



EPM Group Investor Meeting 2021



Agenda

- 1 Our performance in 2020
- 2 Growing together to add value
- 3 Building our vision of future
- 4 Relevant topics in progress
- 5 Q&A Session



MultiLatin Business Group



7 business lines:

- Power Generation
- Power Transmission
- Power Distribution
- Natural Gas Distribution
- Water
- Wastewater Treatment
- Solid waste management



44
Companies



15,498
Employees



9,177
Providers and
Contractors



25 million
Beneficiary people
in Latin-America



1

Our performance in 2020

1. Our performance in 2020

Implementing measures to make our customer's lives easier



Grupo·epm

EPM implements its own relief measures and those issued by each government, to ensure **the availability of utility services during the pandemic.**



1. Our performance in 2020

Implementing measures to make our customer's lives easier



Measures during the pandemic



- **Reinstallation and reconnection** *(Households)*
- Power: **23 thousand**
Water: **14 thousand**
Gas: **11 thousand**
- **No suspension or cuts of the service, due to non-payment**
64,502 facilities with at least one suspension order at the end of December 2020
- **Deferred payments due to non-payment**
Maximum amount **COP 242 thousand million**
911 thousand customers

1. Our performance in 2020

Implementing measures to make our customer's lives easier



Measures during the pandemic



- Suspension of the collection of “Somos” credit installments
COP 146 thousand million
133 thousand customers

- Suspension of utility services financing fees
COP 481 thousand million
160,215 customers.

1. Our performance in 2020

Implementing measures to make our customer's lives easier



Measures during the pandemic



- **Split payment of the utility bill:**
22,658 customers
- **Payment facilities invoice in the field:**
COP 13,397 million in deferred values
25,300 customers
- **Strengthening of digital channels:**
55 new transactions on the website, EMA virtual advisor, mobile application and self-management modules.

1. Our performance in 2020

Implementing measures to make our customer's lives easier



Measures during the pandemic



- Continuity of Prepaid services and “Paga a tu Medida” program:

41,725 customers.

- Prepaid Services

No collection of **10%** of the debt in each recharge.

Financed amount:

Prepaid Water: COP 1,995 million

Close to **12 thousand** customers

Prepaid Energy: COP 27,534 million

Close to **195 thousand** customers

1. Our performance in 2020

Coping with the pandemic by doing our best



Creation of the

Unified Command Post (UCP)

Corporate

Subsidiaries

Ituango Hydroelectric Project

USD 8.5 million invested by **EPM** in COVID-19 prevention, containment and mitigation

7.44% contagion rate

0.006% death rate

1. Our performance in 2020

Coping with the pandemic by doing our best



COVID-19 - Ituango Hydroelectric Project

- **Proximity technology** for contact identification of suspected COVID-19 patients
- Each worker has a **smart handle**
- **Bubble** work scheme

*First cases in Colombia and possibly in Latin America **with effective implementation***

*Reduction to **1.75%** of total positive cases among almost 6,000 active workers of the Ituango Hydroelectric Project*



1. Our performance in 2020

Coping with the pandemic by doing our best



Support to other entities during the pandemic

- **IPS Universitaria (Health Service Provider Institution):**
42 new beds in the Intensive Care Unit (ICU) of the León XIII Clinic.
COP 3,000 million to increase capacity for priority medical care during the pandemic.



1. Our performance in 2020

Coping with the pandemic by doing our best



Support to other entities during the pandemic

- **Hiring of health equipment:**

17 professionals.

Strengthening the response capacity of municipalities of the area of influence of the Ituango Hydroelectric Project



- **Cooperation agreement between EPM and the *Universidad de Antioquia***

Training and support for health professionals.

Development of pedagogical content on the coronavirus.



Achieving a good energy growth

1. Our performance in 2020

Achieving a good energy growth



Power service supply
in the regions of: Bolívar, Cesar,
Cordoba, Sucre and in 11 municipalities
of Magdalena

October 1st, 2020, start of operations

1,567,000 customers

6 million inhabitants

134 municipalities

1. Our performance in 2020

Achieving a good energy growth





Keep moving forward to generate electricity for Colombians

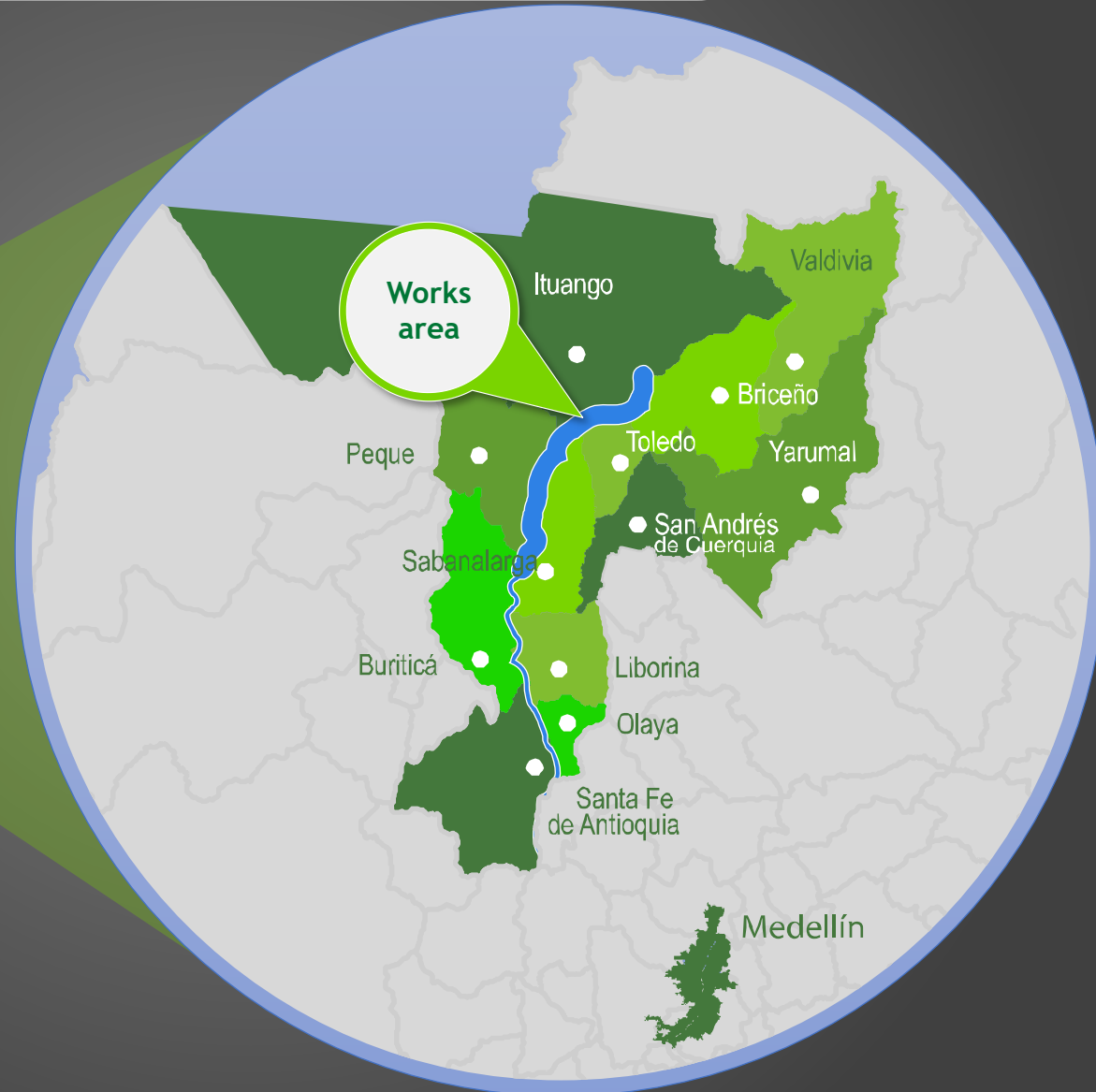
1. Our performance in 2020

Keep moving forward to generate electricity for Colombians



Location:

Northwest of Antioquia. Area of influence 12 municipalities



1. Our performance in 2020

Keep moving forward to generate electricity for Colombians



Ituango Hydroelectric Project

76.7% Work progress as of December 2019

80.6% Work progress as of December 2020

82.3% Work progress as of March 2021

COP 1.15 billion Invested in the recovery of the Project in 2020

COP 59 thousand million invested to improve life conditions of the affected families

95% (2,141) Families who have returned to their homes after evacuation

133 Early alarm systems installed and operating with 100% availability

1. Our performance in 2020

Keep moving forward to generate electricity for Colombians



Relevant Milestones



- **Start of manufacturing turbines, generators and other minor equipment** for the power generation units.
- **Cavity filling** between wells 1 and 2.



- **Continuity in the construction of the Project and start-up**, considering what was reported to the National Unified Command Post to control the energy dissipation of the reservoir.



- **Term extension of the three main contracts:** Consultancy, supervision and construction of main works until December 2021.



- Payment of additional **USD 100 million of the All Risk, Construction and Assembly insurance.**
- Payments of additional **COP 8,667 million** in the Extra-contractual Civil Liability insurance.



Be there for the territory's development

Low Cauca Region

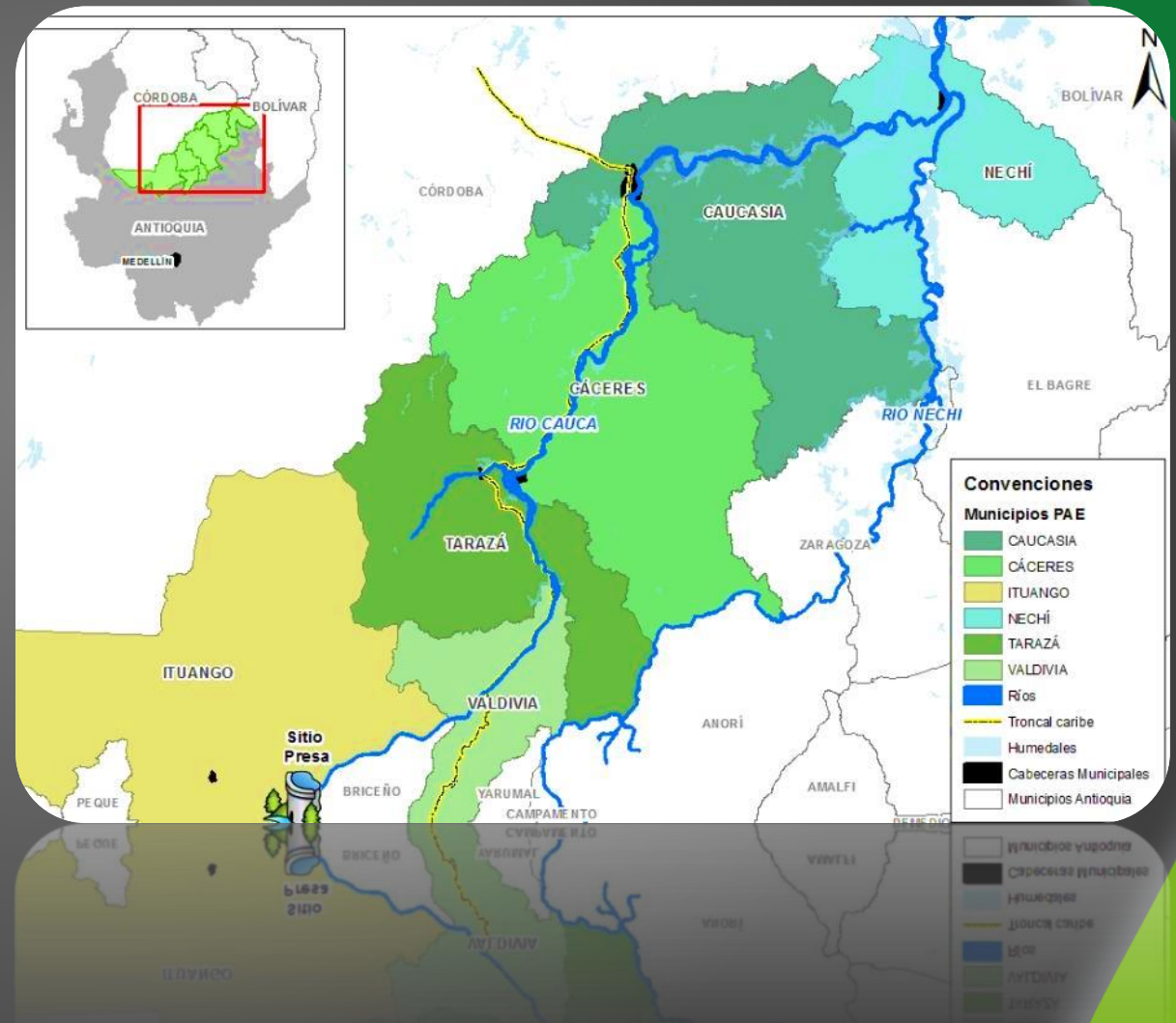
1. Our performance in 2020

Be there for the territory's development



Low Cauca Region

- **11 agreements** in alliance with environmental and fishing authorities, universities, among others.
- Contribution to the updating and implementation of the territorial planning instruments.
- Rural electrification works to **connect 1,416 families** during the period 2021-2023.





Providing utility services for your well-being

1. Our performance in 2020

Providing utility services for your well-being

**We invested
COP 3.1 billion
in infrastructure and operating assets**

**EPM Parent
Company
COP 2.1
billion**

**Colombian
subsidiaries
COP 507
thousand
million**

**International
Subsidiaries
COP 508
billion**



EPM Group ensures **access to utility services** for all our customers, maintaining standards and adequate **reliability, quality and continuity of services.**

1. Our performance in 2020

Providing utility services for your well-being

With these investments we achieved

Quality of life through public services :

	EPM Group	EPM	EPM Group Colombia
	Customers		Universalization**
Power	8,559,030	2,578,536	97.18%*
Water	1,642,179	1,329,343	96.92%
Wastewater management	1,593,299	1,306,606	93.82%
Solid waste management	885,589	885,589	99.26% Medellín
Gas	1,307,628	1,307,628	85.29% Antioquia

**Access solutions to utility services

*Afinia not included



1. Our performance in 2020

Providing utility services for your well-being



With these investments we achieved

In the Power Business:

**COP 2.18
billion**

- **Rural electrification: 6,796 facilities** in EPM Group.
- **Liquefied Natural Gas-LNG: first company** to implement this technology in Colombia.
- **Conexiones por la Vida- Gas Program: 7,238 households** in Medellín.

1. Our performance in 2020

Providing utility services for your well-being



With these investments we achieved

In the Water Business: COP 909 thousand million

- **Sanitation of the Aburrá-Medellín river and other tributaries:** 46% accumulated progress in the elimination of discharges and entry into operation of the aqueduct and sewerage infrastructure.
- **Drinking water supply:** critical drinking water supply projects, reliably guaranteeing continuity in the provision of the aqueduct service at approx. **500 thousand** customers.
- **Agua Clara Wastewater Treatment Plant:** actions for **odor control**.



1. Our performance in 2020

Providing utility services for your well-being



With these investments we achieved

En the Water Business:

- **Conexiones por la Vida –Water Program: 3,229 households** in Medellín.

- **Gap Closing Program: 1,757 families** in the Aburra Valley with water and sewage supplies.

- **Successful integration** of the water and sewage services supply area in the municipality of Rionegro with EPM Parent Company. **COP 38,505 million** invested.
 - **New commercial offer for Non-domestic Wastewater Treatment:** Revenue **COP 1,515 million.**

1. Our performance in 2020

Providing utility services for your well-being



emvarias[®]

With these investments we achieved

In Solid Waste Management:

COP 17 thousand million

- **Contribution to prevent the spread of COVID-19**
Washing of **13 million m² of public areas** of the city (parks, pedestrian bridges, areas of high exposure and spread of COVID-19.)
- **Financing for more than 400 thousand customers**
For more than **COP 10 thousand million** in accordance with the regulatory framework to address the health crisis.

1. Our performance in 2020

Providing utility services for your well-being



Main international subsidiaries milestones

Water subsidiaries



Chile

- **ADASA:** The **Tocopilla desalination plant** began operation, with a capacity of 75 L/s, which benefits **9,329** customers.

1. Our performance in 2020

Providing utility services for your well-being

Main international subsidiaries milestones

Power subsidiaries



El Salvador

- **DELSUR:** took care of the effects left by tropical storms Amanda and Cristóbal, **recovering the service in record time in more than 70%** of the area of influence.

The subsidiary won a Latin American award for service quality by the Regional Energy Integration Commission (CIER), together with other Group subsidiaries: CHEC and EDEQ.

1. Our performance in 2020

Providing utility services for your well-being

Main international subsidiaries milestones

Power subsidiaries



Guatemala

Guatemala

- **EEGSA:** made significant progress in projects required by the Regulator such as smart metering, comprehensive user service system, management of the pollutant polychlorinated biphenyls (PCBs) and distancing from the electrical grid with respect to homes.

Panama

- **ENSA:** USD 40 million, focused on loss control projects, improvement of service quality, modernization of public lighting and expansion to remote communities.





*Be there for the development
of the territories*

Solidarity
San Andrés and Providencia



1. Our performance in 2020

Be there for the development of the territories

Solidarity actions San Andrés and Providencia Iota hurricane

- We deliver **15 thousand liters of drinking water** in coordination with the National Navy and the National Unit for Disaster Risk Management .
- Support with **technical personnel and heavy equipment** for the reestablishment of the power infrastructure and aqueduct of Providencia.





*Contribution to
Sustainable
Development Goals*



1. Our performance in 2020

EPM Group Contribution to Sustainable Development Goals

Since 2019 we have started the quantification of the **contribution to prioritized SDGs goals for the EPM Group**

Illustration of quantification of SDGs goals, EPM case. To quantify other goals, see EPM Group Sustainability Report 2020



As of 2020 (accum.)
EPM has contributed **8.66%** to the goal of Colombia by 2022

**National Development Plan
Colombia - 2018-2022**

Indicator: People with access to adequate drinking water solutions
Colombia's goal to 2022:
47.2million people



TARGET 6.1 by 2030

Achieve universal and equitable access to safe and affordable drinking water for all.



1. Our performance in 2020

EPM Group Contribution to Sustainable Development Goals

7 AFFORDABLE AND
CLEAN ENERGY



TARGET 7.1 by 2030

Ensure universal access to affordable, reliable, and modern energy services



In 2020 EPM exceeds the goal of
Colombia to 2022 in quality indicators

SAIDI: 11.46

SAIFI: 6.67

National Development Plan Colombia - 2018-2022

Indicator 1: SAIDI. Average duration of power outages per year. **Colombia's goal to 2022:** 27 hours.

Indicator 2: SAIFI. Average number of power outages per year. **Colombia's goal to 2022:** 35 hours.

2

*Growing together to
add value*



2. Growing together to add value

Financial Prospective



Transparent and close relationship with the local and international financial sector.

Organizational objective: maintaining our double international investment grade and local AAA rating.

Fundamental purpose: to maintain EPM's current sound financial profile and increase it in the future.

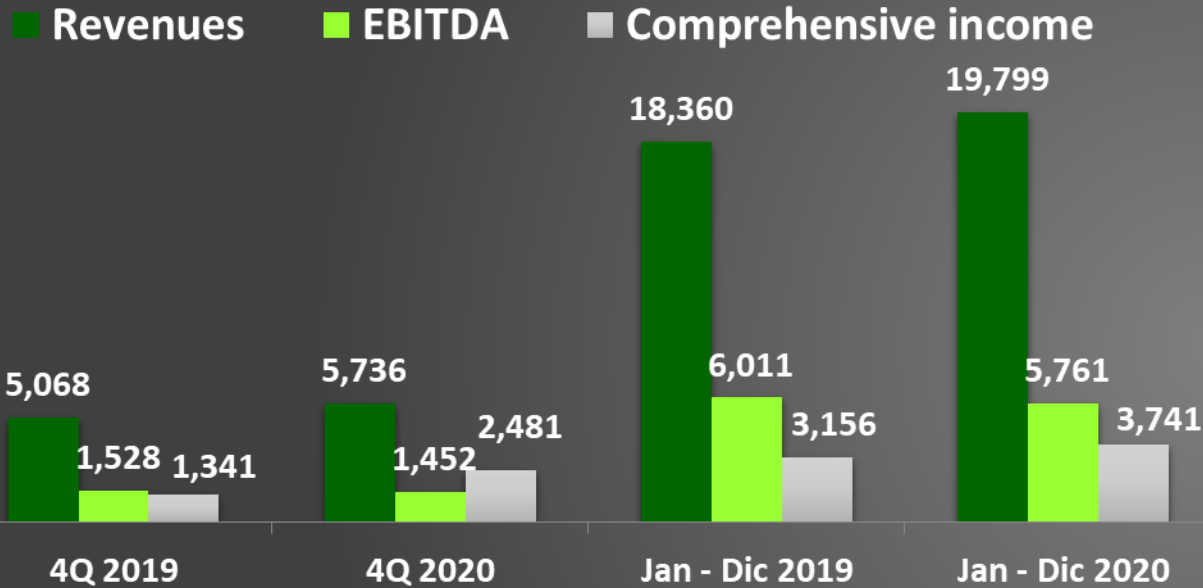
EPM has been characterized by **technical, legal and financial rigor**. For the Executive Vice Presidency of Finance and Investments, a central priority is to maintain and even strengthen this financial rigor.



2. Growing together to add value

EPM Group Income Statement

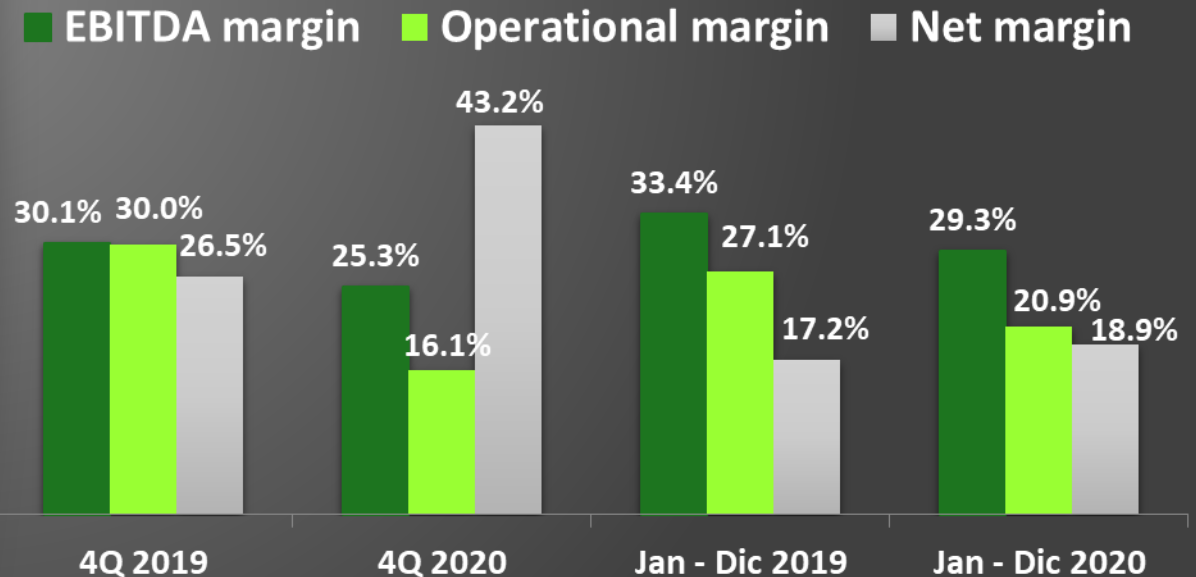
Figures in COP thousand million



Var.4Q2019 – 4Q2020 Ene-Jun 2019 – 2020

Revenues: 13%
EBITDA: -5%

Revenues: 8%
EBITDA: -4%



- Revenues increased COP 1,439, 8%, explained mainly by higher energy sales in long-term contracts in the Generation business, revenues from the new subsidiary Afinia, and for greater sales to the thermals in the Gas business.
- EBITDA decreased COP 250, 4% with respect to previous year, standing out a positive contribution of the international subsidiaries Deca from Guatemala, Adasa from Chile, and Het from Panama.
- Comprehensive income for the period increased 19%, due to a combined effect of:
 - ✓ Increase in income, costs and expenses, and decrease in the income provision expense.

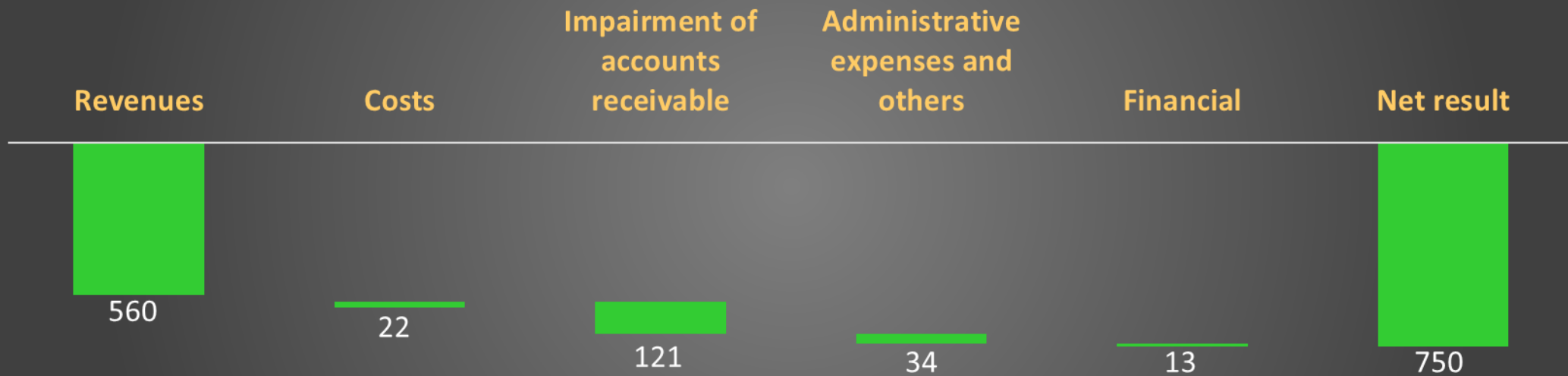


2. Growing together to add value

The pandemic impact in EPM Group

Figures in COP thousand million

Total impact was \$750



- ✓ Revenues: lower revenues showed in EPM, ENSA, ESSA, Aguas Nacionales, EEGSA, Delsur, TICSA, CHEC, EDEQ, and Emvarias.
- ✓ Costs and administration expenses: higher costs and expenses in pandemic mitigation activities, purchase of biosafety implements, costs for reconnecting suspended users, and donations, mainly in EPM, CHEC, EEGSA, ESSA, Emvarias and ADASA.
- ✓ Impairment of accounts receivable: impact showed in EPM, ESSA and ENSA.
- ✓ Financial: suspension of the billing of default interest to clients in EPM, ENSA and ESSA.

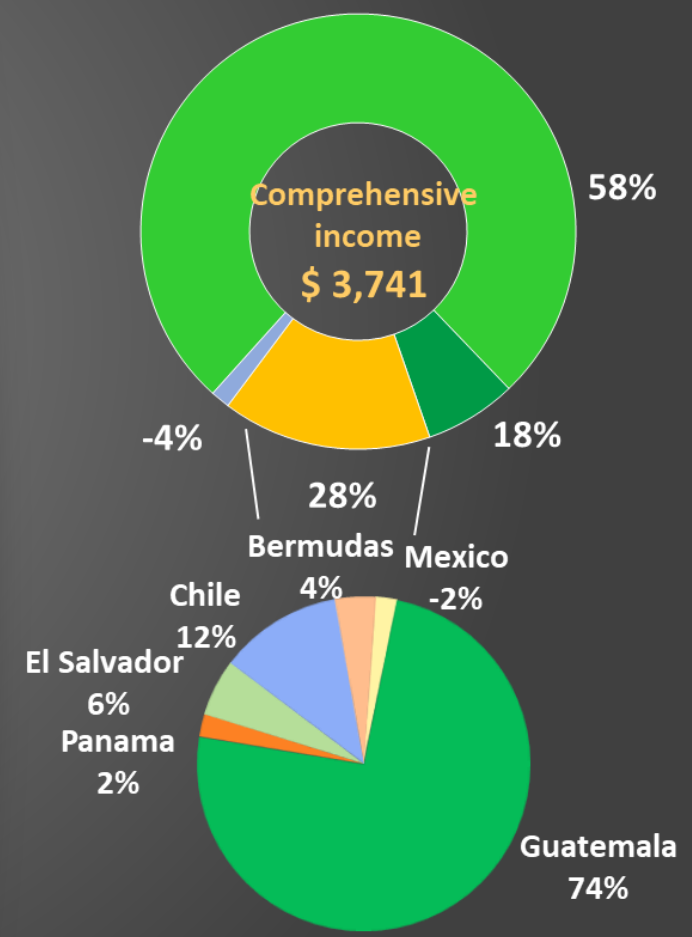
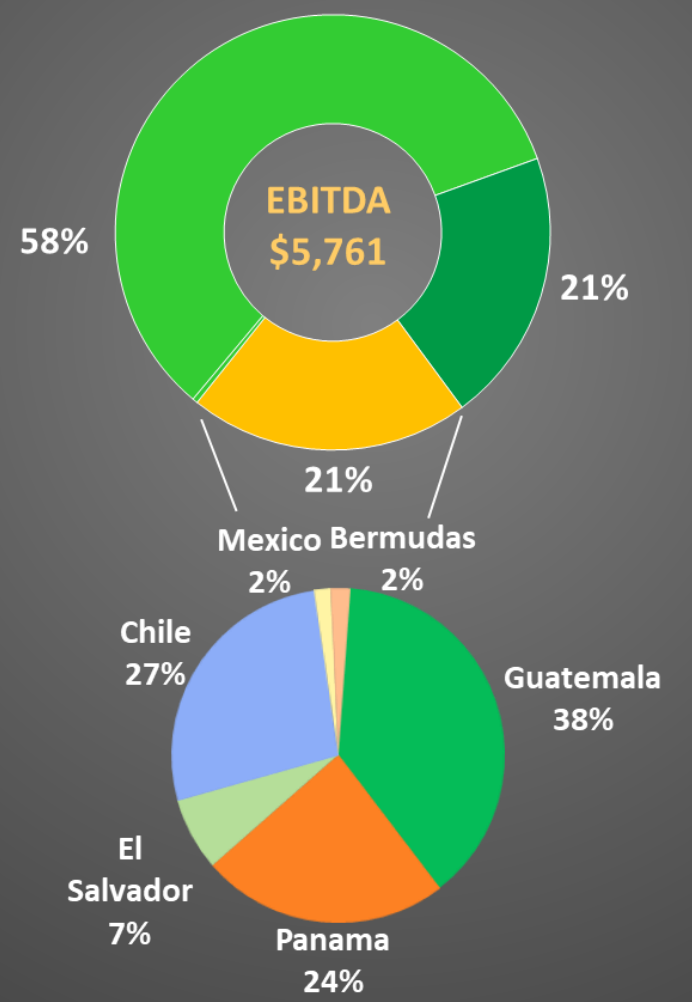
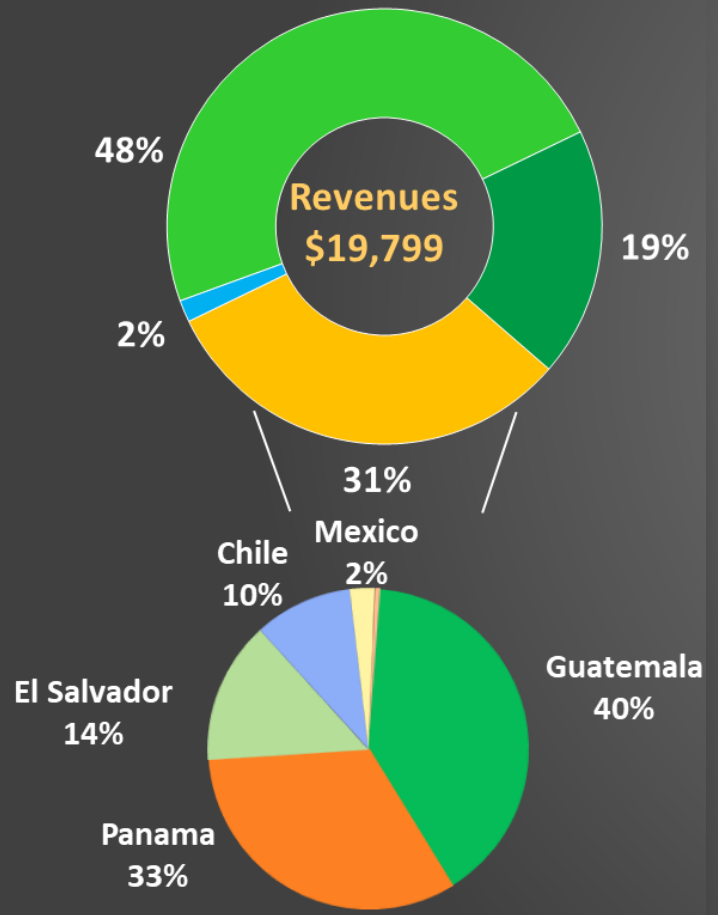


2. Growing together to add value

EPM Group by Colombian and International Subsidiaries

Figures in COP thousand million

- EPM Parent company
- Colombian power subsidiaries
- International subsidiaries
- Colombian water subsidiaries



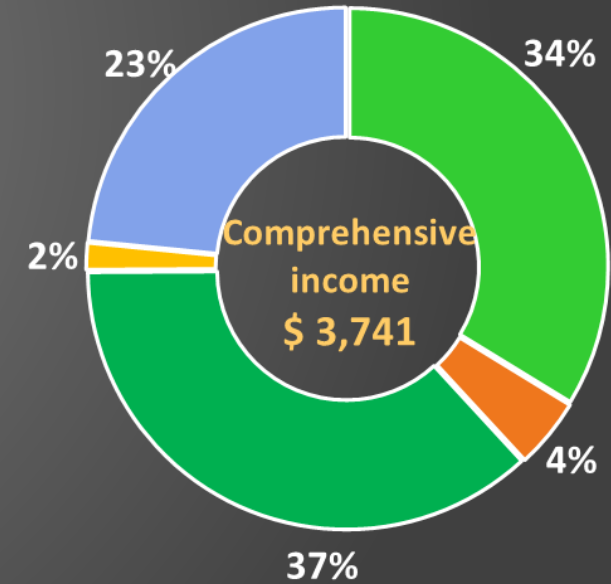
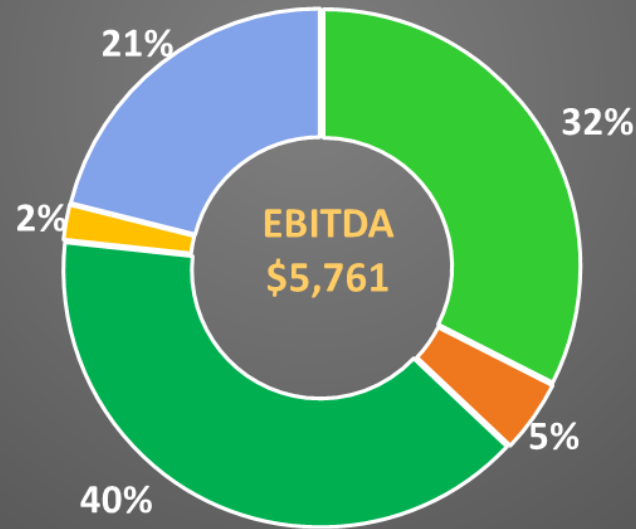
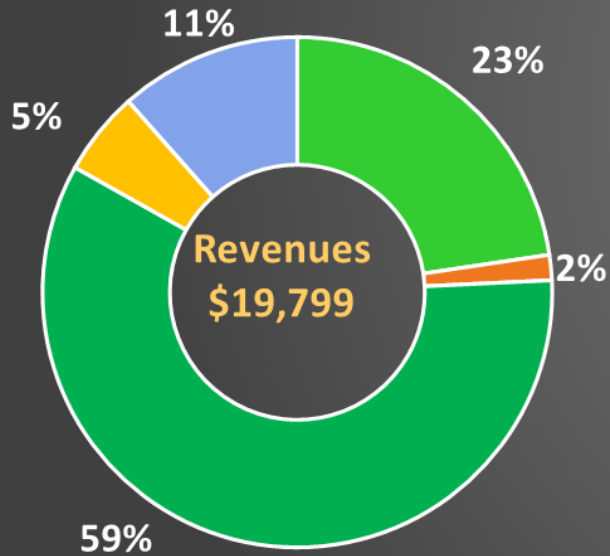
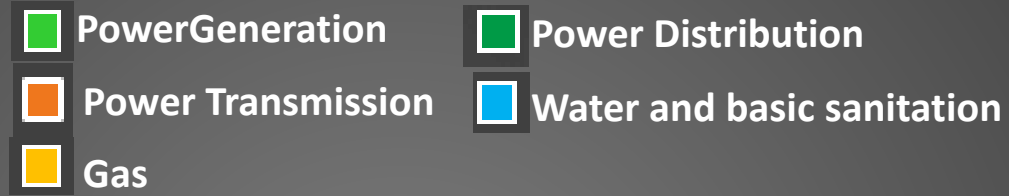
The percentages do not include the Other Segment and Eliminations.



2. Growing together to add value

EPM Group by Segments

Figures in COP thousand million

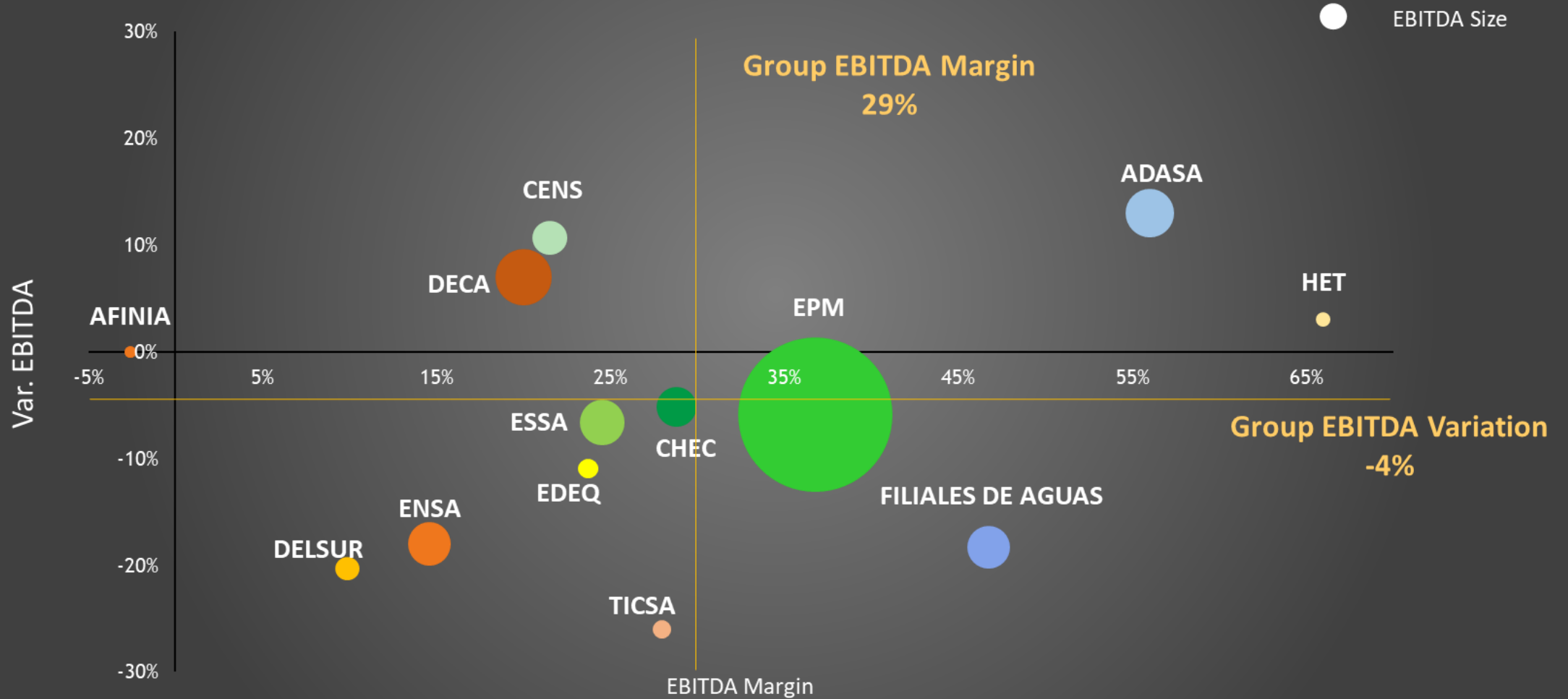




2. Growing together to add value

EPM Group EBITDA

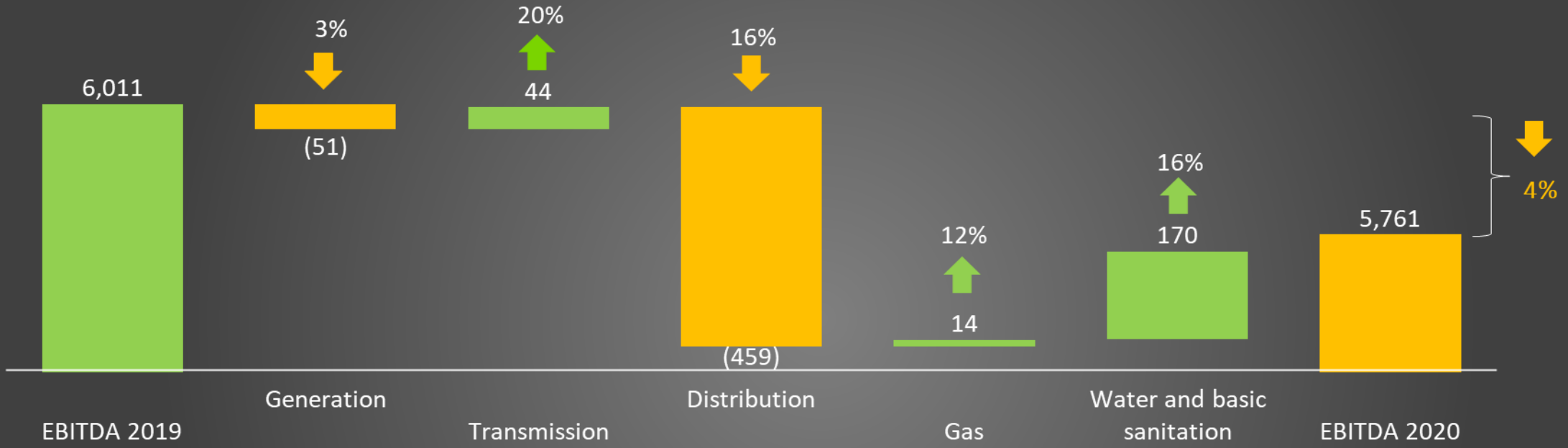
Figures in COP thousand million



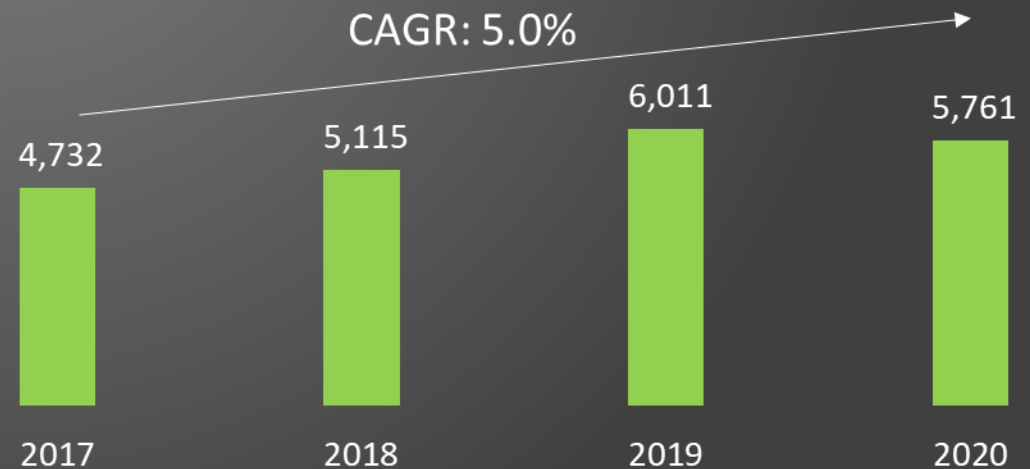
2. Growing together to add value

EPM Group EBITDA

Figures in COP thousand million



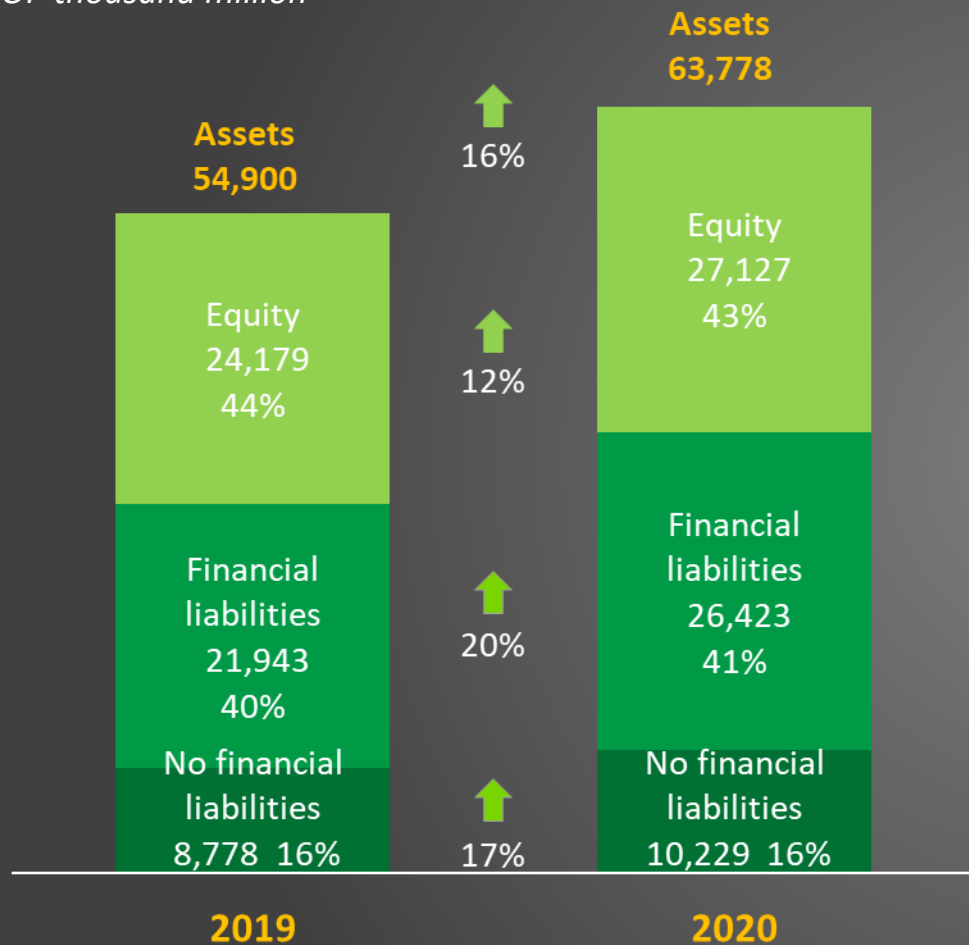
It does not include the Other Segment and eliminations.



2. Growing together to add value

EPM Group Statement of Financial Position

Figures in COP thousand million



Cash position as of December 31, 2020 was:

COP 2,326

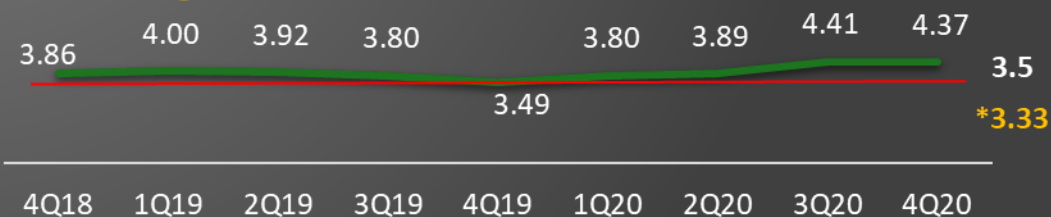
COP 5,624

Ratios	2019	2020
Total debt	56 %	57 %
Financial debt	40 %	41 %
EBITDA/Financial expenses	5.27 x	5.14 x
Total Long-term debt/EBITDA	3.49 x	4.37 x
Net debt/EBITDA	3.10 x	3.33 x

EBITDA/Financial expenses



Total Long-term debt/EBITDA



* Net debt/EBITDA

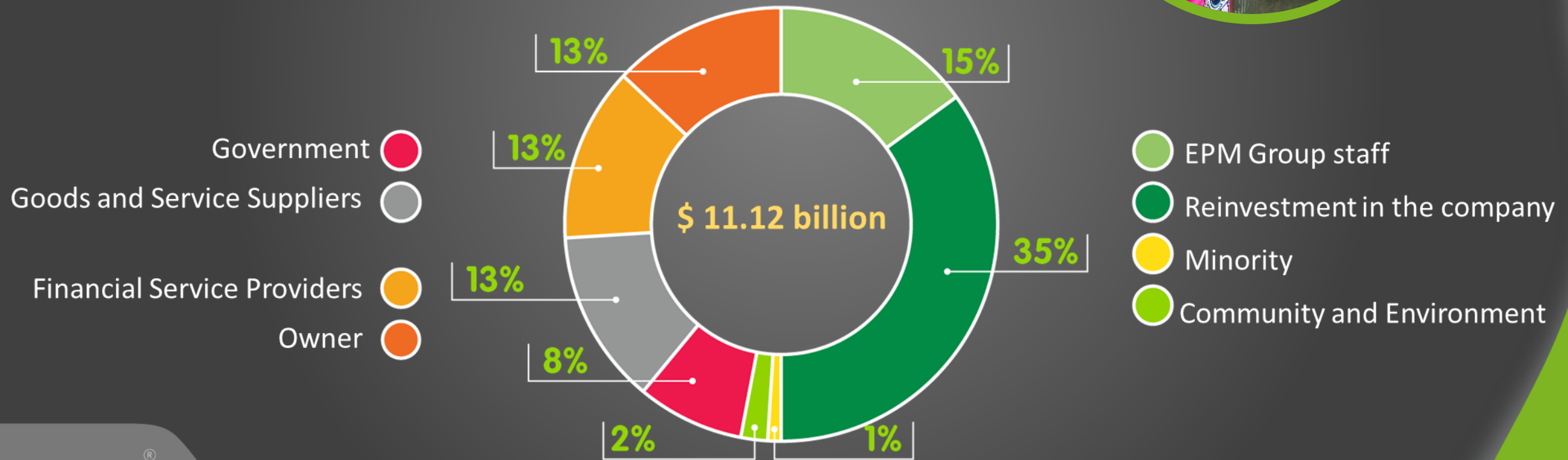


2. Growing together to add value

EPM Group Generation of distributed value

Figures in COP billion

Contributions to the economic development of stakeholders

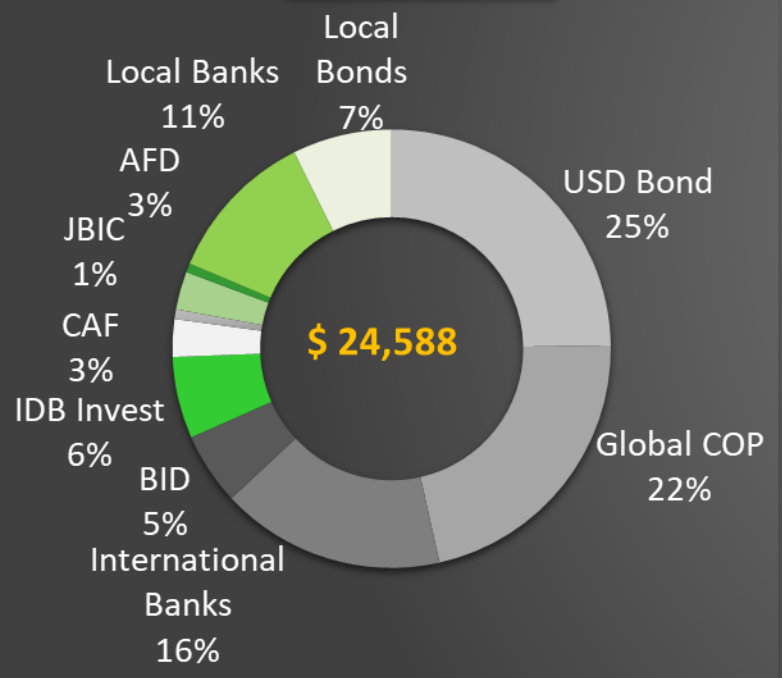


2. Growing together to add value

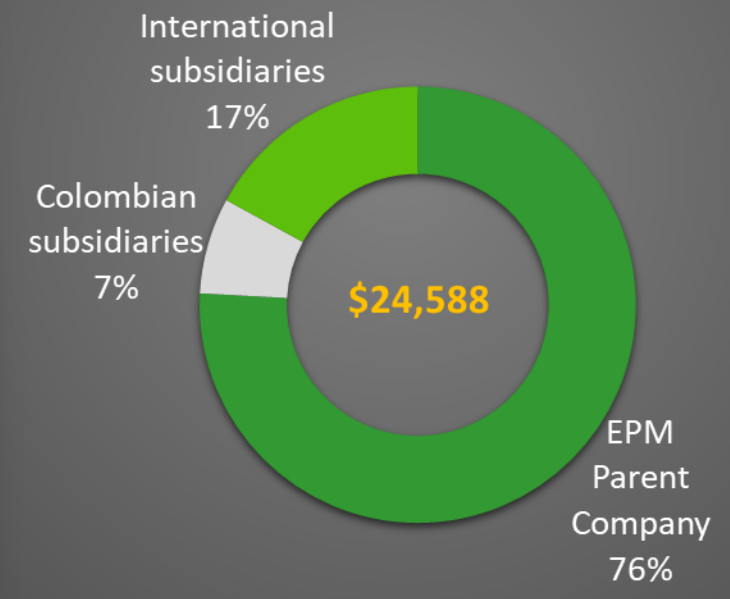
EPM Group Debt Report December 2020

Figures in COP thousand million

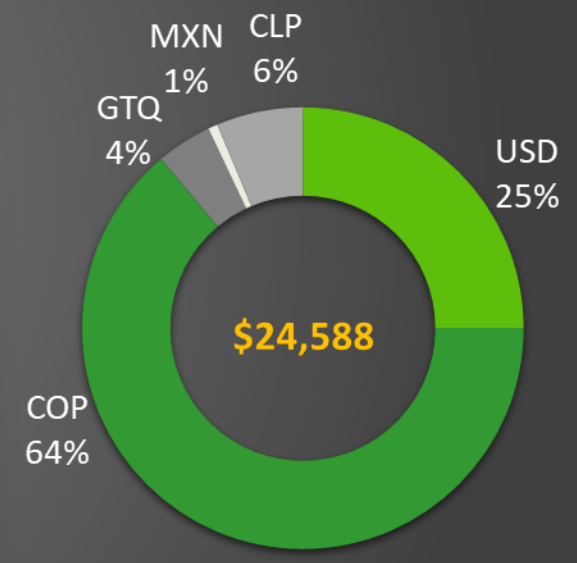
Source



Companies



Currency*

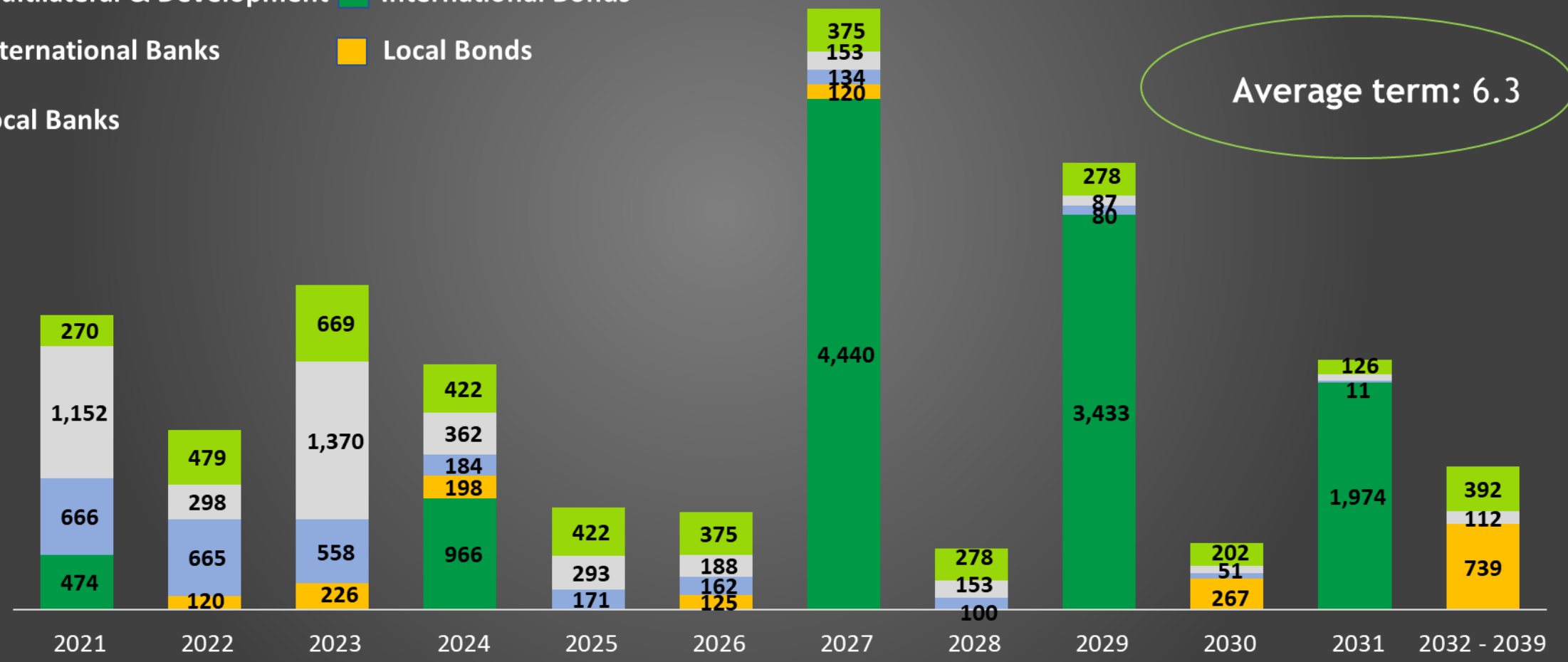


*After hedging

2. Growing together to add value

EPM Group Debt Profile December 2020

Figures in COP thousand million



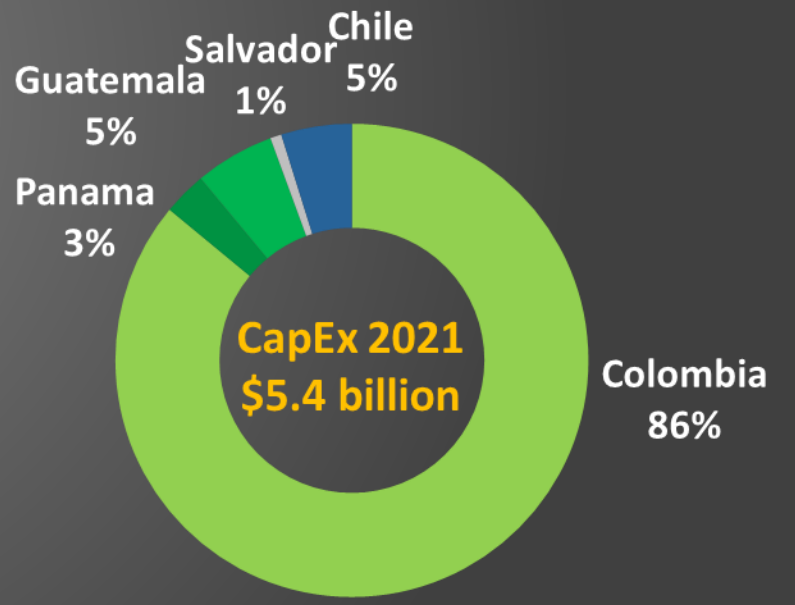
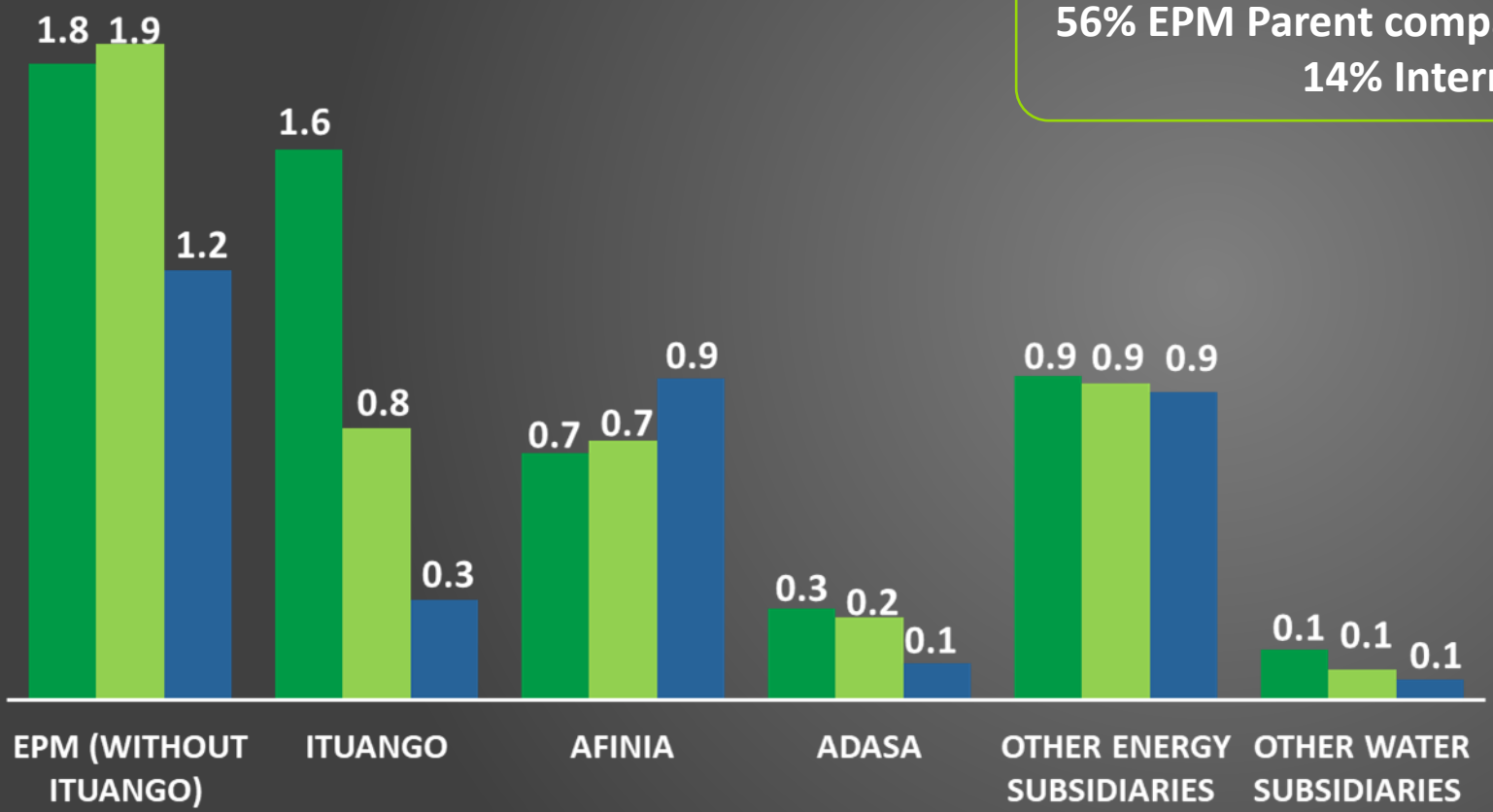
2. Growing together to add value

EPM Group CapEx 2021-2023

**Total CapEx :
COP 13.4 billion**

Figures in COP billion

72% Power, 28% Water
56% EPM Parent company, 30% Colombian subsidiaries,
14% International subsidiaries



2021 2022 2023

2. Growing together to add value

Liquidity and debt strategy

Committed Lines

- **IDB Invest**
Amount: USD 900 MM
Balance to be disbursed: **USD 450 MM***
Term: 4 years
Maximum date: Apr.14,2022

* Subject to compliance previous conditions to disbursement
- **BNDES**
Amount: USD 112 MM
Balance to be disbursed: **USD 63 MM**
Term: 6.5 years
Maximum date: Dec.2022



Credit lines under development

- **Development bank**

Amount: **USD 200 MM**
Term: 15 years
Use of proceeds: General investment plan in Power Distribution and Water
- **International banks**

Amount: **minimum USD 250 MM or its equivalent in COP**
Term: 5 years
Use of proceeds: debt management operation

Other financing sources of interest

- **Local Capital Market**
 - **International Capital Market**
 - **Local Bank**
- Sources in permanent monitoring to identify market opportunities*

3

*Building our vision of
future*



3. Building our vision of future

To be a relevant actor in the construction of smart and sustainable territories



**Center for Innovation,
Entrepreneurship and
digital transformation of
Medellín (CIET)**

- Collaboration agreement among **EPM and RUTA N.**
- **12 thousand million** in the next three years.

**Floating photovoltaic
power generation pilot**

- It is carried out with **Erco**, Ventures EPM company.
- Progress in comparative performance between systems installed on the roof and in water.



3. Building our vision of future

To be a relevant actor in the construction of smart and sustainable territories



**Solar community
pilot
(transactive energy)**

- Agreement with the **EIA University and Erco.**
- It is implemented in **suburb 13 of Medellín.**
- **People of all strata generate their own power** using non-conventional renewable sources.



3. Building our vision of future

To be a relevant actor in the construction of smart and sustainable territories



Smart aqueduct

- **Aqueduct System Pilot** in Sucre district, Olaya municipality, in agreement with Telemetrik and Aguas Regionales.
- **First regional aqueduct with Internet of Things technology (IoT)** in Colombia.
- **Honorable mention in the 2020 Portafolio Awards** in the innovation category.



3. Building our vision of future

To be a relevant actor in the construction of smart and sustainable territories



Digital Transformation



- **Minimum viable products** in advanced analytics, customer experience and cross-cutting digital components.
- Definition of **“Virtual Centers of Excellence”** teams, for the evolution of key disciplines in the current and future context of EPM: **intelligent process automation, agile and innovation practices, customer experience and data science.**

4

Relevant topics in progress

4. Relevant topics in progress



▶ **Corporate Governance**

▶ **Recent top management appointments**

▶ **Ituango Hydroelectric Project**

- **Main contractors**
 - **Insurance policies**
-

▶ **Portfolio companies under analysis**

3



5

Q&A Session

Disclaimer

- *Below is a general information presentation about Empresas Públicas de Medellín ESP and its Subsidiaries, as on the date of presentation. The materials herein contained have been summarized and do not intend to be complete.*
- *This presentation contains forward-looking statements which are subject to several risks, uncertainties and circumstances relative to the operations and business environments of EPM. These factors could cause actual results to materially differ from any future result, expressed or implied, in such forward-looking statements. Accordingly, EPM cannot guarantee any results or future events. EPM expressly states that it will be under no obligation to update the forward-looking statements, or any other information herein contained.*
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- *Only for information matters and reader's convenience, figures in COP were translated in this presentation into their USD equivalent using the exchange rate of COP/ USD \$ 3,432.50 as of December 31,2020, issued by the Colombian Financial Superintendence. Such translations do not agree with US GAAP and have not been audited. Also, they shall not be interpreted as representation of the amounts in Colombian Pesos, which could be translated into US Dollars at this or at any other rate.*



Thank you!

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