issued by the Council of the Science, Technology and Innovation District of Medellín, the rate for public works contracts or their additions was kept in force at 5%.

- A relevant aspect for the operations carried out by the companies of the EPM Group is related to stamps, which have been proliferating in recent years. Article 32 of Law 2155 of 2021 amended Article 14 of Law 2052 of 2020 and provided that for a maximum of two years from January 1, 2022, the national government must promote before the Congress of the Republic modifications in the field of stamps that impose limits on the requirement of this tax.

  In terms of invoicing, EPM is an electronic biller for sales concepts other than residential public services, since the equivalent document is issued for them; likewise, and as part of the billing system, the electronic payroll is issued, the support document for purchases to non-billed and the POS document for sales of natural gas vehicles. The most recent changes are found in DIAN Resolution 1092 of July 2022, which enshrines the limit of 5 UVT to issue POS documents as of February 1, 2023 and Decree 442 of March 2023 that amended Chapter 4 of Decree 1625 of 2016 Single Regulatory in Tax Matters, Highlighting the change for the support document for purchases to non-obligated to invoice, which must contain "the date of operation" and the "date of generation".

  The Organization is advancing the implementations required by Article 23 of Resolution 165 of 2023 issued by the DIAN, which adopts, among others, Version 1.9 of the technical annex of Electronic Invoicing, for the generation and transmission of the electronic equivalent document and adjustment notes, bearing in mind the deadlines set by the tax authority to be met between February and May 2024 according to the established calendar for each type of taxpayer.

  The new subjects who choose to issue the electronic equivalent document and its adjustment notes after the established schedule must do so once they have completed the authorization procedure that is developed in the electronic computer service of Electronic Invoicing of the Special Administrative Unit of the Directorate of National Taxes and Customs -DIAN.

Note 41. Related party disclosures

EPM, parent company of the EPM Group, is an industrial and commercial company of the State, decentralized of the municipal order, whose sole owner is the Municipality of Medellín. Its capital is not divided into shares.

Subsidiaries, associates and joint ventures, including subsidiaries of associates and joint ventures, key management personnel, as well as entities over which key management personnel may exercise control or joint control and post-employment benefit plans for the benefit of employees are considered related parties of the Group.

The balances and transactions between the companies of the EPM Group have been eliminated in the consolidation process and are not disclosed in this note. The total amount of the transactions carried out by the Group with its related parties during the corresponding period is presented below:

Transactions and balances with related parties	Income [1]	Costs/ Expenses [2]	Amounts receivable [3]	Amounts payable [4]	Guarantees and collateral received [5]
Associates:					
2023	74,721	45,797	11,769	8,341	-
2022	62,838	43,277	13,105	8,947	-
Key management personnel of the company or its controlling company:					
2023	2	32,109	1,368	3,632	903
2022	5	50,941	875	4,137	903
Other related parties:					
2023	189,909	109,863	124,510	11,968	-
2022	207,939	100,406	94,440	14,474	-

- Amounts stated in millions of Colombian pesos -

1 Revenues generated from transactions with associated companies correspond to the sale of services related to information and communication technologies, information services and complementary activities related and/or related to them. Revenues generated with other related parties correspond mainly to the sale of energy, rendering of public services and financial services. The detail of the income obtained by the Group from its related parties is as follows:

	Revenues	2023	2022
Associates	Sale of goods and services	60,424	53,057
	Interest	5	54
	Other	14,292	9,728
Key management personnel of the company or its controlling company	Sale of goods and services	2	5
Other related parties	Sale of goods and services	128,971	46,375
	Interest	331	67
	Fees	16	703
	Other	60,591	160,793
Total income from related parties		**264,632**	**270,782**

- Amounts stated in millions of Colombian pesos -

2 It corresponds to costs and expenses arising from transactions involving the purchase of energy, acquisition of goods and services, including services related to communications and complementary activities, with associates and other related parties. The detail of the costs and expenses incurred by the Group with its related parties is as follow:

	Costs and Expenses	2023	2022
Associates	Purchase of goods and services	43,310	41,160
	Fees	2,270	2,105
	Other	217	12
Key management personnel of the company or its controlling company	Purchase of goods and services	6,193	16,902
	Fees	19,814	11,595
	Other	6,102	22,444
Other related parties	Purchase of goods and services	29,608	36,558
	Interest	-	2
	Fees	9,626	3,759
	Other	70,629	60,087
Total costs and expenses incurred with related parties		**187,769**	**194,624**

- Amounts stated in millions of Colombian pesos -

[3] The Group maintains accounts receivable with its related parties arising from the sale of energy, provision of public services, sale of services associated with information and communications technologies, information services, among others. The Group carries out the portfolio rating under criteria that allow prioritizing the management of its recovery through the dependencies in charge of the portfolio or collection entities. Collection applies based on the billing cycle with respect to household utilities.

[4] The payment policy, for the most part, is 30 days from the date of filing the invoice.

[5] The guarantees and guarantees received correspond to mortgage guarantees on housing loans granted to key management personnel.

Transactions between the Group and its related parties are carried out under conditions equivalent to those that exist in transactions between independent parties, in terms of their subject matter and conditions.

Transactions and Balances with Related Government Entities

Surpluses paid during the year were $1,748,005 (2022: $1,850,776), ordinary were $910,787 (2022: $1,009,514) and extraordinary were $837,218 (2022: $841,262).

Remuneration to the Board of Directors and key staff of the Group:

The remuneration of the members of the Board of Directors and key personnel of the Group's management is as follows:

Concept	2023	2022
Wages and other short-term employee benefits	48,396	48,522
Pensions and other post-employment benefits	1,234	978
Other long-term employee benefits	1,583	1,193
Remuneration to key management personnel	**51,213**	**50,693**

- Amounts stated in millions of Colombian pesos -

The amounts disclosed are those recognized as a cost or expense during the reporting period for compensation of key management personnel.

Note 42. Capital management

The Group's capital includes indebtedness through the capital market, commercial banking, development banking, development agency, and multilateral banking, at a national and international level.

The Group manages its capital with the objective of planning, managing, and evaluating the attainment of financial resources in the national and international financial markets, for strategic investments and investment projects, through different options that optimize the cost, that guarantee the maintenance of adequate financial indicators and adequate risk rating and minimizes financial risk. For the above, it has defined the following capital management policies and processes:

Financing management: financing management includes the performance of all long-term credit operations, to guarantee the timely availability of the resources required for the normal operation of the company and to materialize investment and growth decisions, trying to optimize financing costs.

The Group is not subject to external capital requirements.

The Group has not made any changes to its capital management objectives, policies, and processes during the period ended as of the cut-off date, nor has it been subject to external capital requirements.

In order to deal with changes in economic conditions, the Group implements proactive mechanisms for managing its financing, enabling different financing alternatives to the extent feasible, so that, when it is required to execute any long-term credit operation, it has access to the source that is available at each market moment in competitive conditions and with the necessary opportunity.

The values that the Group manages as capital are presented below:

Capital management	2023	2022
Bonds and loans		
Commercial bank loans	10,344,517	9,053,293
Multilateral bank loans	776,947	1,163,243
Development bank loans	2,262,090	2,292,111
Bonds and securities issued	14,493,386	16,866,622
Other loans	-	115,000
Total debt	**27,876,940**	**29,490,269**
Total capital	**27,876,940**	**29,490,269**

- Amounts stated in millions of Colombian pesos -

Note 43. Financial risk management objectives and policies

The Group is exposed to financial risk, which is defined as the possibility of an event occurring that negatively affects financial results, including market risk, liquidity risk, credit risk, and operating risk.

Market risk refers to the changes or volatility of market variables that can generate economic losses. Market variables refer to exchange rates, interest rates, securities, commodities, among others; and their changes can impact, for example, financial statements, cash flow, financial indicators, contracts, the viability of projects, and investments.

Credit risk refers to the possible breach of payment obligations by third parties arising from contracts or financial transactions entered into.

Liquidity risk is the scarcity of funds and the inability to obtain the resources at the time they are required to meet contractual obligations and execute investment strategies. The scarcity of funds leads to the need to sell assets or contract financing operations in unfavorable market conditions.

Lastly, operational risk, from a financial point of view, is defined as deficiencies or failures in processes, technology, infrastructure, human resources, or the occurrence of unforeseen external events.

The Comprehensive Risk Management Department aims to lead the definition and implementation of the strategy for comprehensive risk management, in order to achieve adequate protection and assurance of the assets, resources, and interests of EPM Group.

The Group's policy is to manage the risks that affect its activity and its environment, adopting the best practices and international standards of Comprehensive Risk Management (GIR), as a way of facilitating the fulfillment of the purpose, strategy, business objectives, and purposes, both of statutory and legal origin. It has an information system that facilitates comprehensive risk management, guarantees the confidentiality, availability, and reliability of the information, and allows analysis and monitoring of risks and improvement plans. It has implemented a comprehensive risk management system and has a methodology for the identification, analysis, evaluation, control and monitoring of risks, among which are those associated with money laundering and financing of terrorism, which allows reducing vulnerability, proposing, and implementing effective mechanisms for the proper development of business, processes, projects, and contracts. As assessment criteria, there are assessment tables for the consequences of the materialization of risks and probability tables, which are applicable at the different levels of management defined in the methodological guide for comprehensive risk management.

The comprehensive risk management monitoring and review activity is aligned with the management follow-up process established in the Group, in order to propose and implement improvement actions. The established monitoring and review scheme evaluates, among others, the following aspects:

- The comprehensive risk management implementation strategy.
- Changes in the internal and external context that imply making adjustments in the treatment of identified risks or that generate new risks.
- The variation of risks in terms of frequency, probability and consequence.
- The evaluation criteria of the probability and consequence of the risks.
- The implementation and effectiveness of treatment plans.

The Group manages the financial risks associated with the different management levels, for which it identifies the risks within the market, liquidity and credit groups that are classified in the category of financial risks, quantifies their impact and implements mitigation strategies.

Reform of the reference interest rate on financial instruments

The Company carried out the evaluation of the concepts that would be affected by the change in the reference rate, resulting in currently having instruments indexed at the libor rate in dollars, such as: credit liabilities and contracts with suppliers.

Risks

The group is negotiating with financial entities the transition scheme to alternative reference rates. This process will require the updating of the contractual clauses of the credits indexed to LIBOR, a process that for the company will require the authorization of the Ministry of Finance and Public Credit.

43.1 Market risk

43.1.1 Price risk

Market risk is the risk that the fair value of the future cash flows of a financial instrument may fluctuate due to changes in market prices. The Group has identified that the financial instruments affected by market risk include:

- Cash and cash equivalents
- Fiduciary Assignment

Other Financial Assets:

- Fixed income securities
- Investments pledged or pledged as collateral
- Swaps

The methods and assumptions used in the development of the sensitivity analysis consist of:

For cash and cash equivalents, fixed income securities and investments pledged or pledged as collateral, the methodology used to measure market risk is the Value at Risk, which indicates the value of the maximum loss that an investment portfolio could present due to changes in market variables, this is presented with a confidence level of 99% and with a time horizon of one day. To quantify the VaR, the volatility of the risk factors must be calculated, for which three methodologies are considered: historical volatility, EWMA volatility (exponential weighting) and Garch volatility. Subsequently, exposure and risk by risk factor are calculated and finally the consolidated maximum expected loss is obtained.

Market price sensitivity is detailed below:

Exposed Value	Daily VaR COP
471,639	575
Values in millions of COPs	

43.1.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument may fluctuate as a result of changes in market interest rates. The EPM Group has identified that the financial instruments affected by interest rate risk include:

- Cash and cash equivalents
    - Fiduciary Assignment
- Other Financial Assets:
    - Fixed income securities
    - Investments pledged or pledged as collateral
    - Swaps
- Credits & Loans
- Trade receivables and other accounts receivable

Concentration of interest rate risk arises when there are large individual exposures and when significant exposures are presented to counterparties whose probability of default is determined by factors such as economic sector, currency and credit ratings. Interest rate risk management seeks to conserve capital and maintain or increase profitability. The EPM Group has defined policies in terms of risks and interest rates, through the identification of risks, the determination of the position of the rates and the simulation of possible hedging strategies. This supports decision-making, which is aimed at maintaining the position or covering it, and then an analysis of the results of the executed strategies is carried out.

Interest Rate Sensitivity Analysis

The following table indicates the sensitivity to a possible reasonable change in the interest rates of financial instruments exposed to this risk, without considering the effect of hedge accounting. Holding all other variables constant, pre-tax profit/loss and Grupo EPM's equity would be affected by changes in variable interest rates, as follows:

	Increase/decrease in basis points	Exposed Value	Financial effect	
			In profit before taxes	In equity
2023				
Financial assets measured at fair value with changes in profit or loss				
Investments at fair value through profit or loss	100			
	(100)			
Financial liabilities measured at amortized cost				
Loans and borrowings	100	12,035,382	(120,354)	(96,283)
	(100)	12,035,382	120,354	96,283
Financial liabilities measured at fair value through other comprehensive income				
Derivative instruments	*100*	*104,381*	*(59,153)*	*(47,323)*
	(100)	*104,381*	*59,153*	*47,323*
2022				
Financial assets measured at fair value with changes in profit or loss				
Investments at fair value through profit or loss	100	924,496	(2,921)	(2,337)
	(100)	924,496	2,921	2,337
Financial liabilities measured at amortized cost				
Loans and borrowings	100	10,356,764	(103,568)	(82,854)
	(100)	10,356,764	103,568	82,854
Financial liabilities measured at fair value through other comprehensive income				
Derivative instruments	*100*	*1,827,615*	*(57,485)*	*(45,988)*
	(100)	*1,827,615*	*57,485*	*45,988*

- Amount in millions of Colombian Pesos -

The Group considers the sensitivity analysis to be representative of interest rate risk exposure.

43.2 Exchange Rate Risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument may fluctuate as a result of changes in exchange rates.
The EPM Group has identified that the financial instruments affected by foreign exchange risk include:

- Cash and cash equivalents
- Other Financial Assets:
  - Fixed income securities
  - Swaps
- Credits & Loans
- Trade receivables and other accounts receivable
- Loans to economic affiliates

Exposure to foreign exchange risk relates first of all to financing activities in a currency other than the functional currency and to the hedging transactions contracted. The Group manages its foreign exchange risk through hedging operations over a medium-term horizon. It is the policy of the EPM Group not to close speculative hedging operations, so the conditions of the hedging derivative instruments replicate the conditions of the underlying in order to maximize the effectiveness of the hedging. The EPM Group hedges its exposure to exchange rate fluctuations using different hedging instruments, including Swaps, Forwards and Options at different maturities.

On July 1, 2021, the group approved the application of hedge accounting for net investments in foreign businesses. Hedging seeks to reduce the volatility of other comprehensive income by the method of participation of the effect by translation of financial statements. Net investment hedging applies to the Group's investments in foreign currency, in this case, investments in subsidiaries with a dollar-denominated functional currency and has as a hedging instrument an equivalent amount of dollar-denominated debt. The Group designated net investments in HET, PDG and MaxSeguros as a hedged item and an amount of debt denominated in USD equivalent to the value of the investment, with a total value of USD 342 million, as a hedging instrument.

Exchange Rate Sensitivity Analysis

The following table indicates the sensitivity to a possible reasonable change in exchange rates of $100 pesos in the currency against the U.S. dollar without considering the effect of hedge accounting. The impact originates from the change in monetary and non-monetary assets. All other variables being equal, pre-tax profit/loss and the Group's equity would be affected by changes in exchange rates, as follows:

	Increase/decrease in pesos	Exposed amount	Financial effect	
			In profit or loss before income taxes	In equity
2023				
Financial assets measured at fair value with changes in profit or loss				
Investments at fair value through profit or loss	100			
	(100)			
Financial liabilities measured at amortized cost				
Loans and borrowings	100	17,180,943	(449,522)	(359,617)
	(100)	17,180,943	449,522	359,617
Financial liabilities measured at fair value through other comprehensive income				
Derivative instruments	*100*	*8,328,247*	*217,900*	*174,320*
	(100)	*8,328,247*	*(217,900)*	*(174,320)*
2022				
Financial assets measured at fair value with changes in profit or loss				
Investments at fair value through profit or loss	100	1,527,045	31,746	25,397
	(100)	1,527,045	(31,746)	(25,397)
Financial liabilities measured at amortized cost				
Loans and borrowings	100	17,981,705	(373,824)	(299,060)
	(100)	17,981,705	373,824	299,060
Financial liabilities measured at fair value through other comprehensive income				
Derivative instruments	*100*	*7,576,065*	*157,500*	*126,000*
	(100)	*7,576,065*	*(157,500)*	*(126,000)*

- Amount in millions of Colombian Pesos -

The Group considers that the sensitivity analysis is representative of the exposure to exchange rate risk.

43.3 Credit risk

It is the risk that one of the counterparties does not comply with the obligations arising from a financial instrument or purchase contract and this results in a financial loss. The Group has identified that financial instruments affected by credit risk include:

- Cash and cash equivalents
- Other Financial Assets

- Accounts receivable and other accounts receivable

Cash and cash equivalents and other financial assets

For credit risk management, the EPM Group assigns quotas per issuer, by counterparty and intermediary, considering the financial, risk and fundamental analysis of the entities, emphasizing the equity support of the shareholders. The methodology considers the characteristics of the investment portfolio and the applicable regulations. The concentration of credit risk is limited as it complies with the provisions of the business rules manual for treasury operations. The description of the factors that define the concentration of risk is detailed below:

- The quotas are updated quarterly based on the latest available financial statements of the entities analyzed.
- When the value of the consolidated portfolio of temporary investments exceeds the equivalent of 35,000 legal minimum monthly wages (SMMLV), no more than 20% of this value should be concentrated in the same issuer, counterparty or intermediary, with the exception of securities issued by governments that comply with current regulations.
- Securities market intermediaries, other than supervised banking establishments, may act as counterparties to carry out transactions, but may not be considered as eligible issuers.
- Banked brokerage firms, domiciled in Colombia, that have at least the second best counterparty risk rating and that have a minimum technical equity of 35,000 SMLMV

Finally, the steps taken to avoid the concentration of risk are aimed at establishing, analyzing, monitoring and controlling the quotas, for which it controls the current quotas and their occupancy status. On the other hand, the justifications related to the need to temporarily exceed the quotas are submitted for approval.

The investments referred to are made up of banking establishments that have the following risk rating, depending on the term of the investment, as follows:

– For investments with a term equal to or less than one (1) year, the banking establishment must have a current rating corresponding to the highest category for the short term in accordance with the scales used by the rating companies that grant it and have at least the second best rating in force for the long term used by the respective companies;

– For investments with a term of more than one (1) year, the banking establishment must have the second best rating in force for the long term according to the scale used by the rating companies and the maximum rating for the short term according to the scale used for this term.

– Options, forwards and swaps: The EPM Group is exposed to the risk that a counterparty does not recognize the right and in order to mitigate it, the risk level of each of the entities with which a transaction is estimated to be carried out is previously evaluated.

Accounts receivable measured at amortized cost and other accounts receivable.

The EPM Group is exposed to the risk that users or customers who use public services may fall into arrears or non-payment of such services. Accounts receivable from utility debtors are classified into two large groups: those arising from late payment and the other group corresponds to financing or payment agreements with customers that are carried out as a portfolio recovery strategy or to link new customers.

At the end of each period, EPM Group companies evaluate the performance and value of accounts receivable to determine whether there is objective evidence that the portfolio is impaired and to identify its potential impact on future cash flows. The criteria used to determine that there is objective evidence of an impairment loss are:

- Customers' failure to pay
- It is known or has evidence that the client enters into business restructuring processes or economic insolvency or liquidation of the company.
- There are social disturbances, public order or natural disasters, which, according to experience, are directly correlated with the non-payment of collection bills.

In order to avoid an excessive concentration of non-payment risk, the companies of the EPM Group have developed and implemented various strategies to mitigate this risk, including:

- Persuasive collection by making phone calls and sending letters to customers with the support of specialized collection agencies.
- Segmentation of customers that allow us to identify those at higher risk, due to their value, in order to carry out personalized collection activities with them.
- Possibility of making payment agreements or partial payments that lead to the recovery of exposed capital.
- Offsetting of accounts receivable against accounts payable by the EPM Group with supplier customers.
- When the above strategies do not generate satisfactory results, coercive collection actions are carried out by suspending and cutting off the service.
- If the above strategies do not yield satisfactory results, the portfolio is collected through the courts.

Likewise, we are trying to expand the portfolio of products to customers in such a way as to facilitate the payment of debt, such as prepaid energy and water.

As mentioned, the EPM Group makes payment or financing agreements, which are carried out as a portfolio recovery strategy or to attract new customers. These entitle you to fixed or determinable payments and are included in current assets, except for those with a maturity of more than 12 months from the date of generation of the balance sheet, in which case they are classified as non-current assets.

In general terms, blank promissory notes with letters of instruction are constituted to guarantee customer debts, and when the value of the financing exceeds amounts pre-established in the internal regulations, real or bank guarantees are requested, and in cases where the customer is a state entity, resources that the EPM Group proceeds to pledge. Upon agreement, it collects from the client.

For the management of the credit risk of accounts receivable in its different stages (risk cycle), methodologies, procedures, guidelines and business rules are incorporated, complying with commercial and financial policies, in order to achieve a comprehensive and sustainable vision of customers.

The Group considers that the value that best represents its exposure to credit risk at the end of the period, without considering any collateral taken or other credit enhancements, is:

Concept	2023	2022
Cash and cash equivalents	3,303,818	1,998,196
Investments in debt instruments	477,149	676,154
Using the * Accounts receivable	3,178,999	1,958,605
Other Accounts receivable A/s.	564,339	290,135
Maximum exposure to credit risk	**7,524,305**	**4,923,090**

- Amount in millions of Colombian Pesos -

43.4 Liquidity risk

It refers to the possibility that there may be insufficient resources for the timely payment of the entity's obligations and commitments, and that the Group may therefore be forced to obtain liquidity in the market or to liquidate investments for consideration. It is also understood as the possibility of not finding buyers for the securities in the portfolio.

The Group has identified that the financial instruments affected by liquidity risk include:

- Cash and cash equivalents
- Other Financial Assets:
    - Fixed income securities
    - Investments pledged or pledged as collateral
    - Swaps
- Trade receivables and other accounts receivable

To control liquidity risk, temporal comparisons of figures, benchmarks and liquidity levels over different time horizons are made. Based on this analysis, investment strategies are developed that do not affect the Group's liquidity, taking into account the cash budget and market risk analyses to consider the diversification of funding sources, the ability to sell assets and the creation of contingency plans.

In general, the main aspects taken into account in the analysis are:

- Liquidity of the securities: the characteristics of the issuer, the amount of the issue and the trading volume are analyzed.
- Market liquidity: The general behavior of the market is analyzed and rate forecasts are made to infer its future behavior.
- Portfolio liquidity: cash flows are coordinated in order to determine investment strategies in accordance with future liquidity requirements, and diversification is sought to avoid the concentration of securities by issuer, rates, and/or maturities.

The following table shows the remaining contractual maturity analysis for liabilities and non-derivative financial assets:

	Effective average interest rate	Less than 1 year	From 1 to 2 years	From 2 to 3 years	From 3 to 4 years	More than 4 years	Total contractual obligation
2023							
Non-derivative financial assets							
Debt financial instruments with variable interest rates	10.18%	2,198,221	745,641	3,228,215	2,393,818	3,372,666	11,938,561
Fixed interest rate debt financial instruments	5.83%	2,141,823	557,651	213,818	4,685,831	8,032,193	15,631,315
2022							
Non-derivative financial assets	10.79%	1,820,727	34,394	22,029			1,877,150
Debt financial instruments with variable interest rates	10.33%	1,454,606	974,177	795,994	2,731,937	4,668,494	10,625,207
Fixed interest rate debt financial instruments	5.47%	1,740,774	1,396,826	429,524	250,785	14,708,909	18,526,817

- Amount in millions of Colombian Pesos -

The amounts included in the above tables for non-derivative financial assets and liabilities may change in response to changes in the variable interest rate relative to the estimated interest rate at the end of the reporting period. The Group considers that cash flows may not occur earlier than indicated above.

The following table shows the remaining contractual maturity analysis for derivative financial liabilities:

	Less than 1 year	From 1 to 2 years	From 2 to 3 years	From 3 to 4 years	More than 4 years	Total contractual obligation
2023						
Swap Contracts	958,634	951,274	1,042,502	920,561	1,626,377	5,499,349
Total	958,634	951,274	1,042,502	920,561	1,626,377	5,499,349
2022						
Swap Contracts	598,093	647,106	644,870	651,619	473,684	3,015,372
Total	598,093	647,106	644,870	651,619	473,684	**3,0153,71**

- Amount in millions of Colombian Pesos -

The main method for measuring and monitoring liquidity is cash flow forecasting, which is carried out in the Group's companies and consolidated in the cash budget. As a result, its cash position is monitored on a daily basis and projections are continuously made, in order to:

- Monitor liquidity needs related to operating and investment activities associated with the acquisition and disposition of long-term assets.
- Pay, prepay, refinance or obtain new loans, in accordance with the Group's cash flow generation capacity.

These projections take into account the Group's debt financing plans, compliance with ratios, compliance with organizational objectives and applicable regulations.

Finally, and in addition to the management of investments and cash flow forecasting as part of the strategy of prudent liquidity risk management, to control the current and working capital ratio, the EPM Group seeks to guarantee adequate liquidity through the availability of long-term financing with credit alternatives.

43.5 Insurance Risk

The Group assumes insurance risk in relation to: property damage, business interruption, sabotage and terrorism, commercial crime, directors' liability exposure and building officers.

The management of the Group's insurance risk is carried out through -indicate the name of the EPM Group company-, located in -indicate the country where the EPM Group company is located-, which consolidates the risks assumed and assigns them through reinsurance operations.

-The reinsurance companies with which operations were carried out as of 2023 are the following:

Reinsurer	Risk rating
Seguros Generales Suramericana S.A	AAA
Allianz Seguros S.A	AA+
La Previsora Compañía de Seguros S.A	AA+

The Group's main claims assumed are as follows:

Type of claim	Reserve amount	Amount reinsurer
Termosierra EPM	61,153	51,598
Son Son I - Hydroelectric Plant	5,763	-
Las Palmas - ESSA Hydroelectric Planr	1,643	-
Playas	3,058	-
Total	**71,617**	**51,598**

-Amounts stated in millions of Colombian pesos -

The value of the insured assets is as follows:

	2023	2022
EPM	24,923,446	32,850,012
CHEC	2,181,850	2,794,141
DELSUR	393,306	419,636
ESSA	713,839	952,324
HET	781,223	962,698
AGUAS NACIONALES	943,933	1,423,289
BODEGAS ITUANGO	610,452	1,729,484
Total	**30,548,049**	**41,131,584**

-Amounts stated in millions of Colombian pesos -

Note 44. Measuring fair value on a recurring and non-recurring basis

The methodology set out in IFRS 13 Measuring Fair Value specifies a hierarchy in valuation techniques based on whether the variables used in determining fair value are observable or unobservable. The Group determines fair value on a recurring and non-recurring basis, as well as for disclosure purposes:

- Based on prices quoted in active markets for assets or liabilities identical to those that the Group can access on the measurement date (level 1).
- Based on valuation techniques commonly used by market participants that use variables other than quoted prices that are observable for assets or liabilities directly or indirectly (level 2).

- Based on internal valuation techniques for discounting cash flows or other valuation models, using variables estimated by the Group that are not observable for the asset or liability, in the absence of variables observed in the market (level 3).

During 2023 and 2022, the Group has not made any transfers between the levels of the fair value hierarchy, both for transfers in and out of the levels.

Valuation techniques and variables used by the Group to measure fair value for recognition and disclosure:

Cash and cash equivalents: include fixed income instruments and fiduciary engagements. The latter reflect the balance of the Collective Investment Funds (CIFs) held by the EPM Group. These funds are used as a savings and investment mechanism and are managed by trust companies. Through these funds, resources are invested in a portfolio of assets which are updated at fair value. The EPM Group uses the market approach as a valuation technique for this item, these items are classified at level 1 of the fair value hierarchy.

Fair value investments through profit or loss and equity: this corresponds to the investments made to optimize liquidity surpluses, i.e., all those resources that are not immediately allocated to the development of the activities that constitute the corporate purpose of the companies. Additionally, it includes the resources given to a financial institution as collateral for the sale of the Los Cururos Wind Farm and EPM Transmisión Chile. The EPM Group uses the market approach as a valuation technique, these items are classified in level 1 of the fair value hierarchy.

Equity investments: corresponds to the resources placed in equity securities of national or foreign entities, represented in shares or parts of social interest. The methodologies used are: the market price for those listed on the stock exchange (level 1) and the discount of cash flows for the others (level 3).

Fiduciary rights: corresponds to the rights arising from the conclusion of commercial trust agreements. The EPM Group uses the market approach as a valuation technique, these items are classified in level 1.

Derivative instruments: The Group uses derivative financial instruments, such as forward contracts, futures contracts, swaps and options, to hedge various financial risks, mainly interest rate, exchange rate and commodity price risk. Such derivative financial instruments are initially recognized at their fair values at the date on which the derivative contract is concluded, and subsequently remeasured at fair value. The Group uses discounted cash flow as a valuation technique for swaps, in an income approach. The variables used are: Swap curve interest rate for dollar-denominated rates, to discount flows in dollars; and External Interest Rate Swap Curve for peso-denominated rates, to discount flows in pesos. These items are classified at level 2 of the fair value hierarchy. With respect to Zero Cost Collar options, the Black and Scholes model is used as a reference, which analyzes the value of options based on the price of the asset underlying the option and follows a continuous stochastic process of Gauss-Wiener evolution with constant mean and instantaneous variance. These items are classified at level 2 of the fair value hierarchy. Additionally, for the put option of the climate derivative, the Monte Carlo method is used as a valuation technique, which simulates the non-financial variable (rainfall measured in two meteorological stations located in the basins of two of the most important rivers in EPM's area of influence: Río Abajo and Riogrande I) in a series of situations or possible scenarios for a given event. including the limits and present value of the flows defined in the contract. This item is classified at level 3 of the fair value hierarchy because it uses variables not obtained from observable data in the market.

Accounts receivable: made up of the accounts receivable originated in the business combination for the acquisition of the subsidiary Empresas Públicas de Rionegro, for its valuation the discount of payment flows is considered by applying the weekly deposit rates for CDT at 360 days published by Banco de la República; and by the account receivable associated with the firm supply contract of liquid fuel (ACPM) for the plants La Sierra and Termodorada thermoelectric plants, which are updated according to the value of the fuel unit stipulated in the contract. Both items are classified at level 3 of the fair value hierarchy.

Investment properties: these are properties (land or buildings, considered in whole or in part, or both) that are held (by the Group in its own name or by part of a financial lease) to obtain income, capital gains or both, rather than to:

− Its use in the production or supply of goods or services, or for administrative purposes; or

− Its sale in the ordinary course of business.

The Panel uses two valuation techniques for these items. Within the market approach, the comparative or market method is used, which consists of deducing the price by comparing transactions, supply and demand and appraisals of similar or comparable properties, after adjustments of time, conformation and location. Within the cost approach, the residual method is used, which is applied only to buildings and is based on the determination of the updated cost of construction, minus depreciation due to age and state of conservation. Both items are classified at level 3 of the fair value hierarchy.

Contingent considerations: arising from business combinations in the acquisitions of the subsidiaries Espíritu Santo Energy S. de R.L. and Empresas Varias de Medellín S.A E.S.P. – EMVARIAS, the discounting of payment flows is considered by applying the discount rates: Libor Rate and TES Rate, respectively. These items are classified at level 3 of the fair value hierarchy.

Other accounts payable: corresponds to the premium payable of a climate derivative whose valuation technique is the average of expected future flows, discounted at a risk-free rate plus a spread that contemplates the possibility of default (own credit risk). This item is classified at level 3 of the fair value hierarchy due to the use of variables not obtained from observable market data, such as own credit risk.

The following table shows, for each of the levels of the fair value hierarchy, the Group's assets and liabilities measured at fair value on a recurring basis at the cut-off date:

Fair value on a recurring basis as of December 31, 2022	Carrying amount	Level 1	Level 2	Level 3	Total
Assets					
Cash and cash equivalents	639,034	639,034	-	-	639,034
Total negotiable or designated at fair value (See note 18)	**639,034**	**639,034**	**-**	**-**	**639,034**
Fixed income securities	426,252	426,252	-	-	426,252
Equity securities investments at fair value	426,300	426,300	-	-	426,300
Investments pledged or given in guarantee	808	808	-	-	808
Total other investments at fair value (See note 13)	**853,360**	**853,360**	**-**	**-**	**853,360**
Variable income securities other equity investments	1,562,842	1,555,210	-	7,632	1,562,842
Total other equity investments (See note 13)	**1,562,842**	**1,555,210**	**-**	**7,632**	**1,562,842**
Trust in administration	330,338	330,338	-	-	330,338
Total trust rights (See note 13)	**330,338**	**330,338**	**-**	**-**	**330,338**
Put Options	31,453	-	-	31,453	31,453
Futures Contracts	88		88		88
Derivative swaps	1,111	-	1,111	-	1,111
Collar Options	-	-	-	-	-
Total derivatives	**32,652**	**-**	**1,199**	**31,453**	**32,652**
Other accounts receivable	49,338	-	-	49,338	49,338
Total debtors (See note 12)	**49,338**	**-**	**-**	**49,338**	**49,338**
Investment properties Urban and rural land	155,250	-	-	155,250	155,250
Investment property Buildings and houses	39,360	-	-	39,360	39,360
Total investment properties	**194,610**	**-**	**-**	**194,610**	**194,610**
Liabilities					
Provision - business combination	141,143	-	-	141,143	141,143
Total contingent consideration (See note 27)	**141,143**	**-**	**-**	**141,143**	**141,143**
Other accounts payable	906,573	-	906,573	-	906,573
Total accounts payable	**906,573**	**-**	**906,573**	**-**	**906,573**
Total fair value on a recurring basis	**2,614,458**	**3,377,942**	**(905,374)**	**141,890**	**2,614,458**

Amounts stated in millions of Colombian pesos

Fair value on a recurring basis as of December 31, 2022	Carrying amount	Level 1	Level 2	Level 3	Total
Assets					
Cash and cash equivalents	812,232	812,232	-	-	812,232
Total negotiable or designated at fair value (See note 18)	**812,232**	**812,232**	**-**	**-**	**812,232**
Fixed income securities	560,166	560,166	-	-	560,166
Equity securities investments at fair value	128,814	128,814	-	-	128,814
Investments pledged or given in guarantee	233,004	233,004	-	-	233,004
Total other investments at fair value (See note 13)	**921,984**	**921,984**	**-**	**-**	**921,984**
Variable income securities other equity investments	2,100,071	2,092,266	-	7,805	2,100,071
Total other equity investments (See note 13)	**2,100,071**	**2,092,266**	**-**	**7,805**	**2,100,071**
Trust in administration	334,492	334,492	-	-	334,492
Total trust rights (See note 13)	**334,492**	**334,492**	**-**	**-**	**334,492**
Put Options	67,870	-	-	67,870	67,870
Derivative swaps	466,733	-	466,733	-	466,733
Collar Options	-	-	-	-	-
Total derivatives	**534,603**	**-**	**466,733**	**67,870**	**534,603**
Other accounts receivable	47,105	-	-	47,105	47,105
Total debtors (See note 12)	**47,105**	**-**	**-**	**47,105**	**47,105**
Investment properties Urban and rural land	153,781	-	-	153,781	153,781
Investment property Buildings and houses	36,793	-	-	36,793	36,793
Total investment properties	**190,574**	**-**	**-**	**190,574**	**190,574**
Liabilities					
Provision - business combination	164,112	-	-	164,112	164,112
Total contingent consideration (See note 27)	**164,112**	**-**	**-**	**164,112**	**164,112**
Other accounts payable	49,089	-	-	49,089	49,089
Total accounts payable	**49,089**	**-**	**-**	**49,089**	**49,089**
Derivative Passive Swaps	4,065	-	4,065	-	4,065
Total Derivative liabilities	**4,065**	**-**	**4,065**	**-**	**4,065**
Total fair value on a recurring basis	**4,723,795**	**4,160,974**	**462,668**	**100,153**	**4,723,795**

Amounts stated in millions of Colombian pesos

During 2023, no transfers were made between levels.

The following tables present a reconciliation of the Group's assets and liabilities measured at fair value on a recurring basis using non-observable variables (classified at level 3 of the fair value hierarchy) as of December 31, 2023 and 2022:

Changes in level 3 of the fair value hierarchy as of December 30, 2023	Initial balance	Changes recognized in profit or loss	Changes recognized in other comprehensive income	Settlements	Final balance
Assets					
Variable income securities other equity investments	7,805	-	(173)	-	7,632
Total other equity investments (See note 13)	**7,805**	**-**	**(173)**	**-**	7,632
Options	67,870	(36,417)	-	-	31,453
Total derivatives	**67,870**	**(36,417)**	**-**	**-**	31,453
Other accounts receivable	47,105	2,233	-	-	49,338
Total receivables	**47,105**	**2,233**	**-**	**-**	49,338
Investment properties Urban and rural land	153,781	-	1,469	-	155,250
Investment properties Buildings and houses	36,793	-	2,567	-	39,360
Total investment properties	**190,574**	**-**	**4,036**	**-**	194,610
Liabilities					
Provision - business combination	164,112	(22,969)	-	-	141,143
Total contingent consideration (See Note 27)	**164,112**	**(22,969)**	**-**	**-**	141,143

Amounts stated in millions of Colombian pesos

Changes in level 3 of the fair value hierarchy as of December 30, 2022	Initial balance	Changes recognized in profit or loss	Changes recognized in other comprehensive income	Purchases	Sales and transfers
Assets					
Variable income securities other equity investments	8,043	-	(238)	-	7,805
Total other equity investments (See note 13)	**8,043**	**-**	**(238)**	**-**	7,805
Options	102,210	(34,340)	-	-	67,870
Total derivatives	**102,210**	**(34,340)**	**-**	**-**	67,870
Other accounts receivable	23,187	23,918	-	-	47,105
Total receivables	**23,187**	**23,918**	**-**	**-**	47,105
Investment properties Urban and rural land	136,211	-	17,570	-	153,781
Investment properties Buildings and houses	31,119	-	5,674	-	36,793
Total investment properties	**167,330**	**-**	**23,244**	**-**	190,574
Liabilities					
Provision - business combination	165,214	(1,102)	-	-	164,112
Total contingent consideration (See Note 27)	**165,214**	**(1,102)**	**-**	**-**	164,112
Other Accounts Payable	91,317	20,844	-	(63,071)	49,090
Total Accounts Payable	**91,317**	**20,844**	**-**	(63,071)	49,090

Amounts stated in millions of Colombian pesos

The carrying amount and estimated fair value of the group's assets and liabilities that are not recognized at fair value in the consolidated statement of financial position, but require disclosure at fair value, as of December 31, 2023 and 2022 is as follows:

2023	Carrying amount	Level 2	Total
Assets			
Public services	9,562,023	9,513,743	9,513,743
Employees	242,613	223,989	223,989
Construction contracts	5,049	5,049	5,049
Other accounts receivable	1,714,811	1,524,430	1,524,430
Total Assets	**11,524,496**	**11,267,211**	**11,267,211**
Liabilities			
Development bank borrowings	2,262,090	2,164,558	2,164,558
Multilateral bank borrowings	776,947	643,828	643,828
Commercial bank borrowings	10,344,517	9,104,110	9,104,110
Bonds and securities issued	14,493,386	13,118,385	13,118,385
Total liabilities	**27,991,940**	**25,142,666**	**25,142,666**
Total	**(16,467,444)**	**(13,875,455)**	**(13,875,455)**

Amounts stated in millions of Colombian pesos

2022	Carrying amount	Level 2	Total
Assets			
Public services	7,958,729	7,940,569	7,940,569
Employees	224,225	198,662	198,662
Construction contracts	5,140	5,140	5,140
Other accounts receivable	1,757,839	1,751,547	1,751,547
Total Assets	**9,945,933**	**9,895,918**	**9,895,918**
Liabilities			
Development bank borrowings	2,292,111	2,292,111	2,292,111
Multilateral bank borrowings	1,163,243	1,163,243	1,163,243
Commercial bank borrowings	9,053,293	9,053,293	9,053,293
Bonds and securities issued	16,866,622	13,995,066	13,995,066
Other liabilities	115,000	111,786	111,786
Total liabilities	**29,490,269**	**26,615,499**	**26,615,499**
Total	**(19,544,336)**	**(16,719,581)**	**(16,719,581)**

Amounts stated in millions of Colombian pesos

As of December 31, 2023 and 2022, there were no concepts in levels 1 and 3.

Note 45. Service concession arrangements

As of the cut-off date, the Group manages as operator several concessions that contain provisions for the construction, operation and maintenance of facilities, as well as the provision of public services such as water supply, collection and wastewater treatment, in accordance with the applicable regulations.

The remaining period of the concessions in which the Group acts as operator is detailed below:

Company/Agreement	Activity	Country	Grant Period	Initial Remaining Period
Empresas Públicas de Medellín - Municipality of Itagüí 1/DJ/-6199/10 06/09/1978	Execution of works and provision of drinking water supply and sewerage services.	Colombia	Indefinite term	
Empresas Públicas de Medellín - Municipality of Caldas 1401288 28/08/1997	The Municipality undertakes to make available and facilitate the use of networks and other infrastructure for the provision of aqueduct and sewerage services.	Colombia	30 years (extendable)	4 years
Empresas Públicas de Medellín - Municipality of Barbosa 1401287 02/10/1997	The Municipality undertakes to make available and facilitate the use of networks and other infrastructure for the provision of aqueduct and sewerage services.	Colombia	30 years (extendable)	4 years
Empresas Públicas de Medellín - Municipality of Copacabana 1/DJ-9994/9 31/10/1990	Execution of works for the supply of drinking water, sewerage and provision of such services.	Colombia	20 years (extendable)	7 years
Empresas Públicas de Medellín - Municipality of Envigado 1/DJ/-5941/30 1/DJ/-7982/5 03/08/1977 27/02/1985	Provision of the aqueduct and sewerage service and construction of works for the provision of the aqueduct and sewerage service.	Colombia	10 years (extendable)	4 years
Empresas Públicas de Medellín - Municipality of Sabaneta 1/DJ/-7885/19 03/10/1984	The Municipality undertakes to make available and facilitate the use of networks and other infrastructure for the provision of aqueduct and sewerage services.	Colombia	10 years (extendable)	1 year
Empresas Públicas de Medellín - Municipality of La Estrella 1/DJ/-7835/17 10/09/1984	Execution of works and provision of drinking water supply and sewerage services.	Colombia	10 years (extendable)	1 year
Empresas Públicas de Medellín - Municipality of Bello 1/DJ/-7586/25 28/02/1984	Execution of works and provision of aqueduct and sewerage service.	Colombia	10 years (extendable)	1 year

Company/Agreement	Activity	Country	Grant Period	Initial Remaining Period
Municipality of Apartadó / Aguas Regionales EPM.	The Municipality undertakes to make available the movable and immovable assets that make up the system for the provision of aqueduct and sewerage services	Colombia	30	13
Municipality of Carepa/ EPM Regional Waters.	The Municipality undertakes to make available the movable and immovable property that makes up the system for the provision of aqueduct and sewerage services.	Colombia	30	13
Municipality of Chigorodó / EPM Regional Waters.	The Municipality undertakes to make available the movable and immovable property that makes up the system for the provision of aqueduct and sewerage services.	Colombia	30	13
Municipality of Mutatá / EPM Regional Waters	The Municipality undertakes to make available the movable and immovable property that makes up the system for the provision of aqueduct and sewerage services.	Colombia	30	13
Municipality of Turbo / Aguas Regionales EPM.	The Municipality undertakes to make available the movable and immovable property that makes up the system for the provision of aqueduct and sewerage services.	Colombia	30	13

Company/Agreement	Activity	Country	Grant Period	Initial Remaining Period
Municipality of El Retiro / Aguas de Oriente	Operate and maintain the networks and other infrastructure received during the concept of an adequate provision of the service.	Colombia	No explicit duration period	NA
Aguas Antofagasta S.A.	Operation of public services for the production and distribution of drinking water, collection and disposal of waste water and other services related to such activities	Chile	30	10
Colima Wastewater Treatment Plant.	Wastewater Treatment	Mexico	34 years	21 years
Wastewater treatment plants in Morelos and Tierra Negra, Tamaulipas.	Wastewater Treatment	Mexico	24 years	19 year
New processes contracted for the PEMEX project in Ciudad Madero, Tamaulipas.	Wastewater Treatment	Mexico	24 years	19 years
Wastewater treatment plants in Atapaneo and Itzícuaros, Morelia.	Wastewater Treatment	Mexico	24 years	15 years
Wastewater treatment plants of Tuxtla and Paso el Limón, in Tuxtla Gutiérrez.	Wastewater Treatment	Mexico	18 years	11 years
Wastewater treatment plant in Celaya, Guanajuato.	Wastewater Treatment	Mexico	18 years	9 years
Ministry of Environment	Water Use	Panama	Permanent	Permanent
Public Utilities Authority (ASEP)	Hydroelectric Generation	Panama	50 years	26 years
Electric Transmission Company	Interconnected System	Panama	24 years extendable	
National Environmental Authority (ANAM)	Management of protected areas	Panama	20 years	12 years
Empresa de Distribución Eléctrica Chiriquí S.A.	Sale of energy	Panama	15 years	7 years
Empresa de Distribución Metro-Oeste S.A.	Sale of energy	Panama	15 years	7 years
Elektra Noreste S.A.	Sale of energy	Panama	15 years	7 years

Service concession agreements for the provision of aqueduct and sewerage services

In Colombia:

The concession agreements between EPM and the Municipalities establish the conditions under which the aqueduct and sewerage networks are administered, operated and maintained for the provision of drinking water and wastewater sanitation services to their inhabitants, under the terms, conditions and rates established by the Commission for the Regulation of Drinking Water and Basic Sanitation – CRA.

The user is charged via a tariff according to the replacement intervention, expansion or interventions in the networks with the execution of the projects under construction (Constructions in progress). Following the parameters and conditions established by the C.R.A. (Water Regulation Commission).

The agreements set out the following rights and obligations for EPM as an operator in the service concession agreement:

- The right to receive from the Municipality all the aqueduct and sewerage networks and to have exclusivity as the operator of the system.
- Obligation to make exclusive use of the aqueduct and sewerage networks for the purposes for which they are intended, maintain them and return them in the conditions of use in which they were received.
- Some concession agreements have the option to be automatically renewed for equal periods unless one of the parties expresses an intention not to continue with the concession.
- Concession agreements do not establish an obligation to construct property, plant and equipment elements.

At the end of the concession, EPM must return the aqueduct and sewer networks without any consideration to the Municipalities. There have been no changes to the terms of the concession agreement during the period.

For these agreements, the intangible asset model applies. See Note 7 Goodwill and Other Intangible Assets.

In Regional Waters: As of the cut-off date, no revenues and costs incurred for construction services exchanged for a financial asset or an intangible asset have been recognized.

The concession agreement between Aguas Regionales and the Municipalities establishes that the conditions under which the aqueduct and sewerage networks are administered, operated and maintained for the provision of drinking water and wastewater sanitation services to their inhabitants, under the terms, conditions and rates established by the Commission for the Regulation of Drinking Water and Basic Sanitation – CRA.
The agreements indicate the following rights and obligations for Aguas Regionales as operator in the service concession agreement:

- **Description of the concession agreement:** The Municipality undertakes to make available the movable and immovable assets that make up the system for the provision of aqueduct and sewerage services.
- **Rights of the Agreement:** To receive the real estate of aqueduct and sewerage and other infrastructure that the municipality delivers, and to use it exclusively for the purposes for which it has been intended.
- **Obligations of the agreement:** Operate and maintain the networks and other infrastructure received within the concept of adequate service provision.
- Obligations of the Operating Company at the end of the concession: To return the networks to the current conditions of use.

There have been no changes to the terms of the concession agreement during the period.

In Aguas de Oriente: The concession agreement between Aguas del Oriente and the municipality of El Retiro establishes that the municipality is obliged to hand over the aqueduct and sewerage systems of the municipality of El Retiro to the company Aguas del Oriente Antioqueño S.A E.S.P, to provide the aqueduct and sewerage services.

In the loan, the following obligations are indicated for Aguas del Oriente: To provide aqueduct and sewerage services in the municipality of El Retiro in compliance with Law 142 of 1994 and the resolutions issued for this purpose by the Commission for the Regulation of Water and Basic Sanitation.
Obligations of the municipality: To deliver the aqueduct and sewerage distribution networks to Aguas del Oriente on a loan basis.

Obligations of the agreement: The expansion of the networks will be carried out in accordance with the regulations on the matter and will be the responsibility of the parties, who may do so directly or through the municipality in projects with greater coverage. The recoveries of these investments will be made by the parties under the schemes that for this purpose they agree with the beneficiaries of the projects and in accordance with the provisions of the law on this aspect. With resources from the tariffs, Aguas del Oriente will carry out the maintenance and replacement of networks and will do so under technical and economic criteria.

Termination of the agreement: The agreement will be terminated for the following reasons: A) By mutual agreement between the parties and B) By liquidation of the company.
At the end of the concession, Aguas del Oriente must return the aqueduct and sewerage systems (aqueduct and sewer networks) to the municipality. Drinking water production systems (intake, pipelines,

drinking water treatment plant, storage tanks, pumps, land where the system is located, etc.). They are and will continue to be from Aguas del Oriente.

There have been no changes in the terms of the concession agreements during the period.

In Adasa: The exploitation of the concession right implies the financing and execution of works required for the maintenance, replacement and expansion of the infrastructure and facilities necessary to meet the demand for related public services, during the term of the exploitation right, in the operational territory of the concession and in accordance with the Development Plan approved by ECONSSA CHILE S.A. or that qualified by the Superintendence of Services Sanitary services under the terms of article fifty-eight of the General Law on Health Services.

As part of the contract that granted the Concession to the company, it received real estate, movable property, installations, water rights and easements, which are used in the operation of the sanitary concessions. The company is prohibited from assigning, encumbering, leasing or constituting any right in favor of third parties over the goods received through the concession, which must be returned at the end of the Contract in the state in which it is, ensuring its proper functioning at all times. The subsequent investments made by the company, in those parts that cannot be recovered through tariffs because their estimated use exceeds the remaining term of the Sanitary Concession, will be recovered in said portion at the end of the concession, where ECONSSA Chile S.A. will reimburse these investments, since the investment reimbursement clauses are applicable. as indicated and established in the respective signed transfer contract.
As part of its obligations, the company must annually submit specific information on the assets held on loan, as well as the new investments made within the framework established in the transfer contract signed between the two companies, which includes a cadastre of each and every one of the facilities and networks of the sanitary services for the production and distribution of drinking water and for the collection and disposal of wastewater.

In Mexico: The entity considers that the concession contract in which it participates falls within the scope of the INIF 17 Concession Contracts. In addition, it has assessed that the consideration granted to it by the Agency is an account receivable, since it has the contractual and unconditional right to receive cash for construction services. During the construction period, the Company recognizes a work in progress, once the Agency grants the release of the construction, the Company recognizes an account receivable that is recorded as a short-term and long-term financial asset, depending on the estimated date of collection. The interest earned on this account receivable is recognized in the income statement under interest income.

Revenues from the operation of concession projects are recognized as concession revenues on an as-accrued basis.

In Hidrosur: As of December 31, 2023, the company manages as operator various concessions that contain provisions for the construction, operation and maintenance for hydroelectric generation, water use, energy sales, transmission system and administration of protected areas.

Note 46. Operating Segments

46.1 Segment Information

For management purposes, the Group is organized into segments on the basis of its products and services, and has the following eight operating segments on which information is presented:

- Energy Generation and Commercialization Segment, whose activity consists of the production of energy and commercialization of large blocks of electrical energy, based on the acquisition or development of a portfolio of energy proposals for the market.
- Energy Distribution and Commercialization Segment, whose activity consists of transporting electrical energy through a set of lines and substations, with their associated equipment, operating at voltages below 220 KV, the commercialization of energy to the end user of the regulated market and the development of related and complementary activities. It includes the Regional Transmission System (STR), the Local Distribution System (SDL), the street lighting service and the provision of associated services.
- Energy Transmission Segment, whose activity consists of the transmission of energy in the National Transmission System -STN-, composed of the set of lines, with their corresponding connection equipment, which operate at voltages equal to or greater than 220 KV. The National Transmitter (TN) is the legal entity that operates and transports electrical energy in the STN or has established a company whose purpose is the development of such activity.
- Gas Distribution and Marketing Segment, whose activity consists of the conduction of gas from the city gate to the end user, through medium and low pressure pipes. It includes the sale of gas through different systems, including grid distribution, natural gas for vehicles, compressed natural gas and service stations.
- Water Supply and Marketing Segment, whose activity consists of conceptualizing, structuring, developing and operating systems to provide water. It includes carrying out the commercial management of the portfolio of services related to the supply of water for different uses, in addition to the use of the production chain, specifically in the production of energy, and the supply of raw water.
- Wastewater Management and Marketing Segment, comprises the activities of conceptualizing, structuring, developing and operating wastewater and solid waste management systems, in addition to the use of the production chain, specifically in the production of energy and gas.
- Solid Waste Management and Marketing Segment, includes carrying out the commercial management related to these services and the use of biosolids and other by-products of wastewater treatment and solid waste management.
- Other Segment, which corresponds to the other activities that are not included within the segments listed above. It includes: Adapted Health Entity (EAS) and Medical and Dental Services Unit, billing and collection services for third parties, income received from investment properties (leases), social financing, EATIC Laboratory tests, provision of specialized transportation service and services associated with information and communication technologies, information services and complementary activities related or related to them.

The Group has not aggregated operating segments to make up these eight reportable segments; However, it carries out the activity of energy marketing, which consists of the purchase of electricity on the wholesale market and its sale to other market players or to regulated or non-regulated end users. Therefore, the Group includes the financial information of the company in the corresponding segments that contain this activity.

Management monitors the operating results of the operating segments separately for the purpose of making decisions on resource allocation and evaluating their performance. Segment performance is measured on the basis of pre-tax and discontinued operating gain or loss and is measured uniformly with operating gain or loss in the consolidated financial statements.

The transfer prices between the operating segments are agreed as between independent parties in a similar way to those agreed with third parties.

2023	Generation	Transmission	Distribution	Gas	Water supply	Wastewater management	Solid waste management	Other segments	Total segments	Intersegment eliminations	Consolidated
Revenues from external customers	6,456,029	374,445	24,970,973	1,546,349	2,130,208	1,451,884	325,195	281,633	37,536,716	-	**37,536,716**
Inter-segment revenues	835,324	159,682	1,054,892	58,143	55,175	62,491	1,135	150,157	2,376,999	(2,376,999)	-
Total net revenue	**7,291,353**	**534,127**	**26,025,865**	**1,604,492**	**2,185,383**	**1,514,375**	**326,330**	**431,790**	**39,913,715**	**(2,376,999)**	**37,536,716**
Costs and expenses without depreciation, amortization, provisions and impairment of PP&E and intangibles	(3,227,770)	(107,163)	(20,458,536)	(1,337,175)	(1,154,580)	(873,576)	(264,128)	(389,380)	(27,812,308)	2,247,934	(25,564,374)
Depreciation, amortization, provisions and impairment of PP&E and intangible assets	(1,270,952)	(72,109)	(1,046,424)	(23,721)	(332,707)	(138,642)	(71,418)	(57,573)	(3,013,546)	49,470	(2,964,076)
Impairment of trade receivable	(36,794)	(1,103)	(1,064,171)	(1,349)	(35,337)	(18,689)	(83)	(42,584)	(1,200,110)	454	(1,199,656)
Other expenses	(20,406)	(2,667)	(84,456)	(1,274)	(13,113)	(4,022)	(346)	(622)	(126,906)	1,471	(125,435)
Interest and yield income	104,622	13,515	237,658	23,334	75,666	128,866	11,728	112,780	708,169	(369,959)	338,210
Finance income (other than interest and yields)	24,898	4,739	75,592	44,633	20,151	24,631	2,107	269,713	466,464	-	466,464
Total finance income	129,520	18,254	313,250	67,967	95,817	153,497	13,835	382,493	1,174,633	(369,959)	804,674
Interest expense	(925,436)	(93,071)	(808,124)	(86,681)	(474,047)	(251,419)	(13,762)	(662,614)	(3,315,154)	375,910	(2,939,244)
Financie expenses (other than interest)	(156,228)	(374)	(94,970)	(2,643)	(30,966)	(13,703)	(25,558)	(4,955)	(329,397)	1,559	(327,838)
Total finance expense	(1,081,664)	(93,445)	(903,094)	(89,324)	(505,013)	(265,122)	(39,320)	(667,569)	(3,644,551)	377,469	(3,267,082)
Net foreign exchange difference	176,742	839	70,481	4,188	78,587	14,168	3	(173,766)	171,242	(54)	171,188
Equity method in the profit or loss of associates and joint ventures	-	-	-	-	-	-	-	(567,722)	(567,722)	-	(567,722)
Effect of share in equity investments	-	-	1,330	-	-	-	-	178,119	179,449	(1,331)	178,118
Profit or loss before income tax for the period	**1,960,029**	**276,733**	**2,854,245**	**223,804**	**319,037**	**381,989**	**(35,127)**	**(906,814)**	**5,073,896**	**(71,545)**	**5,002,351**
Income tax	(708,428)	(62,361)	(782,300)	(78,054)	4,732	(121,339)	438	200,943	(1,546,369)	30,216	(1,516,153)
Net movement in regulatory accounts related to profit or loss for the period	-	-	75,748	-	-	-	-	-	75,748	-	75,748
Net profit or loss for the period	**1,251,601**	**214,372**	**2,147,693**	**145,750**	**323,769**	**260,650**	**(34,689)**	**(705,871)**	**3,603,275**	**(41,329)**	**3,561,946**
Total assets without investments in associates and joint ventures and debit balances of deferred regulatory accounts	26,657,403	2,436,559	29,187,485	1,635,160	9,290,875	8,279,647	453,376	4,719,911	82,660,416	(6,636,297)	76,024,119
Investments in associates and joint ventures accounted for by the equity method	-	-	-	-	-	-	-	1,073,863	1,073,863	-	1,073,863
Deferred assets related to regulatory account balances	-	-	137,883	-	-	-	-	-	137,883	-	137,883
Total assets and debit balances of deferred regulatory accounts	**26,657,403**	**2,436,559**	**29,325,368**	**1,635,160**	**9,290,875**	**8,279,647**	**453,376**	**5,793,774**	**83,872,162**	**(6,636,297)**	**77,235,865**
Total liability	**15,614,429**	**1,110,085**	**16,653,505**	**986,032**	**5,840,575**	**4,548,136**	**441,775**	**6,202,123**	**51,396,660**	**(5,518,494)**	**45,878,166**
Deferred liabilities related to regulatory account balances	**-**	**-**	**41,365**	**-**	**-**	**-**	**-**	**-**	**41,365**	**-**	**41,365**
Total liabilities and credit balances from deferred regulatory accounts	**15,614,429**	**1,110,085**	**16,694,870**	**986,032**	**5,840,575**	**4,548,136**	**441,775**	**6,202,123**	**51,438,025**	**(5,518,494)**	**45,919,531**
Additions to non-current assets	1,881,877	112,004	2,611,239	19,701	825,127	291,495	51,952	121,974	5,915,369	-	**5,915,369**

Amounts stated in millions of Colombian pesos

2022	Generation	Transmission	Distribution	Gas	Water supply	Wastewater management	Solid waste management	Other segments	Total segments	Intersegment eliminations	Consolidated
Revenues from external customers	4,753,989	347,758	22,357,862	1,296,008	1,739,639	1,193,245	285,014	248,954	32,222,469	-	**32,222,469**
Inter-segment revenues	1,188,993	149,209	797,593	300,851	74,332	52,195	2,676	132,676	2,698,525	-2,698,525	-
Total net revenue	**5,942,982**	**496,967**	**23,155,455**	**1,596,859**	**1,813,971**	**1,245,440**	**287,690**	**381,630**	**34,920,994**	**-2,698,525**	**32,222,469**
Costs and expenses without depreciation, amortization, provisions and impairment of PP&E and intangibles	-2,929,975	-102,037	-17,193,924	-1,379,131	-863,268	-638,070	-229,167	-377,495	-23,713,067	2,564,406	**-21,148,661**
Depreciation, amortization, provisions and impairment of PP&E and intangible assets	-441,948	-66,321	-855,075	-21,556	-305,986	-133,829	-53,264	-32,952	-1,910,931	42,058	**-1,868,873**
Impairment of trade receivable	-50,936	-1,082	-942,746	-5,922	-18,514	-32,445	-922	-52,783	-1,105,350	-1,055	**-1,106,405**
Other expenses	-20,592	-1,457	-96,458	-1,266	-16,791	-3,024	-49	-865	-140,502	1,991	**-138,511**
Interest and yield income	106,119	3,419	110,108	4,637	30,251	71,401	4,717	32,518	363,170	-115,112	**248,058**
Finance income (other than interest and yields)	11,305	2,135	46,042	8,922	18,100	12,505	3,208	47,628	149,845	-	**149,845**
Total finance income	117,424	5,554	156,150	13,559	48,351	83,906	7,925	80,146	513,015	-115,112	**397,903**
Interest expense	-448,721	-73,643	-486,911	-62,530	-412,921	-179,985	-6,011	-510,891	-2,181,613	122,031	**-2,059,582**
Financie expenses (other than interest)	-129,407	-320	-42,890	-1,247	-20,901	-9,674	-16,206	-6,204	-226,849	1,549	**-225,300**
Total finance expense	-578,128	-73,963	-529,801	-63,777	-433,822	-189,659	-22,217	-517,095	-2,408,462	123,580	**-2,284,882**
Net foreign exchange difference	-337,669	453	-38,321	5,697	10,290	643	-9	255,503	-103,413	327	**-103,086**
Equity method in the profit or loss of associates and joint ventures	-	-	-	-	-	-	-	-231,842	-231,842	-	**-231,842**
Effect of share in equity investments	-	-	3,299	-	-	-	-	68,455	71,754	-1,032	**70,722**
Profit or loss before income tax for the period	**1,701,158**	**258,114**	**3,658,579**	**144,463**	**234,231**	**332,962**	**-10,013**	**-427,298**	**5,892,196**	**-83,362**	**5,808,834**
Income tax	-260,842	-63,403	-1,066,788	-45,402	45	-150,510	-1,558	-49,312	-1,637,770	17,600	**-1,620,170**
Net movement in regulatory accounts related to profit or loss for the period	-	-	-67,118	-	-	-	-	-	-67,118	-	**-67,118**
Net profit or loss for the period	1,440,316	194,711	2,524,673	99,061	234,276	182,452	-11,571	-476,610	4,187,308	-65,762	4,121,546
Total assets without investments in associates and joint ventures and debit balances of deferred regulatory accounts	24,606,779	2,787,176	26,622,356	1,553,728	9,719,100	7,737,864	449,472	4,556,627	78,033,102	-3,680,732	**74,352,370**
Investments in associates and joint ventures accounted for by the equity method	-	-	-	-	-	-	-	1,176,188	1,176,188	-	**1,176,188**
Deferred assets related to regulatory account balances	-	-	56,115	-	-	-	-	-	56,115	-	**56,115**
Total assets and debit balances of deferred regulatory accounts	**24,606,779**	**2,787,176**	**26,678,471**	**1,553,728**	**9,719,100**	**7,737,864**	**449,472**	**5,732,815**	**79,265,405**	**-3,680,732**	**75,584,673**
Total liability	13,966,376	1,415,644	14,662,315	1,010,327	5,854,651	4,088,042	396,477	5,769,165	47,162,997	-2,578,164	**44,584,833**
Deferred liabilities related to regulatory account balances	-	-	16,834	-	-	-	-	-	16,834	-	**16,834**
Total liabilities and credit balances from deferred regulatory accounts	13,966,376	1,415,644	14,679,149	1,010,327	5,854,651	4,088,042	396,477	5,769,165	47,179,831	-2,578,164	**44,601,667**
Additions to non-current assets	2,460,246	95,397	2,121,829	13,238	708,891	272,050	13,484	126,071	5,811,206	-	**5,811,206**

Amounts stated in millions of Colombian pesos

46.2 Information by Geographic Area

Revenue from external customers

Country	2023	2022
Colombia (country of domicile EPM)	26,990,621	22,899,462
Guatemala	4,096,869	3,694,625
Panama	3,144,708	2,919,645
El Salvador	1,508,987	1,474,212
Chile	1,094,607	842,828
Mexico	501,239	334,558
Ecuador	148,793	12,570
Bermuda	58,466	51,274
International intersegment elimination	(7,574)	(6,705)
Total countries other than Colombia	**10,546,095**	**9,323,007**
Total consolidated revenues	**37,536,716**	**32,222,469**

Amounts stated in millions of Colombian pesos

Revenue information is based on the location of the customer.

There is no customer in the Group that generates more than 10% of its revenues.

Non-current assets

Country	2023	2022
Colombia (country of domicile of EPM)	43,060,154	37,982,084
Chile	3,462,714	3,542,859
Panama	2,758,088	3,260,907
Guatemala	3,016,617	3,448,649
El Salvador	457,137	498,764
Mexico	5,302	17,751
Total countries other than Colombia	**9,699,858**	**10,768,930**
Total non-current assets	**52,760,012**	**48,751,014**

Amounts stated in millions of Colombian pesos

For these purposes, non-current assets include property, plant and equipment, intangible assets, and investment property including assets from the acquisition of subsidiaries and goodwill.

Note 47. Events occurring after the reporting period

- On January 31, 2024, EPM filed an extraordinary appeal before the Council of State for annulment of the award rendered by the Arbitral Tribunal promoted by the company Hidroeléctrica Ituango against EPM. The appeal is based on two Lands contemplated in Law 1523 of 2012, that is, having ruled in conscience or equity and the award containing contradictory aspects. In addition, a jurisprudential Land was invoked, namely that the arbitration process did not take into account the preliminary interpretation of the rules issued by the Andean Community of Nations applicable to the case.

  Based on Law 1523 of 2012, EPM also requested the suspension of the economic effects of the award until the extraordinary appeal for annulment is resolved on the merits.

The annulment appeal was filed with the Council of State on February 26, 2024, after it had been transferred to the company Hidroeléctrica Ituango. On March 8, the appeal was distributed in the Third Section of the Council of State.

- On February 8, 2024, XM delivered $648,856 corresponding to Ituango's reliability charge (including interest), which, in accordance with the provisions of CREG resolution 194 of 2020, had to be administered in a trust until the plant completed the net effective capacity of the first stage, a milestone that was met in October 2023 when units 3 and 4 came into operation.
- On February 27, 2024, EPM's Board of Directors approved a capitalization, a capitalizable loan or a combination of both alternatives to Empresas Varias de Medellín S.A. E.S.P. for up to $337,000, with partial disbursements, during the years 2024 and 2025. It is estimated that the amount to be disbursed in 2024 will be $228,000.
- On February 27, 2024, EPM's Board of Directors approved granting a loan to Caribemar de la Costa S.A.S. E.S.P. AFINIA for $755,000, with a term of 5 years and with an interest rate in accordance with market conditions at the time of its completion; this credit was contemplated in EPM's 2024 budget and current business plan.
- On March 13, a request for a 120-day suspension of the request for voluntary retirement filed on August 1, 2023, was filed with the Superintendence of Health, with the purpose of analyzing the different options and making a decision on the future of the Adapted Health Entity.

After the date of presentation of the consolidated financial statements and prior to the date of authorization of their publication, no other material facts involving adjustments to the figures were presented.

Rad. EPM 20240130087821

Medellín, April 11th, 2024

SUPERINTENDENCIA FINANCIERA DE COLOMBIA
Calle 7ª. No. 4-49
Bogotá D.C.

In response to Decree 151 of 2021, this letter is issued to affirm our commitment to certifying that the transmitted information encompasses all material aspects of the business. This action is taken to adhere to the stipulations of External Circular Letter 012 of 2022, Annex 1: periodic information of issuers **(hereinafter referred to as "the Report").**

The assertions made in this letter are confined to issues deemed material by either the EPM Group or Empresas Públicas de Medellín E.S.P. as defined under the guidelines and definitions of Decrees 2555 of 2010 and 151 of 2021. Material inaccuracies or omissions, whether considered individually or collectively, have the potential to affect the decision-making processes of "**the Report's**" readers.

Thus, we hereby declare the following concerning our responsibilities in compiling "**the Report**", to the best of our knowledge and belief.

A. Reports and Records

• We recognize that as administrative members of the EPM Group or Empresas Públicas de Medellín E.S.P., we bear responsibility for preparing and presenting "**the Report**" in accordance with the previously mentioned criteria and selecting these criteria. • We also acknowledge our duty to ensure these criteria are suitable for their intended purposes.

• The information presented has been derived from the most pertinent activities conducted and reported by the departments of Empresas Públicas de Medellín E.S.P. and the EPM Group companies up to the fiscal year-end.

• We have implemented and maintained effective internal controls and adequate records to support the preparation of dependable information and documentation associated with "**the Report**".

Empresas Públicas de Medellín E.S.P.
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Conmutador: 3808080 - Fax: 3569111
Medellín-Colombia
www.epm.com.co

• We confirm that the evaluation of both qualitative and quantitative data pertinent to the Report, aligned with the applicable criteria and encompassing all relevant aspects, is accurately depicted in the Report.

B. Misstatements and Irregularities

• We confirm the absence of any significant errors or irregularities that could crucially impact the content of "**the Report**".

• We define "irregularity" as intentional acts or omissions by management, employees of Empresas Públicas de Medellín E.S.P., companies within the EPM Group, or external parties, that distort the information in "**the Report**". Such irregularities may include, but are not limited to, manipulation, forgery, alteration, suppression, or omission of records or documents.

C. Compliance with Laws and Regulations

• We are unaware of any non-compliance with regulatory requirements that might materially affect the qualitative or quantitative data in "**the Report**".

• We have received no communications from regulatory bodies concerning non-compliance that could reasonably be expected to have a material impact on the qualitative or quantitative data in "**the Report**".

• To our knowledge, there have been no prior verifications of "**the Report**" during this period, mandatory or voluntary; however, we have disclosed all pertinent findings.

D. Integrity and Accuracy of Information

• The information provided faithfully represents the management activities reported by various departments of Empresas Públicas de Medellín E.S.P. and the EPM Group companies.

• We have provided access to all necessary records, supporting documents, data, explanations, and other relevant information required for your verification efforts.

• We believe that the assumptions, estimates, models, methodologies, and measurement processes used for determining the inherent values or data for verification are both suitable and precise.

E. Subsequent Events

• Based on our current knowledge, there have been no significant events after the reporting period that would necessitate adjustments to the data reported or additional disclosures in "**the Report**", beyond those previously identified and updated.

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F. Electronic Presentation

Regarding the online publication of "**the Report**", we confirm:

- It is our responsibility to manage the electronic presentation of this document.
- We will ensure that the electronic version of "**the Report**" published on our website matches the final signed version exactly. Should there be a need to amend "**the Report**", notification will be provided.

Respectfully,

JOHN ALBERTO MAYA SALAZAR
CEO
EMPRESAS PUBLICAS DE MEDELLIN E.S.P.

Empresas Públicas de Medellín E.S.P.
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EXTERNAL AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING.

To the Board of Directors of:

Empresas Públicas de Medellín E.S.P.

We have audited the Financial Statements of Empresas Públicas de Medellín E.S.P. (the Entity), in accordance with generally accepted auditing standards in Colombia. These Financial Statements include the balance sheet as of December 31, 2023, the Statement of Comprehensive Income, changes in equity, and cash flows for the year ended on that date, along with the related notes, on which we issued our report on March 20, 2024.

Our audit was conducted in accordance with International Auditing Standards effective in Colombia. As part of our audit, in line with these standards, we gained an understanding of the internal control relevant to the audit to design procedures that are suitable for the circumstances, not with the intent to provide an opinion on the effectiveness of the Entity's internal control. However, pursuant to the requirements of Basic Legal Circular Letter Part III Title V Chapter I Annex I item 7.4.1.2.7., applicable to Group A issuers, we executed additional specific procedures to attain reasonable assurance that the Entity's internal control over financial reporting was materially effective as of December 31, 2023. The selected procedures were based on our professional judgment, deemed appropriate to the circumstances. Our work was conducted in accordance with the Information Assurance Standards accepted in Colombia. We have adhered to the independence and other ethical requirements stipulated in the Code of Ethics for Professional Accountants recognized in Colombia.

The Entity's management is responsible for preparing and properly presenting the Financial Statements in accordance with the International Financial Reporting Standards accepted in Colombia, as adopted by the National Accounting Office through Resolution 037 of 2017 and its subsequent amendments. This responsibility includes the internal controls that management deems necessary to ensure the Financial Statements are free from significant errors, whether from fraud or mistake, according to the criteria set forth in the Standard Model of Internal Control (MECI). Additionally, Management is responsible for the accuracy of the declarations included in the report signed by the Legal Representative, as required by Article 47 of Law 964 of 2005. This involves recording, processing, summarizing, and properly presenting the financial information of securities issuers, as well as reporting any instances of fraud that may have compromised the quality of the financial information. These responsibilities encompass designing, effectively operating, and evaluating the internal controls related to the preparation of financial information.

The internal control over financial reporting is a process undertaken by the Entity's governing body or its equivalent, Management, and other staff, designed to provide reasonable assurance regarding the reliability of Financial Statements prepared in accordance with the International Financial Reporting Standards accepted in Colombia, as adopted by the National Accounting Office through Resolution 037 of 2017 and its subsequent amendments. An Entity's internal control over financial reporting encompasses policies and procedures that (1) relate to maintaining records that detail, accurately and fairly, the transactions and dispositions of the Entity's assets; (2) ensure reasonable assurance that transactions are recorded as necessary to enable the preparation of Financial Statements in line with the International Financial Reporting Standards accepted in Colombia, as enacted by the National Accounting Office through Resolution 037 of 2017 and its subsequent amendments, and confirm that the Entity's revenues and expenses are incurred strictly in accordance with these standards and the authorizations of management and the governing body or its equivalent; and (3) provide reasonable assurance regarding the prevention or timely detection and rectification of unauthorized acquisition, use, or disposition of the entity's assets that could materially affect the Financial Statements. Due to its inherent limitations, internal control over financial reporting cannot prevent, or detect and correct, misstatements whether due to fraud or error. Furthermore, projections of any effectiveness assessments for future periods are subject to the risk that controls may become inadequate due to changes in conditions, or that the degree of compliance with policies or procedures may deteriorate.

Based on the evidence obtained during our audit, in our opinion, the internal control over financial reporting, as identified by the Entity's management in accordance with the requirements of the Basic Legal Circular Letter Part III Title V Chapter I Annex I item 7.4.1.2.7, applicable to Group A issuers, is operating effectively in all material respects as of December 31, 2023.

DELOITTE & TOUCHE LLP.
March 20, 2024.