



## CORPORATE TAX POLICY ECOPETROL GROUP

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### 1. INTRODUCTION

Ecopetrol Group is a key actor in Colombia's public finances and contributes positively to the fiscal welfare of countries where it operates. Besides, Ecopetrol Group contributes to the generation of social and environmental investments and high-impact infrastructure projects that benefit the entire population. Consequently, a fundamental pillar that shall be observed by all the companies belonging to Ecopetrol Group, is to duly comply with the tax legislation and to contribute with the payment of taxes within the corresponding terms.

The Ecopetrol Group's tax strategy aims to guarantee the fulfillment of the tax legal framework for the operations performed in each of its countries, ensuring the growth of Group companies' economic value, the adequate management of its risks, ultimately seeking to avoid tax risks and/or inefficiencies in its operations.

The new structures and projects must always align to commercial purpose and economic substance, thus avoiding artificial tax structures that result in tax avoidance or tax evasion situations.

### 2. TAX GUIDELINES

To fulfill with its tax obligations before the Tax Authorities of the jurisdictions where it is currently operating, Ecopetrol Group shall observe the following guidelines and principles:



- a. Complying in a timely manner, with all national and international tax obligations, based on the current legislation.
- b. Ecopetrol Group bases its decisions on current legislation, tax rulings, and a reasonable and supported interpretation of the applicable regulation, on a case-by-case basis.
- c. As part of its tax strategy, Ecopetrol Group shall not adopt aggressive tax positions that might lead to tax controversies due to conflicting interpretations or legal loopholes.
- d. Taxation of the group shall be consistent and adequately reflect the structure and the nature of its operations according to material, temporary and geographical criteria.
- e. Ecopetrol Group shall respond to all tax information requirements notified by Tax Authorities of the jurisdictions where the companies operate, thereby guaranteeing the application of the General Tax Principles provided by Law are complied.
- f. All operations, agreements and contracts entered into by the companies belonging to Ecopetrol Group, shall comply with arm's length principles.
- g. The Board of Directors shall be informed of the main tax implications of operations to be performed by the Group companies, provided that such tax implications are determining for the decisions that should be adopted.

### 3. GOOD TAX PRACTICES

Ecopetrol Group applies the following good tax practices:

- a. Ecopetrol Group tax planning is documented and shared with Group companies, in order to avoid an inadequate use of tax benefits and opportunities provided by the Law.
- b. Ecopetrol Group has a Transfer Pricing Guideline, subject to review twice a year, to guarantee that all transactions, operations and agreements entered into the Group companies, complies with arm's length principles. This prevents the erosion of the tax basis in transactions made among Group companies.
- c. To reduce any tax risks and to prevent any situation that could encourage them.
- d. Ecopetrol Group does not transfer value created to low tax jurisdictions.
- e. To avoid using new structures or incorporating companies located in tax havens or non-cooperating countries that are intended to shield the beneficial owner of the activities, the goods and assets involved, or to opaque the transactions made, resulting in non-



collaboration with corresponding Tax Authorities. Ecopetrol Group will use this type of structures only when such transactions are well-sustained.

- f. To duly comply with the good tax practices implemented in the jurisdictions where Group companies operate.
- g. To collaborate and support the tax administration, during tax audits, clarifying any inquiry and addressing the information required, in order to minimize any risk that may lead to judicial controversies in tax affairs.
- h. To collaborate and support the tax administration in analyzing, preparing and structuring regulation addressed to prevent fraudulent or elusive tax practices, in each of the countries where companies have operations.
- i. To participate on national programs to apply for tax and social benefits such as implementing “Obras por Impuestos” mechanisms and the environmental investments, among others.
- j. To apply for tax incentives in order to foster investments related to Non-Conventional Sources of Renewable Energy (FNCER in Spanish).

#### **4. OVERSIGHT AND CONTROL**

Ecopetrol Group has the following mechanisms of oversight and control to guarantee the commitments included in this Tax Policy:

- a. Update, publish and socialize the tax-planning memorandum with all the companies of the group, once the National Government has enacted any regulation that may affect these guidelines.
- b. On a monthly basis Ecopetrol shares with the companies of the group, a document contenting the principal regulations, rulings and judicial decisions issued the prior month.
- c. Ecopetrol carries out a committee on a quarter basis, in order to discuss with all the companies of the group: application of tax benefits, guidelines follow-up, and updates on tax issues.
- d. Advise and be part –from a tax perspective-, of relevant transactions for Ecopetrol and its group, as well as issuing tax opinions regarding the operations and businesses carried out by Ecopetrol Group.



- e. Ecopetrol and Group Companies shall inform to its Board of Directors the tax policies, principles and guidelines that should be applied, on a yearly basis. Relevant changes in Tax Law shall also be informed.
- f. Effective tax rate, its variations, relevant transactions or legislation that affected this calculation, are included in the quarter and annual reporting.

#### **5. DISTRIBUTION AND AMENDMENT OF THIS CORPORATE POLICY**

Tax guidelines and good practices included in this Tax Policy shall be observed for each of the operations carried out by Group companies; thus, the Finance Vice-presidency and the Tax Department of Ecopetrol shall verify that these parameters are duly complied with. The Board of Directors is informed of the transactions with high tax impact, so that these operations are duly observed and monitored.

The Corporate Tax Policy is shared with the Ecopetrol Group Companies and published in Ecopetrol's website.

On January 2021, the content of this Corporate Tax Policy was duly informed to Ecopetrol's Board of Directors. On January 2023, this Corporate Tax Policy was informed to Ecopetrol's Board of Directors following its last update.