

COMPLIANCE PROGRAM OF THE ECOPETROL BUSINESS GROUP



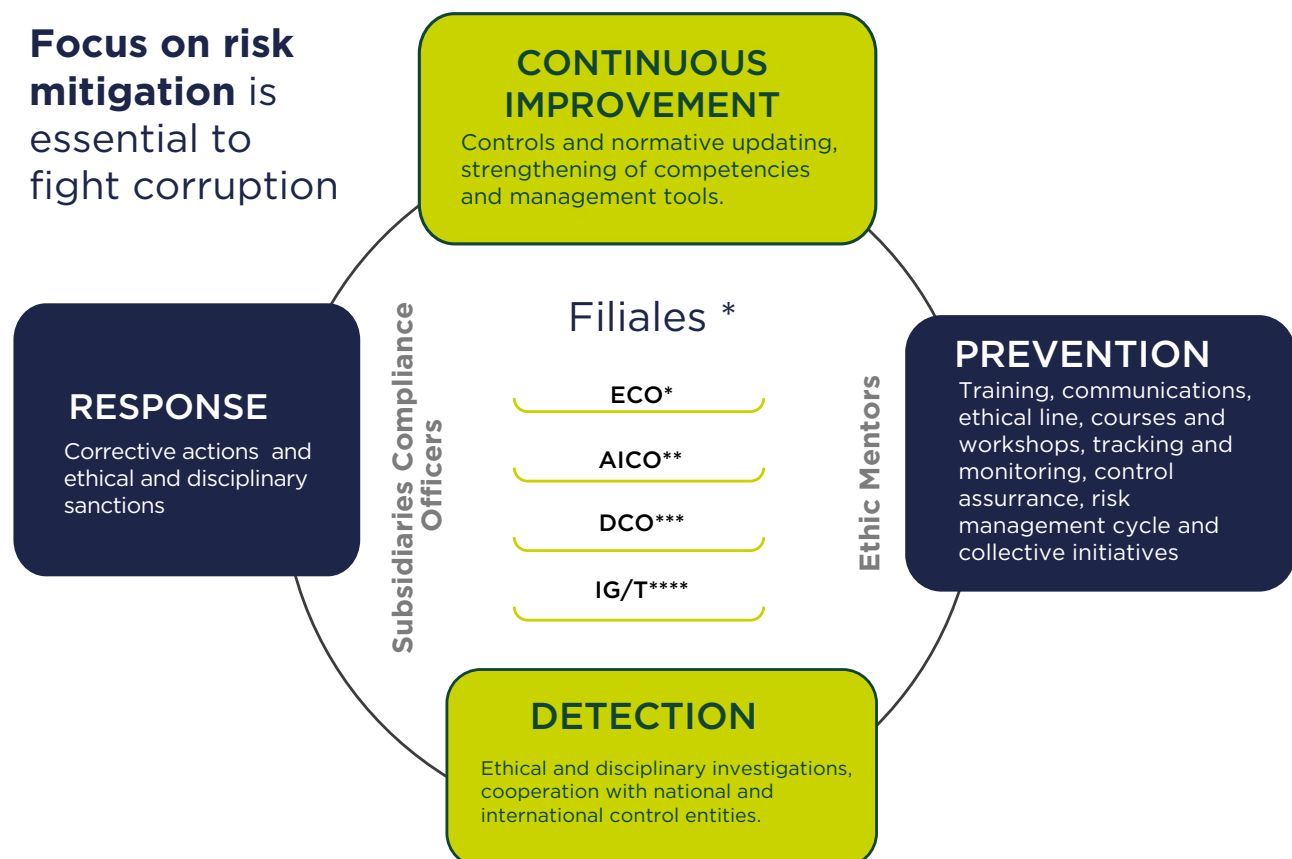
COMPLIANCE PROGRAM OF THE ECOPETROL BUSINESS GROUP

The Compliance Program of the Ecopetrol Business Group (“the Program”) aims to ensure the ethical behavior of senior management, employees, beneficiaries, contractors, suppliers and other related parties. The Program is based on the principles of integrity, responsibility, respect and commitment with life.



Specific objectives of the Program:

- i. Consolidate a culture of ethics in the organization, under the principles of the Code of Ethics and Conduct (integrity, responsibility, respect and commitment with life).
- ii. Identify, assess and manage the compliance risks of the company and ensure a sound control environment to prevent events of fraud, corruption, bribery, money laundering, financing of terrorist activities, violations of the Code of Ethics and Conduct and the antibribery acts, such as FCPA, Law 1778/2016, among others.
- iii. Promote the adequate execution of the processes required in the development of business activities, in order to avoid the manifestations of risks due to control failures.
- iv. Support the achievement of the strategic objectives of the Ecopetrol Business Group and ensure the reasonableness of consolidated financial statements. Build confidence of investors, society, interest groups and the general public.



Corporate Compliance Vicepresidency: *Ethics and Compliance Office. ** Assurance Internal Control Office. *** Disciplinary Control Office. **** Internal Groups/Teams: Control Entities Attention Group, Communication and Training Team a Monitoring Team. Affiliates and Subsidiaries Compliance Office.

TONE AT THE TOP

Board of Directors

Functions of the Board of Directors (the "Board") include approval of the Code of Ethics and Conduct; ensure the effectiveness of internal control and risk management systems; promote, maintain and strengthen the Compliance Program, the Internal Control System and an ethical and transparent culture within the organization to prevent and mitigate the materialization of compliance risk; periodically review the reports of the Statutory Auditor and the Compliance Officer and follow-up on their recommendations; fulfill the functions that are assigned to it regarding the prevention and control of money laundering and financing of terrorist activities in current and applicable regulations; among others (Bylaws Art. 23 and 46).

Audit and Risk Committee of the Board of Directors

Is responsible for being aware of and following up on matters related to the effective compliance with the Code of Ethics and Conduct, as well as complaints on corruption – bribery; accounting and financial fraud that impact Ecopetrol's financial statements; monitor the efficiency of the fraud, corruption – bribery, money laundering and financing of terrorist activities prevention and control duties; monitor the proper functioning of the Internal Control System; verify the instituting of the Risk Management System; be aware of and monitor the management of the subordinate companies that comprise the Group, on issues such as: the internal control model and process, ethical and compliance complaints, and the risk management system; periodically review the reports of the Statutory Auditor, the Audit and the Compliance Officer.

Ethics Committee

This Committee is in charge of evaluating the ethical environment of the organization and issuing recommendations to improve it.

Corporate Compliance Vice Presidency / Compliance Officer

To ensure independency, this area has a dotted

report to the Audit and Risk Committee of the Board, and is responsible for the executing and monitoring of the Compliance Program and the Risk Management and Internal Control System at Ecopetrol and its Business Group; the risk management assurance in the different processes of the organization and the Group; the periodic review and update of the activities resulting from the Compliance Program for the Group, and generating improvement actions, in accordance with its effectiveness results; carrying out preventive and corrective monitoring against potential compliance risks (corruption, fraud, national and transnational bribery, money laundering and financing of terrorist activities, violations of the Code of Ethics and Conduct and the FCPA Act) and for counterparties; issue guidelines, in matters within its competence, to the Group companies and monitor their fulfillment; whistleblowing management ensuring the timely processing of ethical, compliance and disciplinary complaints, among others.

Periodic reporting is submitted to the Audit and Risk Committee and the Board informing actions taken by the Vice Presidency and its work teams.

This Vice-presidency is integrated by the Ethics and Compliance Office, the Assurance of risks and internal Controls Office and the Disciplinary Control Office. It also has a Control Entities Attention Group, a Communication and Training Team and a Monitoring Team.

At the Ecopetrol Group

The Boards of Directors and the Audit and Risk Committees of the companies of the Group also exercise leadership in the execution of the Business Compliance Program guidelines and have similar responsibilities.

Compliance Managers from Ecopetrol subsidiaries report to the Corporate Compliance Vice President. They are responsible for managing ethical issues and ensuring effectiveness of the enterprise risk management and the internal control system, and also execute the activities that are annually defined in the Compliance Program. They must submit regular reports to the parent Company regarding their activities.

Our Code of Ethics and Conduct

The Code of Ethics and Conduct is the pillar of the Compliance Program. It compiles the guidelines and standards of expected behavior of the Group. It is applicable to Ecopetrol S.A., its affiliates and subsidiaries and to:



- » Members of Boards of Directors, employees of Ecopetrol, and other companies of the Group.
- » Individuals or legal entities that have any relationship with the Group: beneficiaries, shareholders, contractors, suppliers, agents, partners, customers, allies, bidders and providers, including contracts for security services.
- » Personnel and third parties that the counterparts engage for the execution of activities with the Group.



- Integrity
- Responsibility
- Respect
- Commitment with Life

Our Ethics Guidelines

- Act as responsible corporate citizens at all moments and in every situation
 - Comply with the applicable laws and regulations of the jurisdictions where we conduct business
 - Follow the internal policies and guidelines
 - Avoid conflicts of interest and unethical behaviour
 - Bribery (national and transnational) is prohibited
 - Facilitation payments, contributions and political donations, payments for lobbying services, and the diversion of money from social investment activities or sponsorships are prohibited
 - Ensure accounting integrity and transparency
 - Prevent and deter money laundering and terrorist financing
 - The reception, offer and request of gifts, hospitality and entertainment, is prohibited.
 - Protect and make appropriate use of company resources and premises
 - Give appropriate treatment to personal and sensitive data, and protect information of the companies of the Group
 - Act with social responsibility
 - Respect and protect Human Rights and HSE regulations
 - Report any act against the Code of Ethics and Conduct
 - There is zero tolerance for actions against whistleblowing. We protect them accordingly
 - Ecopetrol and/or any company of the Group will terminate any contract or agreement due to violations of their Principles and/or Ethical Guidelines
- The Code of Ethics and Conduct also describes for each principle the expected behaviors and it has FAQ Chapter to ensure its compliance.

Activities of the Compliance Program specific to the prevention of corruption, bribery, fraud, money laundering and terrorist financing

» **Risk Management and Internal Control:**

Ecopetrol Group ensures the determination and management of its risks using COSO ERM 2017, under which, the process and business risk cycle is executed annually performing activities of identification, evaluation, treatment-monitoring and communication of risks (including bribery, corruption, fraud and ML/TF) in all the organization and in areas with increased potential risk. Additionally, the Company has an Internal Control System based upon COSO 2013 that aims to provide reasonable assurance of the Consolidated Financial Statements in compliance with SOX and FCPA. In order to carry out this assurance, self-evaluations, monitoring, reports, alerts, design tests and operations are carried out on controls and key risk indicator (KRI), among others.

» **Monitoring** conformity with regulations applicable to the prevention of compliance risks and the appropriate implementation and progress of the anti-corruption strategy.

» **Due diligence and monitoring of counterparts** (suppliers, customers, contractors, allies, partners in new businesses, mergers and acquisitions, including those that provide security services).

» **Periodic monitoring** of counterparts and employees on restrictive and sanctions lists of national and international organizations and public information; payments made to politically exposed persons (PEPs), stock trading activities by employees, of controlled products, payments to customs agents; recuses, incompatibilities and conflicts of interest; economic pressures that trigger early warnings; agreements (including security services); sponsorships; receiving or offering gifts, hospitality and entertainment; cash transactions; petty cash, among others.

» **Sign-off of ethical clauses** by our counterparts, when a contract or agreement is signed, to ensure the: **i)** awareness, commitment and application of the Ethics Guidelines and anti-corruption rules that

govern Ecopetrol's normal course of business, **ii)** commitment to act with transparency and to report any violation of our Principles or Ethics Guidelines through the whistleblowing line, **iii)** obligation of record-keeping and reporting accounting records and standards, **iv)** no execution of cash transactions and the avoidance of conflicts of interest, facilitation payments, gift, promise or other advantage, whether directly or through any other person or entity, to or for the use or benefit of any Public Official are prohibited, **v)** training of third-party personnel with the ethical provisions of Ecopetrol and their adherence to applicable ethical anti-corruption clauses, **vi)** right to audit, **vii)** termination of contract for non-compliance of the aspects of the ethical and transparency clause with Ecopetrol and its Business Group.

» **Sign-off of forms by contractors and allies**

in the following areas: **i)** prevention of money laundering and terrorist financing, through which we assess the source of funds, relevant information of the company and the processes in which the contractors or its employees may be involved, the commitment not to incur in these types of activities and to report any change in the reporting conditions; **ii)** the commitment to contractual integrity, whereby the counterparts ratify their duty to act in accordance with the the principles and ethics guidelines of Ecopetrol and to avoid situations of conflict of interest that may affect the normal development of business.

» **Technological tools** for the consolidation and verification of information, which allow cross-referencing data and the generation of preventive alerts.

» **Ethical line** to get advise before potential conflicts of interest, request clarification, and to raise ethical and compliance complaints.

» **Ethics and Compliance Office** to provide face-to-face or telephonic advice on the applicability of principles and ethics guidelines of the organization, and in case of alerts or

actions that may be triggered by events associated to compliance risks.

- » **Nationwide Ethical Mentors**, who support the execution of activities of the Compliance Program aimed at broadcast, encourage and strengthening the application of company's Ethics Guidelines, and to communicate, train and promote the use of the ethical line, receiving complaints, advise employees on how to comply with the Code of Ethics and Conduct and to promote commitment to transparency.
- » **Permanent training and communication**, general and focused, to senior management, employees, areas of high risk, and counterparts. Training to contractors, besides disseminating the ethical guidelines of the Ecopetrol Group, seeks to promote the establishment of Anticorruption Compliance Programs.
- » **Introduction** to existing and new employees in the Ethics Guidelines and the Principles of the organization.
- » **Virtual courses** for obligatory self-training on the principles and ethics guidelines of the organization.



Foto: Archivo Ecopetrol

- » **Collaboration** with control entities by reporting and transferring information required in attendance to agreements.
- » **Assurance of managed information** in development of compliance program activities.
- » **Commitment of the Board of Directors.** in-Members of the Board of Directors commit as leaders of the Compliance Program of the company and with the accomplishment of the ethical principles and guidelines, by reading and signing a Declaration of Information and Responsibilities of the Board of Directors Form.
- » **Annual commitment to transparency by the company's employees**, including senior management, through which the knowledge and application of the Ethics Guidelines is assessed. Using this instrument the rejection of acts of corruption, local and transnational bribery, fraud and violations of the provisions of the Code of Ethics and Compliance are ratified.
- » **Preparation, publication and monitoring of the Annual Anti-Corruption Plan** that contains annual activities aiming to mitigate corruption risks in the organization. This Plan was fully executed through the year.



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INTERNAL GUIDELINES THAT SUPPORT THE COMPLIANCE PROGRAM

For the development of the aforementioned provisions, the following handbooks, guidelines and procedures have been implemented:

- Handbook for Risk management of Anti-fraud, Anti-corruption - bribery, and Anti-Money Laundering and Terrorist Financing (LA/TF)
 - Guidelines for management of conflicts of interest, disabilities, incompatibilities and prohibitions
 - Guidelines for management of gifts, hospitality and entertainment
 - Guidelines for the prevention of corruption in the negotiation of lands and areas of access
 - Ethics and compliance management procedure to be followed when breaches to the Code of Ethics and Conduct are reported. Sanctions may include: ethical talks, written warning describing the unethical conduct that could eventually produce the dismissal of the employee, labor contract termination, variable compensation non-payment, low performance ratings, contract termination with the counterpart in Ecopetrol and its Business Group
 - Guidelines for the Prevention of Corruption and Fraud in the development of New Businesses, Mergers and Acquisitions
 - Procedure for the Attention of the Congress
 - Risk management guidelines in the Ecopetrol group
 - Handbook of the Internal Control System for the Ecopetrol Group
 - Handbooks for Management of Contracts and Agreements
 - Procedure for planning, authorizing and subscribing sponsorships and acquisition of marketing products
 - Procedure for the management of social investment projects, environmental and / or relationship
- In addition, the following guidelines have been established for human talent management, in order to prevent and punish acts related with compliance risk:**
- The internal Labor Code that details the disciplinary regime
 - Employment Contracts, aiming to ensure employees commitment to act with transparency and to avoid any violation of the Code of Ethics and Conduct
 - Procedure for variable compensation, which includes the non-payment grounds for this benefit when the company's Ethics Guidelines are violated or the personnel have incurred in internal control failures
 - Background checks and integrity test to all employees of the organization
 - Introduction for new employees on ethical issues, training and communications
 - Performance evaluation systems integrate, in addition to work objectives, organizational skills, including ethical behavior
 - Ecopetrol workers who have the responsibilities in contractual processes must sign the commitment to transparency -for each process- stating their ethical behavior

INTERNAL AND EXTERNAL ASSURANCE OF THE COMPLIANCE PROGRAM

The office of the Manager of Internal Controls ensures the quality of the controls to mitigate risks associated to the Compliance Program (including bribery, corruption, fraud and LA/TF), through an independent auditing firm.

Similarly, the office of Corporate Management of Ethics and Compliance performs permanent monitoring in areas and activities of high potential risk.

The Statutory Auditor carries out independent verification procedures as regards to compliance and ethics, as well as the controls to prevent financial fraud at Ecopetrol and the Group companies.

COLLECTIVE INICIATIVES

- ◆ The United Nations Global Compact (Principle 10 “companies must combat against corruption in all its forms, including extortion and bribery”)
- ◆ United Nations Integrity Initiative against Drugs and Crime (UNODC) Colombia.
- ◆ Sector Compact for Transparency and the combat against Corruption, with the Colombian chamber of Goods and Services for the Oil industry (Campetrol)
- ◆ Extracting Industries Transparency International (EITI)

In 2019, Ecopetrol adhered to two new initiatives

- ➔ Agreement for Transparency of the Secretariat of Transparency of the Presidency of the Republic.
- ➔ Integrity Business Route of the Secretariat of Transparency of the Presidency of the Republic.

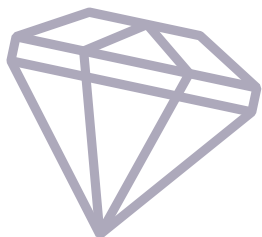


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Assessments of the effectiveness and achievements of the Compliance Program



◆ **Global Compact Network - Colombia, a United Nations Development Program -UNDP**

Evaluated the “Robust Anti-Corruption Management Policies and Procedures”, granting 100% score in 2018 and 2019.

In its results, GCN emphasized that the outcome obtained reflects the commitment, leadership and excellence of the Program against corruption.

◆ **Commitment to Transparency**

Annual metric by an independent third party of transparency indexes of the organization, through the annual survey signed by all employees, including senior management, called Commitment to Transparency, which yielded the following results in 2019:

- The participation rate was 98.9% compared to 89.9% in 2015, in which the Corporate Compliance Program was implemented.
- Transparency perception index was 98.8%, compared to 87.6% obtained in 2015.
- Ethical environment index was 88% compared to 62.6% in 2015.
- 99.6% of the employees who signed the Commitment are aware of the Ethical line and 95% trust this tool

- ◆ Self-assessment of the Integrity and Compliance Program by the Secretariat of Transparency of the Presidency of the Republic, using the Integrity App, which gave a score of 100 points in 2019.

- ◆ On the other hand, the Corruption Prevention Index in the Private Sector of the Secretariat of Transparency of the Presidency of the Republic for 2018 granted 100 points. No further measurements of this index have been made.
- ◆ In 2017 and 2018, seven subsidiaries were included in the “Active Anti-corruption Businesses” list of the Secretariat of Transparency of the Presidency of the Republic.
- ◆ The effectiveness of internal ethical communication is measured by the corporate communications department who in 2019 reported that the information distributed on aspects related to ethics was one of the three with the greatest impact on the organization, with a high 92.76%.

Other achievements of the Compliance Program

- The Statutory Auditor’s reports have been Unqualified, i.e., they fully comply with the SOX Law and FCPA Law, he did not observe any material deficiencies that could impact the Internal Control System and Consolidated Financial Statements
- The values for facilitation payments, contributions or political donations, and lobbying services was \$0
- Between 2015 and 2019, concerns and consultations increased by 125%, which supports an improvement in the culture of prevention.
- Between 2015 and 2019, ethical and compliance complaints were reduced by 23%.

COMMUNICATIONS AND TRAINING

Training and communication are developed through various activities and ways, such as: in-person training, virtual courses, supplier and contractor conferences, higher ethics workshops, recreational activities, ethical moments, streaming, newsletters, radio soap opera, dilemmas, yammer, community in practice, frequently asked questions, internal magazines and ethics moments, in order to generate understanding about ethical principles and guidelines, the adoption and commitment with the Business Group's ethics and anti-corruption standards, promote the use of the ethical line (hotline) and the establishment of Anticorruption Compliance Programs by contractors.

In 2019, the following results are highlighted:

- **100% of the Board of Directors** members received training on ethical issues and the guidelines of the Compliance Program.
- **128** leaders participated in the ten Senior Management training sessions in the workshops called "Towards a Higher Ethics".
- **800** leaders from all regions of the country participated in the Event "Ethics belongs to everyone, for everyone" held in Bogotá.
- All new vice presidents were trained on ethics issues.
- **98.1%** of workers at all levels and throughout the national territory received virtual training, including the leaders of the organization, through the ethics and compliance course.
- **4,956** workers nationwide received training via streaming.
- **437** workers received in-person training on ethical issues.
- **67** Ethical Mentors participated in a training meeting
- SENA apprentices and temporary employees Company received in-person training on ethical issues.
- **11,766** people (workers and their families) participated in recreational activities to promote ethics
- **1,477** business partners nationwide trained on ethics issues and the compliance program. **The activities sought to promote the implementation of compliance programs in companies.** The meetings were held in Bogotá, Barrancabermeja, Bucaramanga, Yopal, Neiva, Cartagena, Barranquilla, Villavicencio, Puerto Gaitán (Rubi-ales).
- Training was provided for communities in Magangué, Alto Pompeya (Villavicencio) and Catatumbo) on issues of ethics and transparency.



In-person training activities were carried out in Bogotá, Barrancabermeja, Bucaramanga, Yopal, Neiva, Cartagena, Barranquilla, Villavicencio, Puerto Gaitán (Rubiales). The virtual training activities provided access to the organization's work teams and those of its subordinates at the national and international levels.

Communications were delivered to 100% of workers and/or the counterparts, according to on the topic, totaling 257,109 recipients.

In the past three years (ECOPETROL):

- **34,351** workers of the all organization levels received training (including managers, professionals, technicians and equipment operators, temporary or permanent).
- **4,886** counterparts have participated in ethical training activities.

In addition, ethical communications were delivered to **901,478** recipients and **5,013** subsidiaries employees have participated in ethical training activities.



LAWS, GUIDELINES AND BENCHMARKS THAT SUPPORT THE COMPLIANCE PROGRAM

The Compliance Program complies with applicable laws and regulations, and takes as references some national and international standards, guidelines and handbooks for best practices for the combat against corruption, fraud, bribery, money laundering and terrorist financing, such as:

- ◆ Foreign Corrupt Practice Act (FCPA)
- ◆ Sarbanes-Oxley Act (SOX Act)
- ◆ Guidelines COSO 2013 and COSO 2017
- ◆ Control Objectives for Information and Related Technologies, COBIT
- ◆ Basic Legal Circular from Superintendence of Financial Institutions
- ◆ Basic Legal Circular from Superintendence of Companies
- ◆ External Circular 009 of 2016 from Superintendence of Health
- ◆ Law 610 of 2002, Fiscal Responsibility Processes
- ◆ Law 734 of 2002, Disciplinary Code for public employees, which establishes the disciplinary procedure and sanctions applicable to them
- ◆ Law 1118 of 2006, Ecopetrol law
- ◆ Law 1474 of 2011, Rules to strengthen prevention mechanisms, investigation and sanction of acts of corruption
- ◆ Law 1778 of 2016, Antibribery law
- ◆ Law 1712 of 2016, Transparency and right public information
- ◆ Guidelines and Regulation of the Financial Intelligence Unit (UIAF)
- ◆ Principle 10 of United Nations Global Compact
- ◆ United Nations Integrity Initiative against Drugs and Crime
- ◆ Inter-American Convention against Corruption of the Organization of American States (OAS)
- ◆ Good Practice Guidelines on Internal Controls, Ethics and Compliance, annex II, recommended by the Council of the Organization for Economic Cooperation and Development (OECD) to combat the Bribery of Foreign Public Servants in International Commercial Transactions (Sustained in the Convention of the year 1997)
- ◆ Guidelines for Companies in Colombia by the Secretariat of Transparency of the Presidency of the Republic
- ◆ Recommendations for the implementation of an anti-corruption ethics and compliance program for UNODC Companies
- ◆ Guidances for Compliance Programs by DOJ
- ◆ FATF (GAFI) Recommendations
- ◆ Reference for compliance programs defined in the Parenting Against Corruption - World Economic Forum-, and Business Principles for Countering Bribery initiative of Transparency International
- ◆ Recommendations established in the technical standards ISO 37001 for the prevention of bribery, standard 19600 on compliance systems and standard 31000 on risk management
- ◆ Document: Public Employees Values by DAFP (2020)

Channels established for the attention of concerns, questions and complaints.

1. Ethical line

Link: <http://lineaetica.ecopetrol.com.co>

- Webpage – Iris – Main page – Rapid Access – Ethical Line
 - International Toll Free Number 018009121013
 - Dial from Bogotá 2343900, or Extension 43900 if you are an employee of Ecopetrol
2. Ethics and Compliance Office, located at the headquarters of Ecopetrol in Bogotá (face-to-face or telephonic advice)
 3. Nationwide ethical mentors

The Ethical line is corporate and is operated by an independent international company, guaranteeing total transparency of the process. This system provides: **i)** year-round availability, 24/7; **ii)** reports in Spanish, English and Portuguese; **iii)** anonymity when raising a complaint; **iv)** guarantee the confidentiality of the information, and of the data stored in the complaint in accordance to the applicable international regulations.

During the processing of any concern, question and complaint it is ensured:

- Anonymity
- Confidentiality of the whistle-blower and of the contents
- The system records the information reported, guaranteeing data protection, in accordance to data protection guidelines
- Retaliation is prohibited and the whistle-blower's are protected
- The topic is objectively verified by an independent team
- The person who raises a concern can follow it up, even if it was raised anonymously, through the technological tool
- A response on the concern, question and complaint will always be provided

