



innovating to serve people



The Case of EPM

Second Policy and Knowledge Summit

Leadership and Capacity Building for Public Sector Executives

Chinese Academy of Social Sciences (CASS)
Interamerican- American Development Bank (IDB)
Beijing, China, September 23, 2015

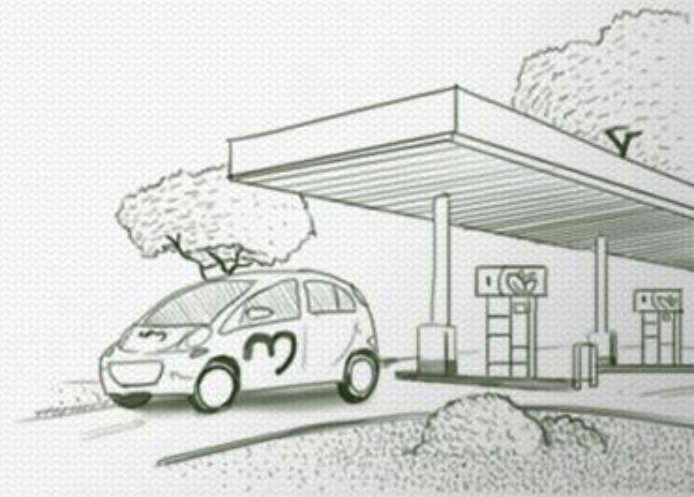
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3 Social Responsibility

4 Human Focus





We provide public utility services in the fields of:



Electric power



Drinking water supply and basic sanitation



Natural gas



Telecommunications



Solid waste collection and management

The organization has administrative and budgetary autonomy from the Municipality of Medellín.

Who we are | Purpose and MEGA



Purpose:
Sustainability



Results:

The EPM Group will achieve, with responsible competitiveness criteria, COP\$ 29 billion in revenue and COP\$10.4-billion EBITDA



By 2022,
the EPM Group will have achieved a position among the top 50 multi-Latin companies in terms of revenue



Corporate Overview

Headquartered in Medellin, with a growing Latin American portfolio

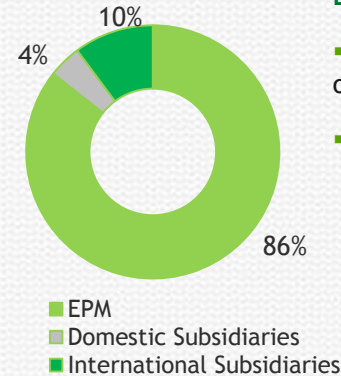
- ▶ Colombia's largest multi-utility. Second largest corporate in the country

Revenues: COP bn\$12,3 EBITDA: COP\$3,9

- Group workforce over **36 thousand people**
- Subsidiaries: **51**
- Provide services to over **20 million people**



Assets Breakdown
June 2015(*)
COP bn \$37,9



EPM (Parent Company) Ratings

- International: Fitch: **BBB+** (stable outlook), Moody's: **Baa3** (positive outlook).
- Domestic: Fitch: **AAA** (stable outlook)

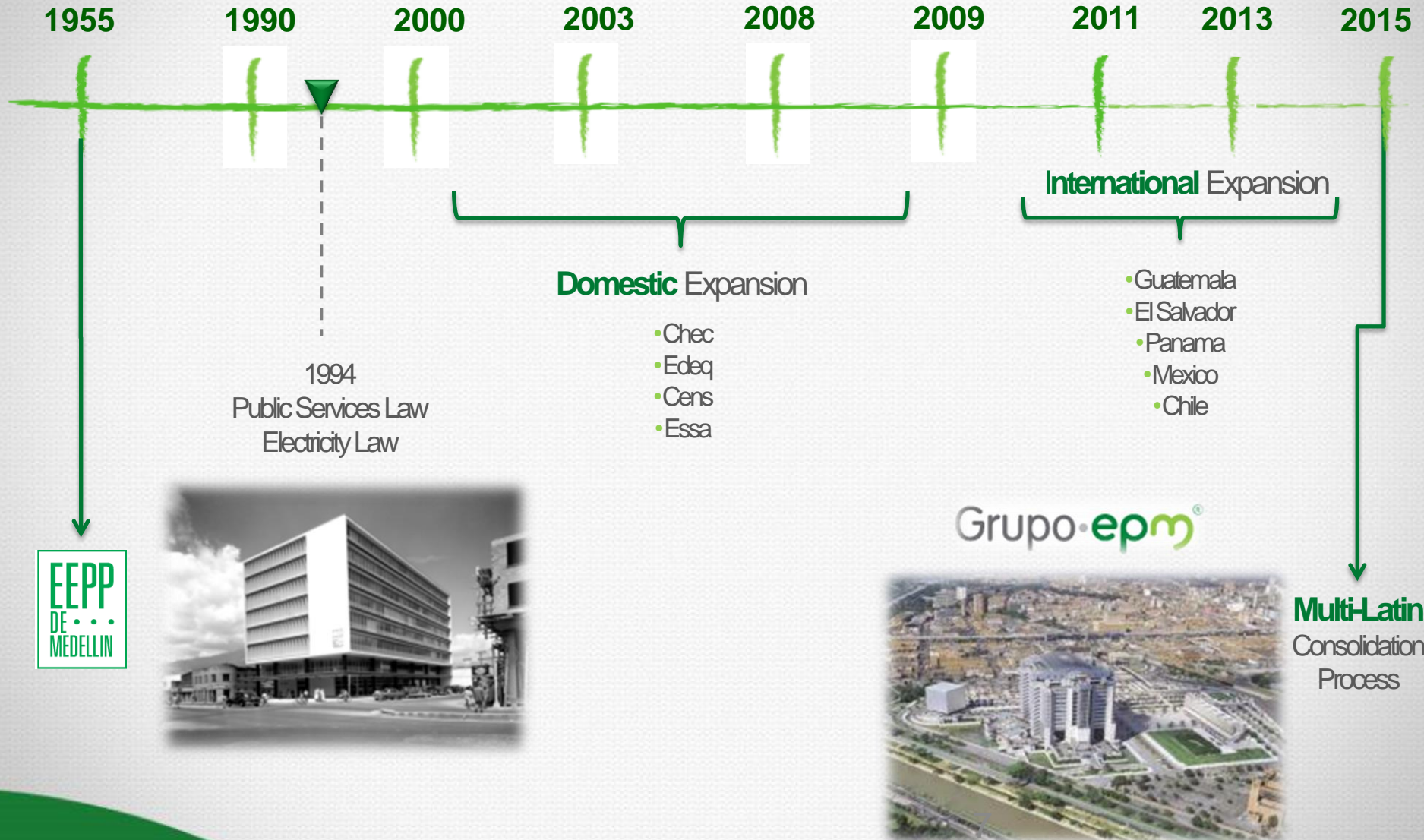
- Power
 - Generation
 - Distribution
 - Transmission
- Gas
- Water
- Waste Management

- ▶ Low-risk profile and stable credit metrics despite heavy investment activity

- ▶ Stable regulatory environment
- ▶ Transparent corporate governance
- ▶ Diversified revenue sources
 - Net Debt/EBITDA: 3.1x
 - EBITDA/Assets: 10%

Corporate Overview

Successful Internationalization Process



Corporate Overview

Business Portfolio: Solid market share

Market share by business



Power

Colombia

- #1 Generation
- #1 Distribution
- #4 Transmission

Central America

- Distribution
- #1 Guatemala
- #2 El Salvador
- #2 Panama



Water

Colombia

- #2 Water

Chile

- #4 Water



Gas

Colombia

- #3 Distribution and Commercialization



Telecommunications*

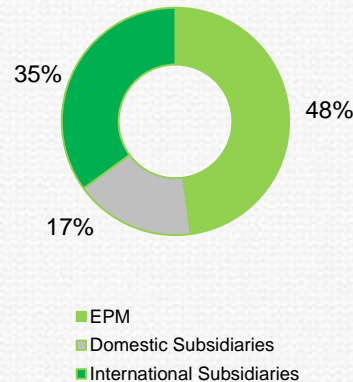
Colombia

- #1 Fixed phone and #2 Internet - Mobile data

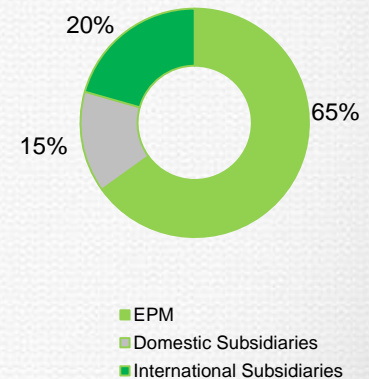


A leading player in Colombia and Latin America with solid market share in key markets and segments.

INCOME Composition
LTM 2015
COP bn \$12,3



EBITDA Composition
LTM 2015
COP bn \$3,9



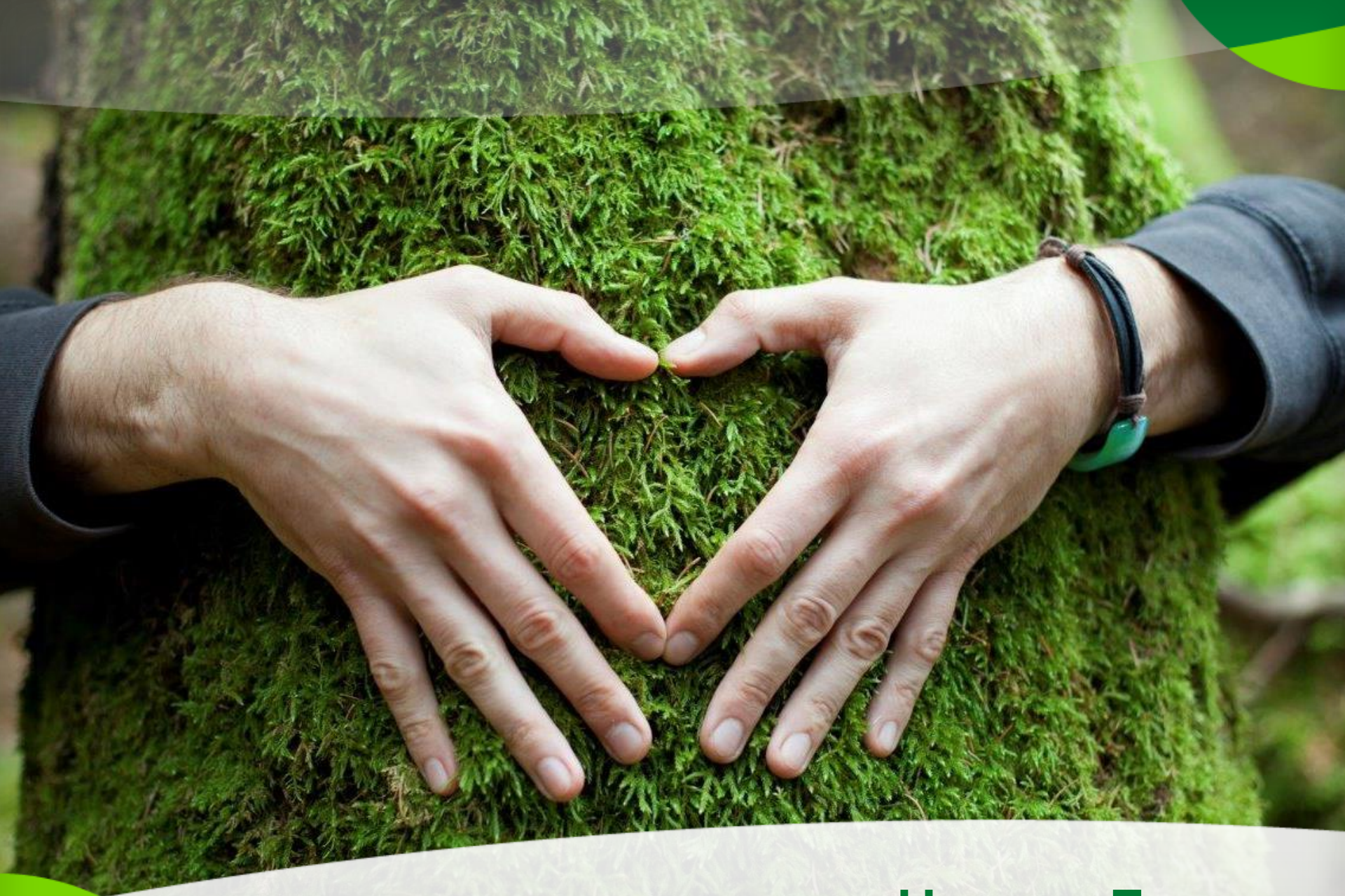
*Une was the subsidiary through which the telecommunications business was operated. On August 2014 Une merged with Millicom-Spain and no longer consolidate into the financial statements of EPM.

(*)All financial information as of and for the LTM ended June 30, 2015 included in this presentation is unaudited and is subject to change.

Indicators

➤	Transparency (EPM Group - Colombia)	>	82.5%
➤	Environmental Management Index (EPM Group)	>	73%
➤	CSR Indicator (EPM Group - Colombia)	>	52%
➤	Merco Reputation Ranking ¹	>	5
➤	Merco Ranking of the Top Companies to Work for ¹	>	8
➤	Dow Jones Sustainability Indicator ¹	>	78
➤	Global Sustainability Yearbook ¹	>	Bronze Category

¹ EPM Parent Company



Human Focus

Human Focus



We aim to become an organization with a human focus, where:



We are recognized
and we achieve
growth
opportunities
thanks to our talent
and performance



We achieve our
life objectives
as members of a
family and a
society



We develop our
talent
and serve others



We take the lead
in mobilizing
actions towards
betterment



We recognize the
contribution
to achieving the
purpose of the EPM
Group



We understand the
challenges
that give meaning to
our action



We engage
to complement
ourselves building
upon our differences



The Leader's Relationship with Strategy and Culture

EPM: **Local.. National... International... Multi-Latin... Multicultural**

- Knows the environment, the trends and the strategy and aligns people with the corporate goals and the sense of change
- Recognizes the configuration of the EPM Group and its impact on the areas of works and promotes actions conducive to this corporate vision
- Clarifies and promotes the value system and acts coherently



- Induces actions in their teams that are aligned with the organizational culture
- Pursues continuous improvement and acts as a catalyst for change and adaptation to an environment of complexity, uncertainty, and ambiguity
- Values the benefits of multiculturalism endowed by the diversity of knowledge and experiences of the people that form the Group

Human Development Model



Human Planning

- Align the project of EPM Group with the required human talent (capacity, quantity and location).



Attract Talent

- Add talent to the EPM Group.
- Maintain EPM Group's exemplary status in the labor market.



Recognize

- Highlight performance of employees, through emotional and financial recognition.



Performance

- Accompany employees in the achievement of individual and collective goals.



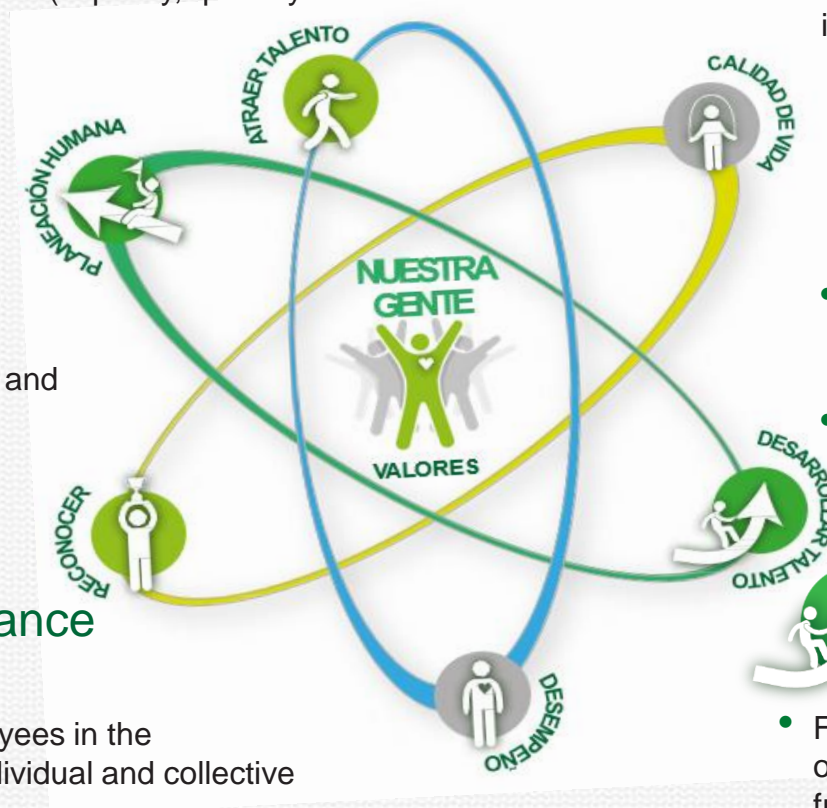
Quality of Life

- Value proposition differentiated by population groups (workplace health, benefits).
- Reinforce workplace commitment of EPM People.



Develop Talent

- Form and train the human talent the organization requires for its present and future.
- Accompany the development of the leaders as the protagonists in the development of their people



Practices for the Executive Segment

➤ Develop



➤ Recognize

- Leadership School
- Appreciation of potential
- Development plan
- Geographic and functional mobility
- Promotion
- Succession plan

➤ Performance

- Differentiated compensation
- Attractive salary
- Harmonic work environment
- Work-life balance
- Development and training

➤ Attract

- Reputation
- Value proposition focusing on group goal
- Benefits
- Differentiated compensation



- Results and actions oriented
- 360° Evaluation
- Pro-feeding

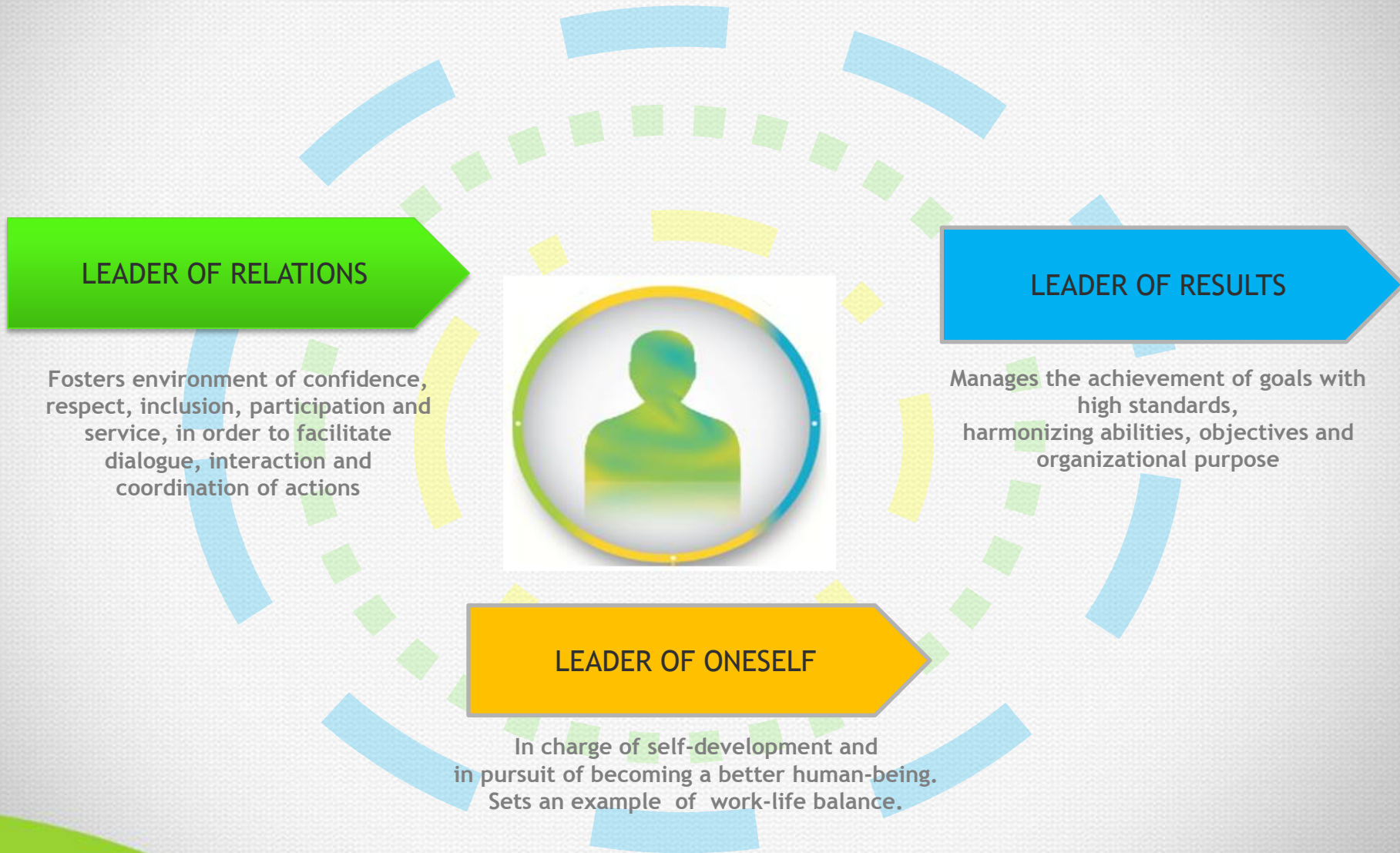




Seeks to promote the development of the leadership, through strategies that help leaders gain self-command, strengthen relations and achieve results, that guarantee their high value-added contribution to the purpose of the EPM Group.



EPM Group Leadership Model



Gracias



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es estar **en armonía con el ambiente**

