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AUDM&SMDE-IES2020-13835

Independent Limited Assurance Report for the 2019 Management Report that is part of the 2019 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 2019 Management Report that is part of the 2019 Sustainability Report (Spanish version) for the year ended December 31, 2019 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:

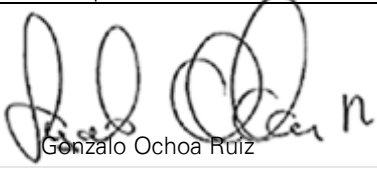
Based on the procedures performed and the evidence obtained, as described above, nothing has come to our attention that causes us to believe that the non-financial information mentioned in Annex 1, for the year ended December 31, 2019 of EPM is not presented, in all material respects, in accordance with the company's own indicators for the report.

Annex 1

Chapter and subchapter of the 2019 management report	non-financial information subject to limited assurance	non-financial data subject to limited assurance	Page
Servicios a nuestros Clientes y usuarios ->Universalización de los servicios	Vinculación clientes energía	Alcanzó la cifra ... 4,584,486 en energía en Colombia En el servicio de energía, la Empresa vinculó a 95,511 clientes y usuarios, para un total de 2,508,552 clientes y usuarios, con un crecimiento del 3% respecto al año anterior.	20
Servicios a nuestros Clientes y usuarios ->Universalización de los servicios	Vinculación clientes gas	En el servicio de gas EPM vinculó a 67,040 clientes y usuarios en Antioquia, para un total de 1,260,940 con un crecimiento del 5% respecto al año anterior.	21
Servicios a nuestros Clientes y usuarios ->Universalización de los servicios	Vinculación clientes acueducto y alcantarillado	Alcanzó la cifra de 1,421,027 clientes y usuarios en provisión de aguas en Colombia, 1,362,670 en gestión de aguas residuales en Colombia; En 2019 EPM vinculó a 38,874 clientes y usuarios al servicio de provisión de aguas y 40,338 en gestión de aguas residuales, para un total, respectivamente, de 1,266,504 y 1,233,212 clientes y usuarios, con un crecimiento anual del 3% en ambos servicios.	20
Servicios a nuestros Clientes y usuarios ->Universalización de los servicios	Número de hogares vinculados al programa unidos por el agua	En 2019 se conectaron 18,323 hogares con el servicio de acueducto y/o alcantarillado Desde 2016 de 41,391 superando la meta establecida de 40,200	22
Servicios a nuestros Clientes y usuarios ->Universalización de los servicios	Número de clientes y usuarios vinculados al programa paga a tu medida	Paga a tu medida logró la vinculación en EPM de 32,570 clientes y usuarios, en CENS 1,347 y en ESSA 6,380. Desde el inicio de la oferta se ha logrado vincular a 209,437 clientes y usuarios en el Grupo.	26



Chapter and subchapter of the 2019 management report	non-financial information subject to limited assurance	non-financial data subject to limited assurance	Page
Servicios a nuestros Clientes y usuarios ->Universalización de los servicios	Número de clientes y usuarios vinculados a energías prepago	En Energía Prepago fueron 17,527 clientes y usuarios vinculados por EPM, mientras que CENS alcanzó 3,885 y ESSA 5,335. Desde el inicio de la oferta se ha logrado vincular a 317,618 clientes y usuarios en el Grupo.	26
Servicios a nuestros Clientes y usuarios ->Universalización de los servicios	Número de clientes y usuarios vinculados aguas prepago en Antioquia	Específicamente, en Aguas Prepago se vincularon 2,834 clientes y usuarios. Desde el inicio de la oferta se ha logrado vincular a 25,211 clientes y usuarios.	26
Gestión ambiental ->Estrategia Gestión integral del recurso hídrico y la biodiversidad	Hectáreas protegidas	El Grupo EPM durante el año 2019 contribuyó a la protección de 19,618 hectáreas para un acumulado desde el 2016 de 76,505. Contribución de EPM a la protección de 13,600 hectáreas a través de diferentes estrategias de conservación	36 75
Operación de nuestros negocios ->Transmisión y Distribución	Pérdida de energía	ha permitido reducir el Indicador de Pérdidas para el Operador de Red Regulatorio IPORR, al pasar de 9.44% en 2015 a 8.72% en un lapso de 4 años.	77
Operación de nuestros negocios ->Gas	Pérdidas Gas	EPM obtuvo en 2019 un indicador de 4.3%.	82
Operación de nuestros negocios ->Agua y Saneamiento	Indicador de pérdidas técnicas y comerciales o agua no contabilizada. IANC e IPUF	Un aumento del 3% en el volumen de pérdidas del sistema, al pasar de 86.8 millones de m ³ /año en el año 2018 a 89.5 millones de m ³ /año en 2019 Con relación al año anterior se mantuvo el Índice de Pérdidas por Usuario Facturado (IPUF) en 6.05 m ³ /usuario/mes a diciembre de 2019. El Índice de Agua no Contabilizada a diciembre del año 2019 fue de 30.58%.	80
Note: figures are included in Spanish as this assurance statement is related to the Spanish version of the 2019 Management Report that is part of the 2019 EPM Sustainability Report			


 Gonzalo Ochoa Ruiz
 KPMG S.A.S.
 Partner

April 28th, 2020