



AUDM&SMDE-EFI2021-16382-P-30767

Independent Limited Assurance Report for the 2020 Management Report that is part of the 2020 Sustainability Report of Empresas Públicas de Medellín E.S.P.

We were engaged by the Management of **Empresas Públicas de Medellín E.S.P.**, from now on **EPM**, to provide limited assurance on the non-financial information contained in the **2020 Management Report** that is part of the **2020 Sustainability Report (on its Spanish version)** for the year ended December 31, 2020 of **EPM** ("the Report") and available in the URL www.sostenibilidadgrupoepm.com.co

The non-financial information verified by this limited assurance engagement is detailed in **Annex 1**

Management's responsibilities

The Management is responsible for the preparation and presentation of the non-financial information included in **Annex 1** of this limited assurance.

This responsibility also includes designing, implementing and maintaining the internal control necessary to allow the preparation of non-financial information free of material errors due to fraud or error.

The Management is also responsible for preventing and detecting fraud and for identifying and ensuring that Company complies with laws and regulations applicable to its activities.

Management is also responsible for ensuring that staff involved with the preparation and presentation of the Report are properly trained, and the information systems are updated.

KPMG responsibilities

Our responsibility is to express a limited assurance conclusion about the preparation and presentation of the non-financial information described in **Annex 1** and included in **the Report**.

Our work has been done in accordance with International Standard on Assurance Engagements (ISAE) 3000, other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standard Board.

KPMG applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, confidentiality and professional behavior and competence. Based on the above, we confirm that we have carried out this assignment for EPM independently and free of conflict of interest.

ISAE 3000 requires that we plan and perform our work in such a way that we obtain limited security on whether the parameters and indicators of sustainability are free of material errors.



Limited assurance of non-financial information

A limited assurance engagement for non-financial information included in **Annex 1** consists of making inquiries, primarily of persons responsible for the preparation of the information presented in **the report**, and applying analytical and other evidence gathering procedures, as appropriate. These procedures included:

- Interviews with management and relevant personnel at the corporate level in relation to **the report**
- Interviews with relevant staff of **EPM** at corporate and business unit level responsible for the preparation of non-financial information subject to limited assurance.
- Inquiries about the design and implementation of the systems and methods used to collect and report the non-financial information subject to limited assurance, including the aggregation of the reported information.
- Comparison the Limited Assurance non-financial information to relevant underlying sources on a sample basis to determine whether all the relevant information has been appropriately included in **the Report**.
- Reading of the Limited Assurance non-financial information presented in **the Report** to determine if they are in line with our general knowledge and experience in relation EPM performance.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement, and consequently the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained has a reasonable assurance engagement been performed. Accordingly, we do not express a reasonable assurance conclusion on the non-financial information subject to limited assurance.

Purpose of our Report

In accordance with the terms of our engagement, this assurance report has been prepared for **EPM** with the purpose of assisting to Management in determining if the non-financial information subject to limited assurance are prepared and presented in accordance with the calculations of the company's own indicators.

Restriction of use of our report

This report should not be considered appropriate to be used or relied upon by any third party wishing to acquire rights against KPMG other than EPM for any purpose or in any other context. Any third party other than EPM who obtains access to our report or a copy of it and determines to rely on it, or any part of it, will do so at your own risk. To the fullest extent possible, as permitted by law, we do not accept or assume responsibility to third parties other than EPM, for our work, for this limited assurance report, or for the conclusions we have reached.



Our Conclusion

Our conclusion has been formed based on, and is subject to, the matters outlined in this report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusions that we express below:

Based on the procedures performed and the evidence obtained, as described above, nothing has come to our attention that causes us to believe that the non-financial information mentioned in **Annex 1**, for the year ended December 31, 2020 of EPM is not presented, in all material respects, in accordance with the company's own indicators for the report.

A handwritten signature in black ink, appearing to read 'Gonzalo Ochoa Ruiz', written in a cursive style.

Gonzalo Ochoa Ruiz
KPMG S.A.S.
Partner

April 30th, 2021



Annex 1

Chapter and subchapter of the 2020 management report	non-financial information subject to limited assurance	non-financial data subject to limited assurance	Page
Grupo EPM/ To be unconditional is to ...provide public services for your well-being. / Water Supply	globalization of the service in Colombia – Water	96.92% globalization of the service in Colombia	15
Grupo EPM/ To be unconditional is to ...provide public services for your well-being. / Water Supply	Water losses per billed user	In terms of efficiency and system optimization, the level of water losses at the Group level was 6.64 m3 per billed user, weighted per user, close to the goal established by the Water Regulatory Commission (CRA) of 6.0 m3 per user billed in year 2026.	16
Grupo EPM/ To be unconditional is to ...provide public services for your well-being. / Energy distribution	globalization of the service in Colombia – energy	97.18% service globalization in Colombia (The percentage does not include the globalization of Afinia's Energy Distribution service)	22
Grupo EPM/ To be unconditional is to ...provide public services for your well-being. / Energy distribution	Energy losses	Regarding the management and control of energy losses, in the Grupo EPM in Colombia we reached a level of losses from the Network Operator (NO) of 9.66%	24
Grupo EPM/ To be unconditional is to ...provide public services for your well-being. / Gas	globalization of the service in Colombia – Gas	85.29% globalization of gas service	28
Grupo EPM/ To be unconditional is to ...provide public services for your well-being. / Gas	Gas Losses	Regarding losses (...) the level of losses in the distribution system at 4.6% , at the end of the year.	29
Grupo EPM/ To be unconditional is to ...provide public services for your well-being. / Gas	Connections for Life Program	In agreement with the Municipality of Medellín, we reached 7,238 new families from Medellín from strata 1, 2 and 3,	29
Grupo EPM/ To be unconditional is to ...Be there for the development of territories. / For the environment care	Protected hectares	In this way, as Grupo EPM we contributed to the protection of 21,022 hectares during 2020, from EPM we contributed 19,150 hectares, for an accumulated in the period 2016-2020 of 97,527 hectares,	30



Chapter and subchapter of the 2020 management report	non-financial information subject to limited assurance	non-financial data subject to limited assurance	Page
EPM/ To be unconditional is to ... Implement measures to make life easier for our Clients and users.	With Pay at your capacity,	With Pay at your capacity, in 2020 we linked 29,616 Clients and users in Antioquia and since the start of the offer in 2014 we linked 225,269 , facilitating the installment payment of their invoice in up to five installments in the month.	51
EPM/ To be unconditional is to ... Implement measures to make life easier for our Clients and users.	Prepaid services in Antioquia – energy	In Prepaid Energy in 2020 at EPM we linked 11,398 Clients and users in Antioquia, for an accumulated of 287,431 .	51
EPM/ To be unconditional is to ... Implement measures to make life easier for our Clients and users.	Prepaid services in Antioquia – Water	in Aguas Pre pago we linked 711 Clients and new users in 2020 in the Valle de Aburrá, for a cumulative since the start of the offer in 2015 of 25,922 .	51
EPM/ To be unconditional is to... Be there for the development of territories. / For the environment care	Protected hectares	EPM protected 19,150 hectares during 2020, for a cumulative 80,200 hectares in the 2016-2020 period.	67
Note: figures are included in English as a translation of the Spanish version of the 2020 Management Report that is part of the 2020 EPM Sustainability Report			