



OPERATIONAL AND FINANCIAL RESULTS

First Quarter 2020



May 12th, 2020

Picture: Chuchupa Field





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OUR SPEAKERS



Felipe Bayón
CEO



Jaime Caballero Uribe
CFO



Alberto Consuegra
COO



Juan Pablo Crane
Head of Capital Markets

Life ensures business continuity

RESPONSE PLAN COVID-19



Leadership

- COVID-19 Crisis Committee
- Health Response Committee
- Diagnostic tests at Barrancabermeja Hospital



IT Management

- Secure digital connection for +9,000 employees
- Chatbot to determine risk of contagion
- CoronApp** for self-diagnosis



Occupational Health- Labor

- Operation with “minimum viable personnel”
- Isolation of workers with pre-existing health conditions
- INS* visits to refineries



Supporting the Country

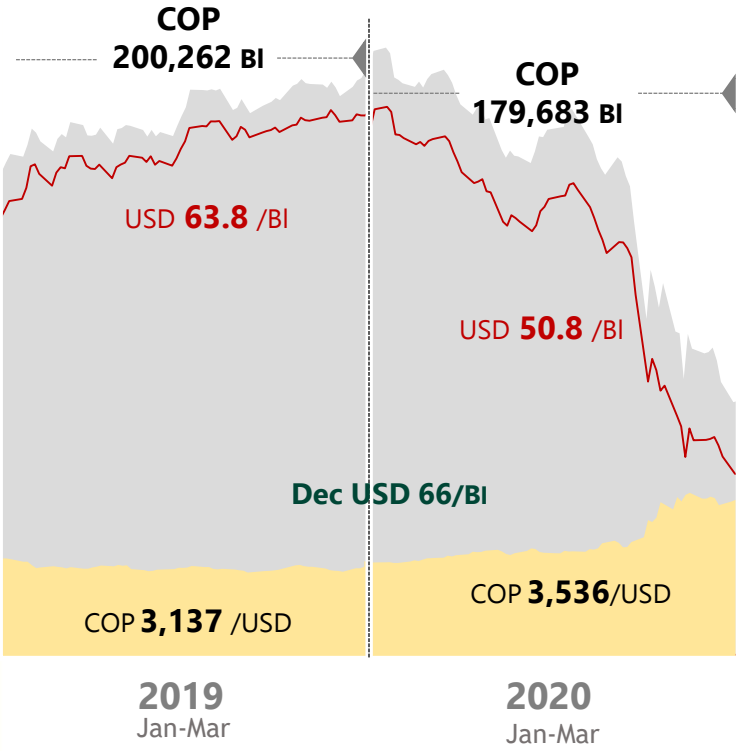
- Social investment of COP 69 billion
- Supporting the local industry
- Voluntary employee contributions
- Strengthening of the Country’s healthcare system and humanitarian aid

* Instituto Nacional de Salud (National Health Institute)

** Ecopetrol supported the mobile app of the National Government designed to fight against coronavirus

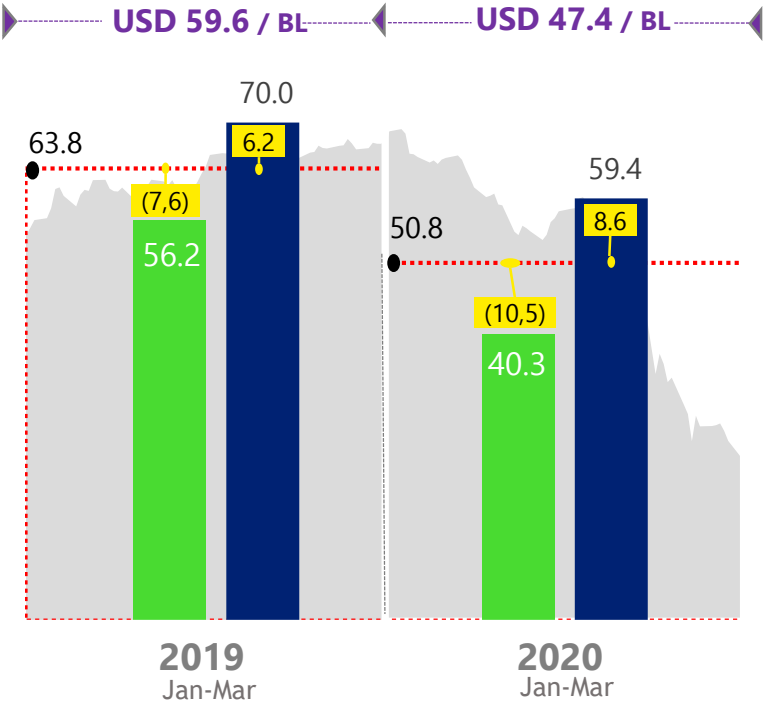
Oil market is currently facing an unprecedented supply and demand shock

INDICATORS



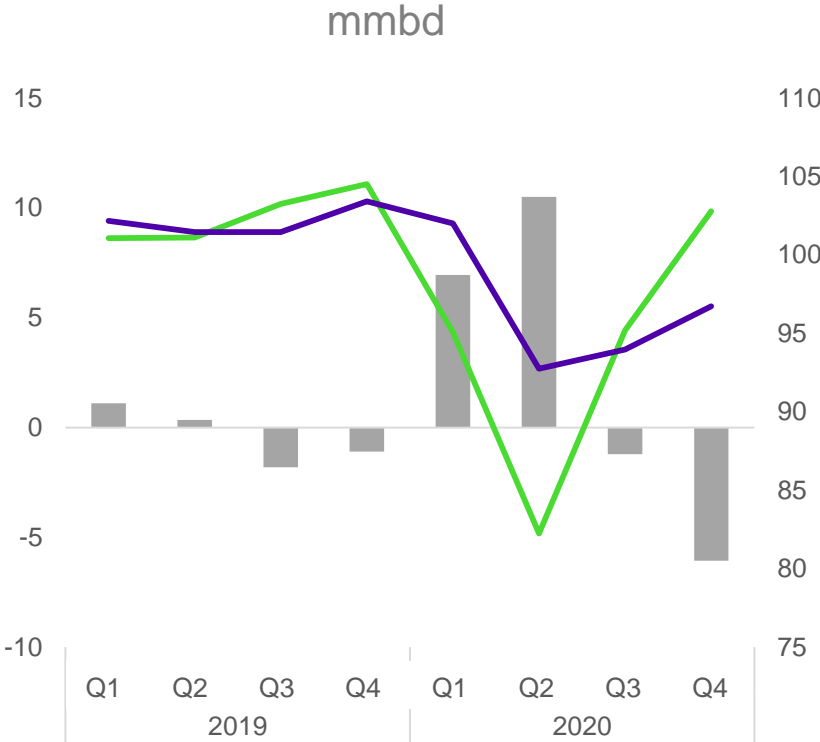
■ Brent - Peso — Brent ■ Exchange Rate

BASKET PRICE (USD/BL)



■ Historic Brent - - Brent ■ Crudes ■ Products
 ■ Spread ■ GEE Basket

GLOBAL SUPPLY AND DEMAND FOR CRUDE*



■ Implicit change of inventories
 ■ Demand (right axis)
 ■ Supply (right axis)

*Source: Platts. Includes OPEC+ cuts

Optimization of logistics chain according to demand

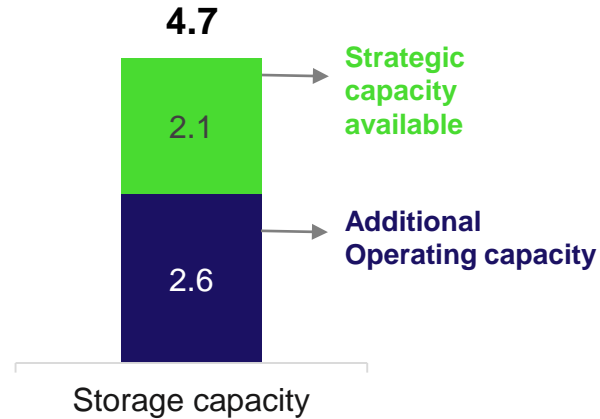
Crude

Commercial Strategy

- ▶ Positioning our crudes
- ▶ Customer Relationship
- ▶ Quality of crude and products
- ▶ Hedging of crude oil and products

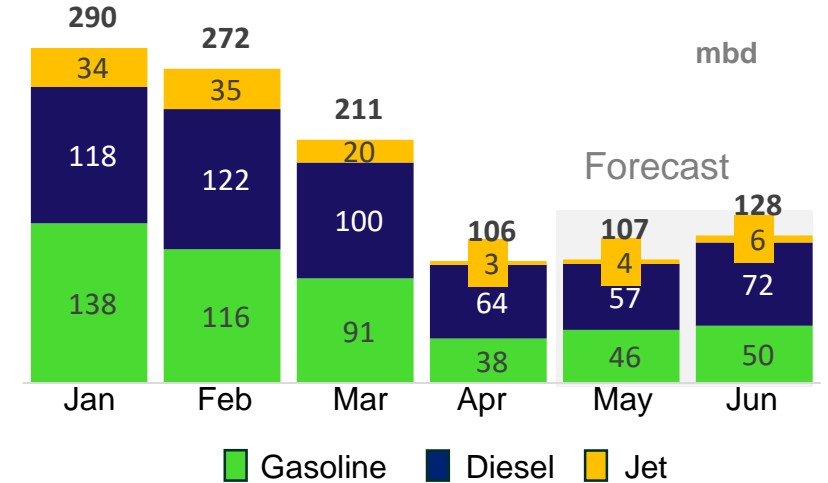
Storage

Mmbbl



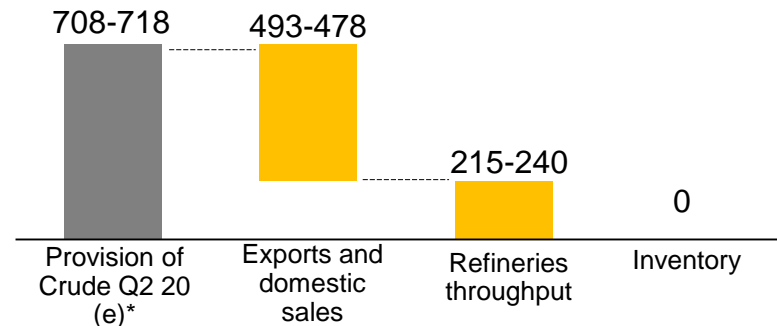
Products

National Demand 2020



Supply chain integration to meet expected Q2 demand

Crude delivery in Q2-20 (e) is assured through exports and refinery throughput while maintaining storage availability

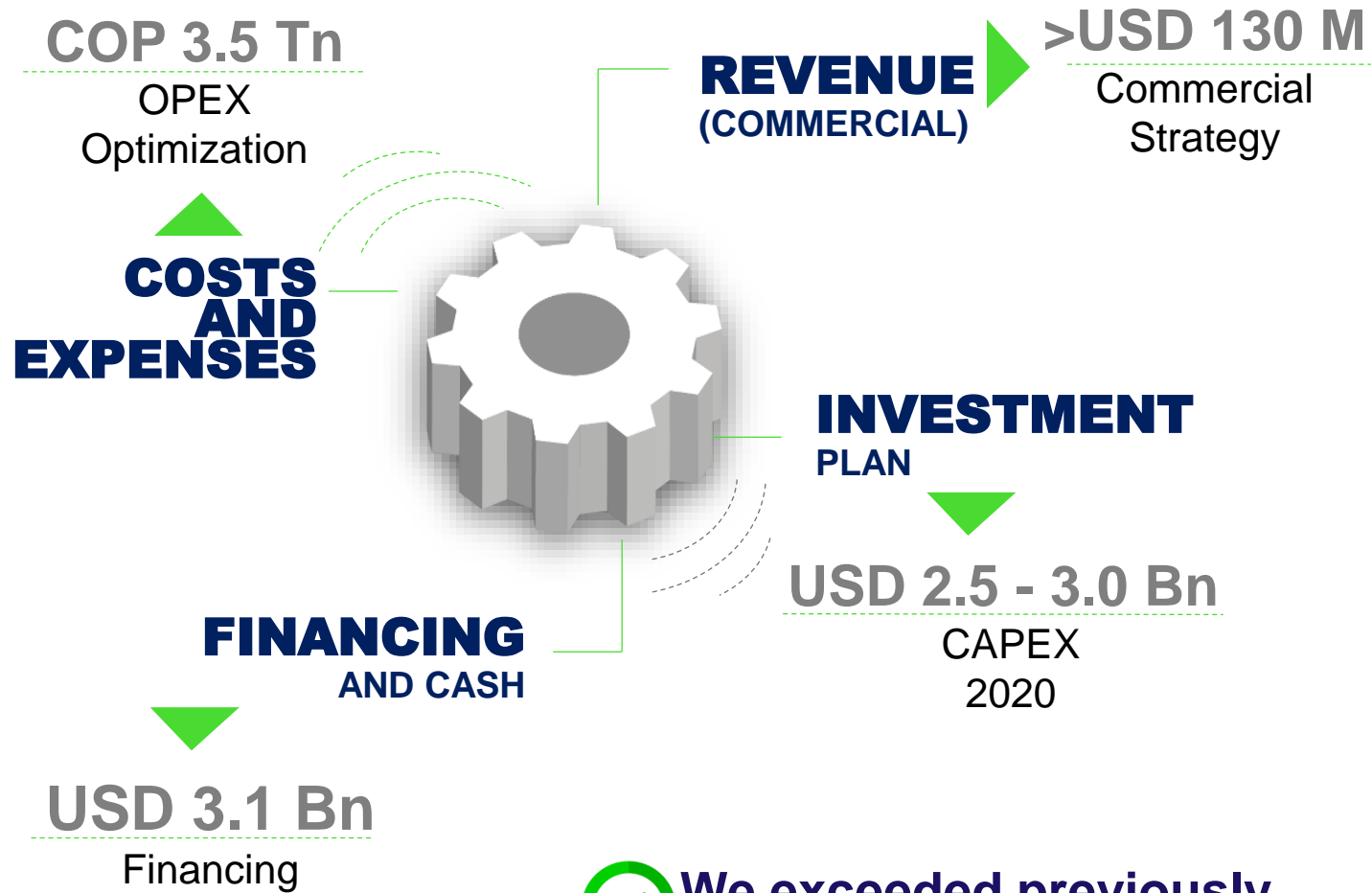


✔ Utilization levels aligned with demand refineries throughput

✔ Estimated increase in exports Q2 20 vs Q1 20

*Includes Q2 20 estimated crude oil production (between 660 - 680 mboed), royalties, third parties purchases, diluent

Facing this new challenge



✓ **We exceeded previously announced efficiency targets**



We maintain investments in strategic projects

- ✓ **Enhanced Oil Recovery Technologies**
- ✓ **Gas Opportunities**
- ✓ **Digital Transformation**
- ✓ **Renewable Energy**
- ✓ **De-carbonization roadmap**
- ✓ **Unconventional Integral Research Pilot Projects***

* In unconventional reservoirs

Rodeo JV: Flexibility of short cycle assets

2020 Initial Plan

Ecopetrol Net Production

7 – 9

mboed

Operated rigs

4

Operated Wells

~ 90 / 50

Spud / Online

Capex JV

~ 800

USD Million

2020 Updated Plan

Ecopetrol Net Production

4 – 5

mboed

Temporary release of
rigs

Operated Wells

~ 22

Online

Capex JV

~ 180-200

USD Million



Focus on **Cash Protection** and **Capital Discipline**



Acreage locked via existing OXY's production



Advancing in **Knowledge Transfer Plan**

First Quarter 2020 Results



FINANCIAL

▶ Net Income | COP 133 Bn

▶ Ebitda | COP 5.3 Tn



Dividend approved
COP 180
Per share



OPERATING

Production (mboed) | **735** | Reversal of Piedemonte Association Contract

Exploratory Wells Drilled | **3** | Drilling Gato do Mato-4

Refining Throughput (mbd) | **345** | Scheduled Maintenance U-250

Transported Volume (mbd) | **1,136** | Operating Stability



ESG*

Verified reduction of **178,099 Tons** CO₂

Progress with San Fernando Solar Farm

General Shareholders' Meeting **100% Virtual**

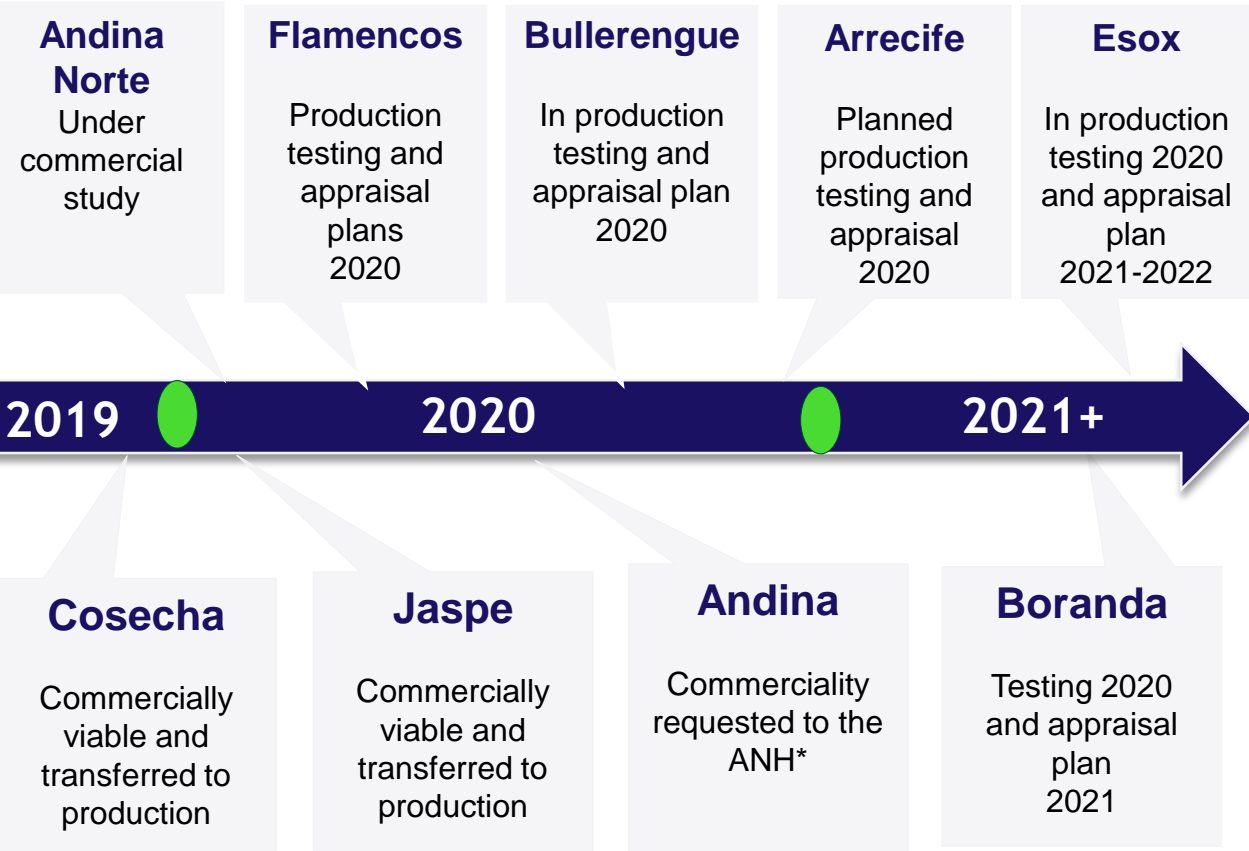
* Environmental, Social and Governance

Upstream

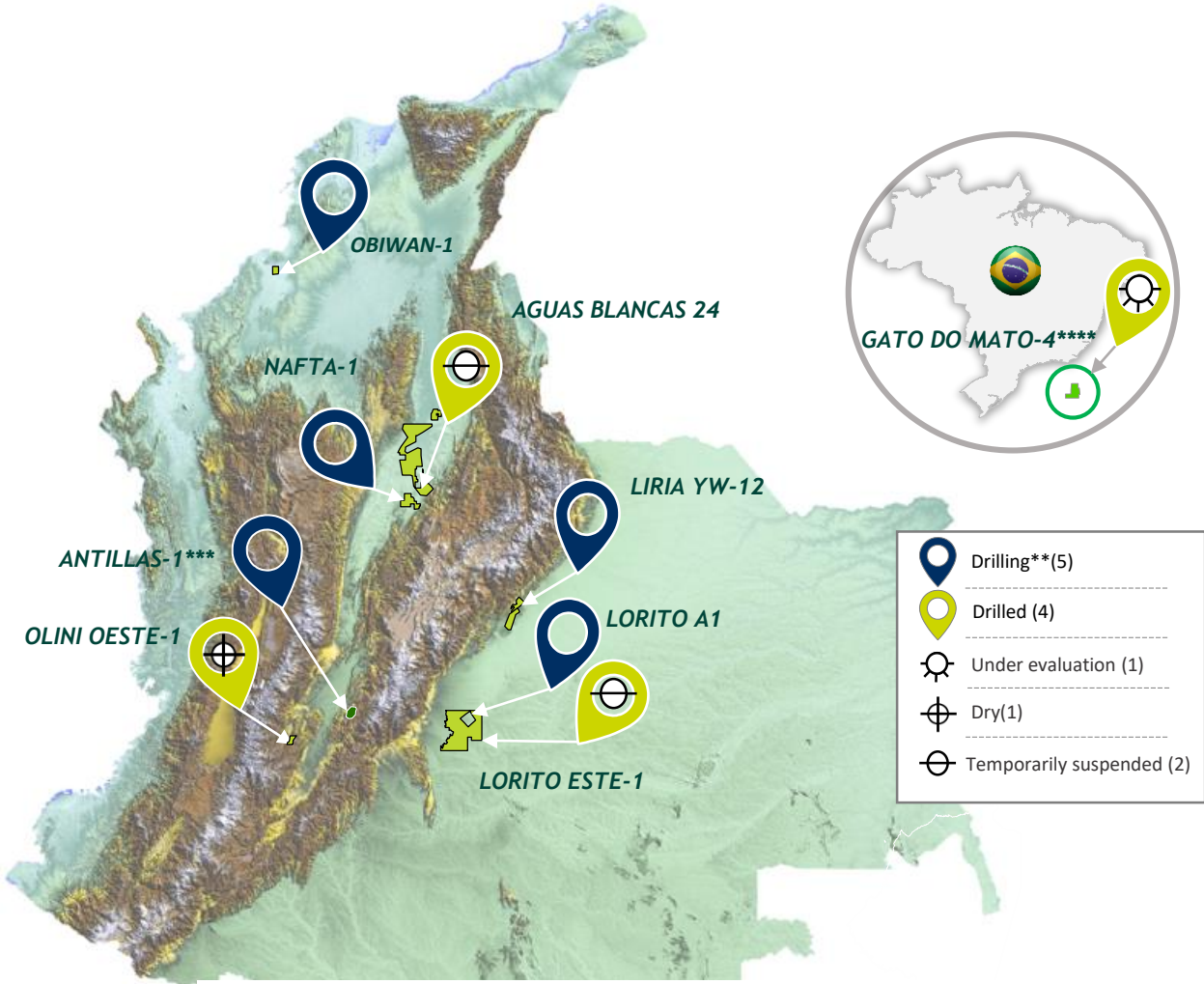
Picture: Cusiana Field

Progress in the incorporation of resources

MATURITY OF DISCOVERIES



EXPLORATORY ACTIVITY Q1 20



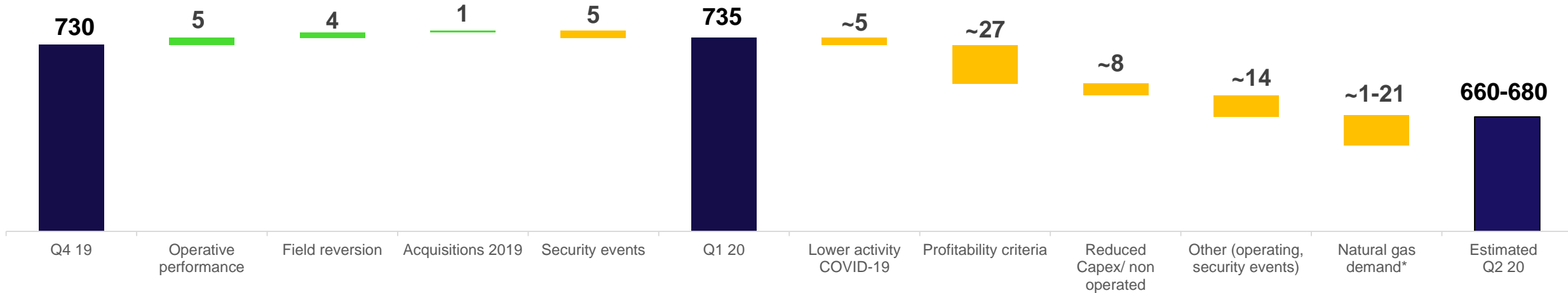
- Production in extensive tests Q1 20: 347 mboe (3,810 boed)
- Planned drilling of Saturno-1 well in 2020 (Santos basin - Brazil)
- Implementation of "Digital Petrotechnical" project

**Drilling suspended because of COVID-19
 *** Well operated at risk-only by Perenco
 ****Began drilling in Q1 20. Pending completion of entry procedures for ECP in the project

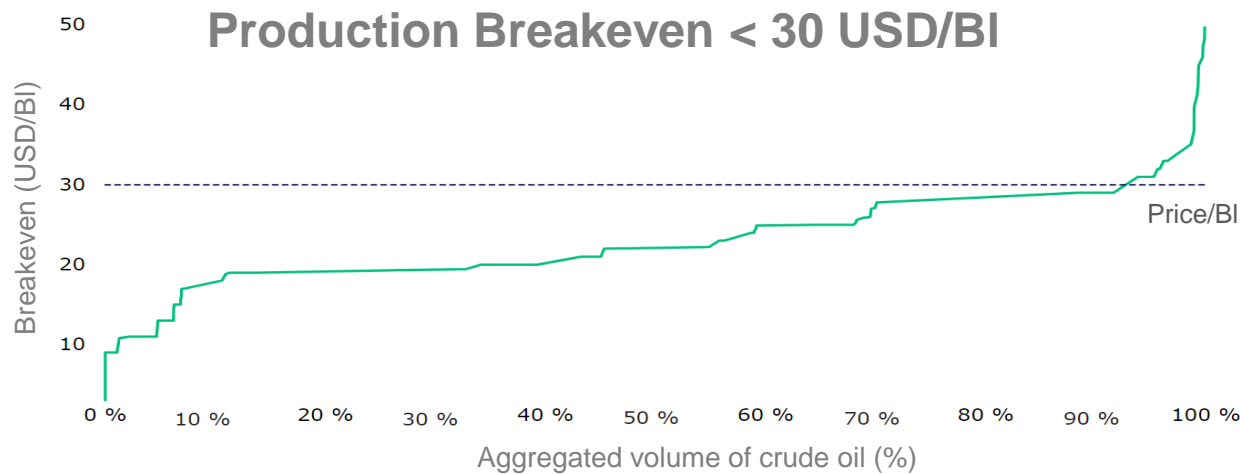
* National Hydrocarbon Agency

Focus on profitable production

mboed



Efficiency of Fields



MEASURES

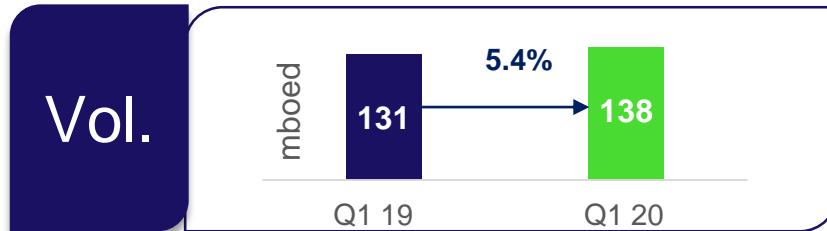
- ✓ Review of transportation schemes
- ✓ Cost efficiency
- ✓ Reallocation of crude to refineries

* Gas demand depending on the resumption of the economic activity in Colombia

Gas remains strategic priority



\$ ~ 10% Upstream Income
Demand contracted at fixed prices



Lower self-consumption: due to lower throughput in refineries and closing of fields
Force Majeure

Demand Protection: sector measures to mitigate impact on customers
Materialize Upsides: commercial strategy to meet thermal power sector demand with surpluses



Strategic progress in gas agenda

Portfolio

Hocol receives from Chevron Chuchupa and Ballena fields in La Guajira



Total production potential

Integrated vision

Operational continuity assured in Invercolsa's integration process



Investments

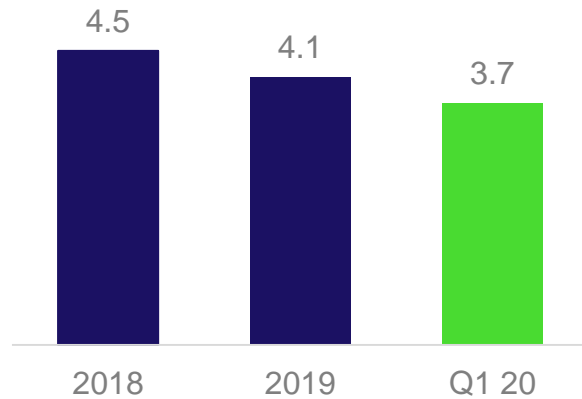
Gas investment plan is maintained



Continuous capture of efficiencies

Dilution Cost

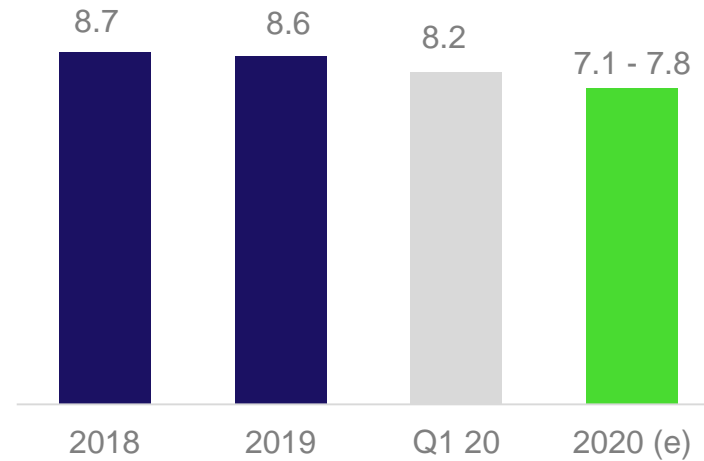
(USD/BI)



- ✔ Use of naphtha from Cartagena Refinery with less volatility and freight savings

Lifting Cost

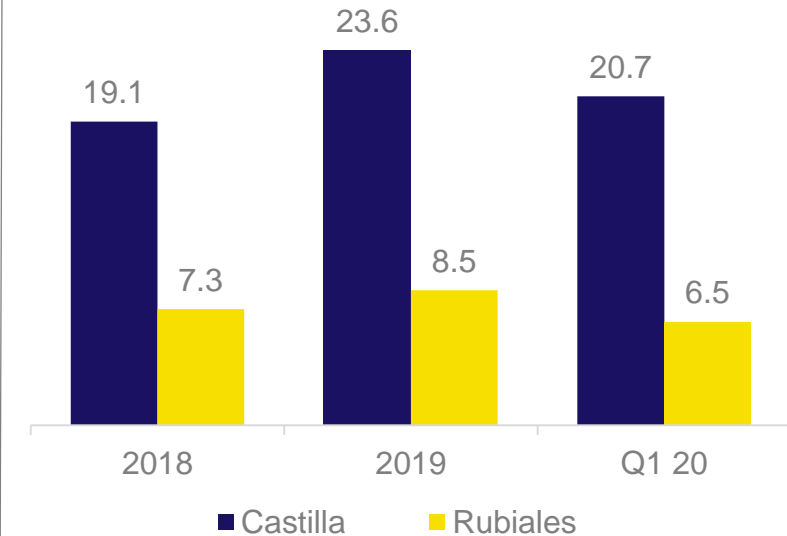
(USD/BI)



- ✔ Optimization of contracts
- ✔ Prioritization of activities

Drilling Days

(Days)



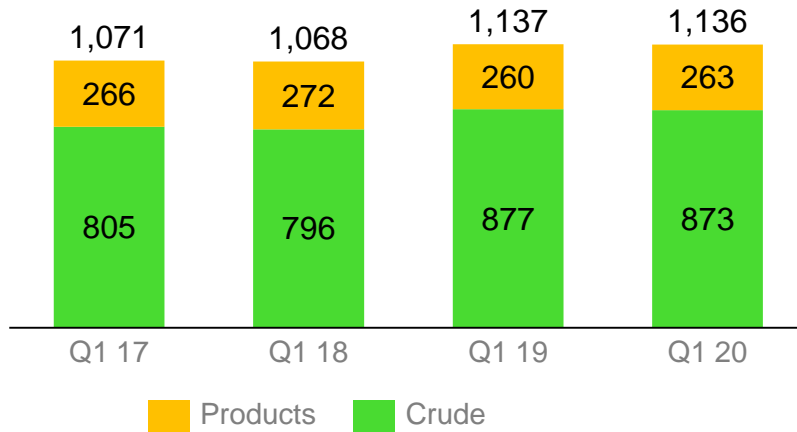
- ✔ Savings in Drilling Costs
COP 188 Bn -1Q 20



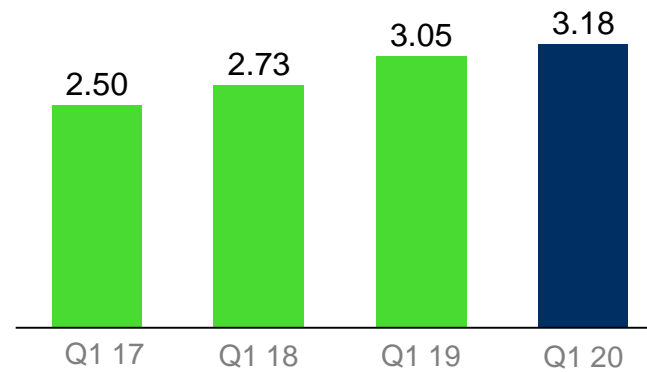
Midstream

Stability amid a challenging environment

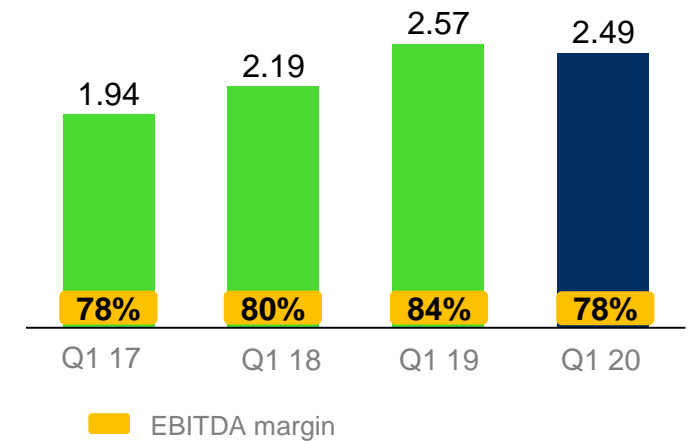
Transported volumes (mbd)



Revenue (COP Tn)



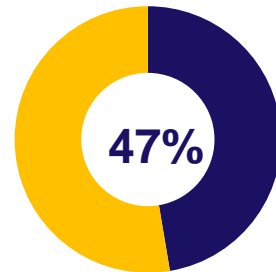
EBITDA (COP Tn)



Q1 MILESTONES



Strategic storage in the transport network supports the continuity of E&P operations



47% share of Group's **EBITDA**



Pumping **Record** of refined products from Barrancabermeja refinery in January
264 MBD



No contingent reversal cycles through **Bicentenario pipeline**



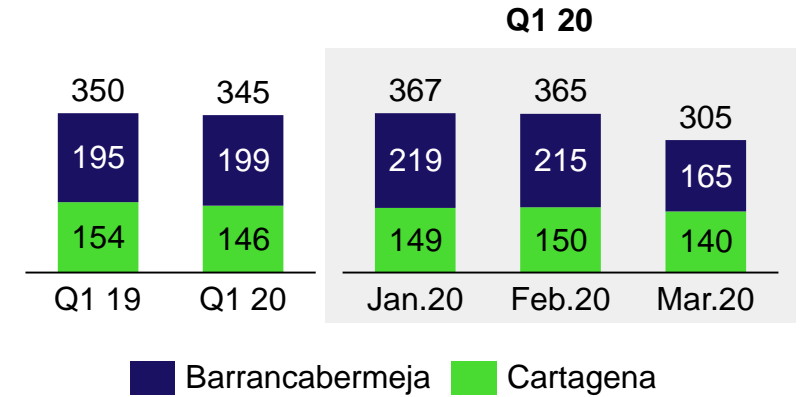
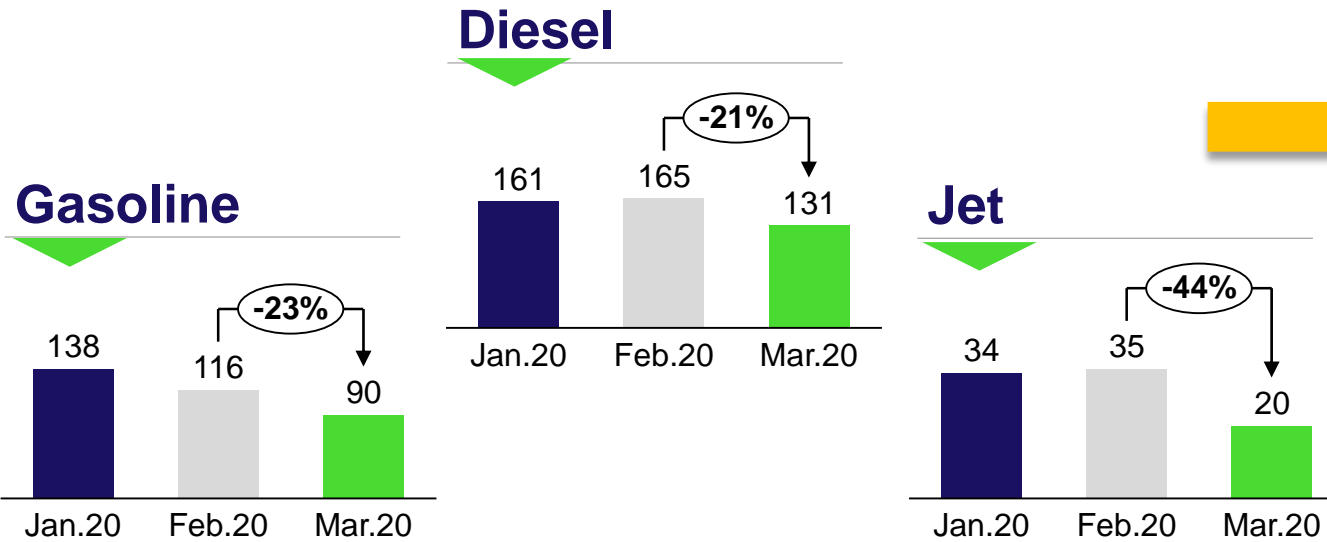
Downstream

Picture: Barrancabermeja Refinery

Adapting operations to new demand conditions

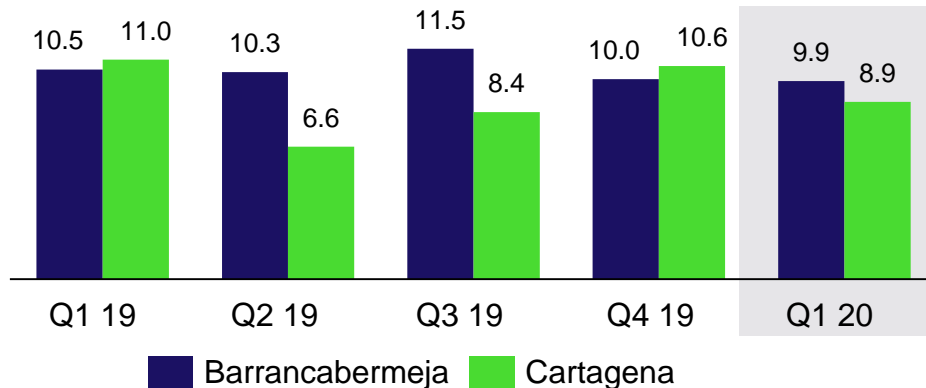
Sales Volume (MBD)

Throughput (MBD)



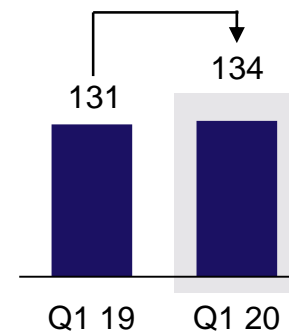
Gross Refining Margin

(USD/Bl)



Esentia

Sales volume (KTON)



- ✓ Lower prices and stability of raw material
- 🇨🇴 Market preference for domestic product

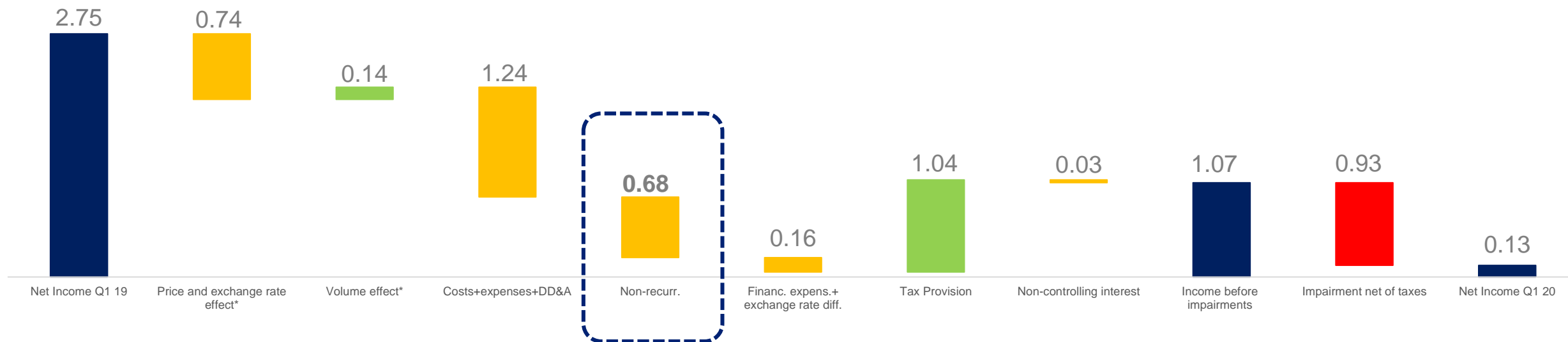


Financial Results



Net income impacted by inventory valuation and recognition of impairments

COP Tn

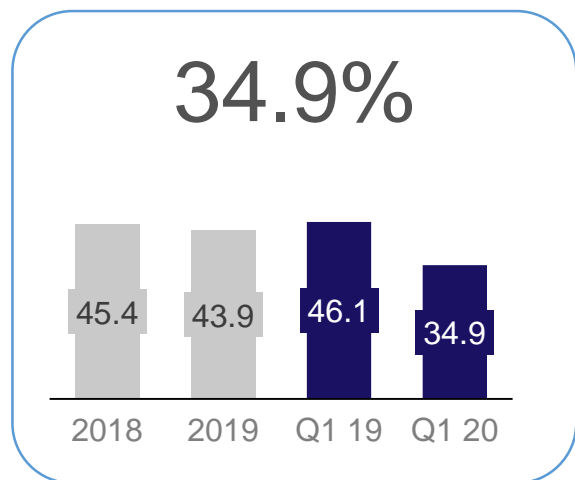


Non-recurring impact before taxes: Fair value inventory (+ COP 434 billion), Reficar hydrogen unit shutdown (+ COP 53 billion), loss in portfolio valuation (+ COP 115 billion), deferred tax Equion (COP 81 billion)

* Effect on income and purchases

Financial indicators reflect market conditions

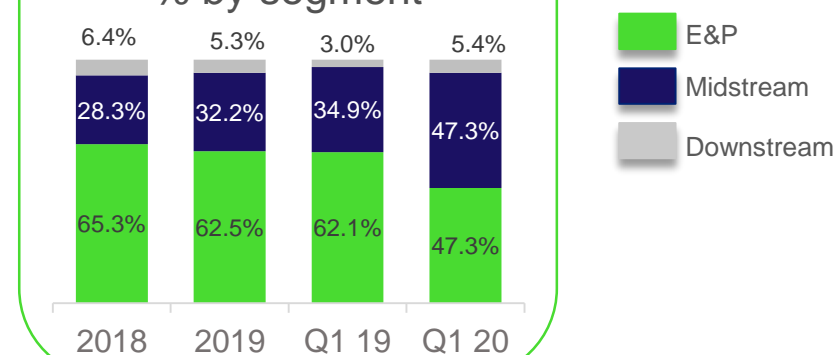
Ebitda Margin (%)



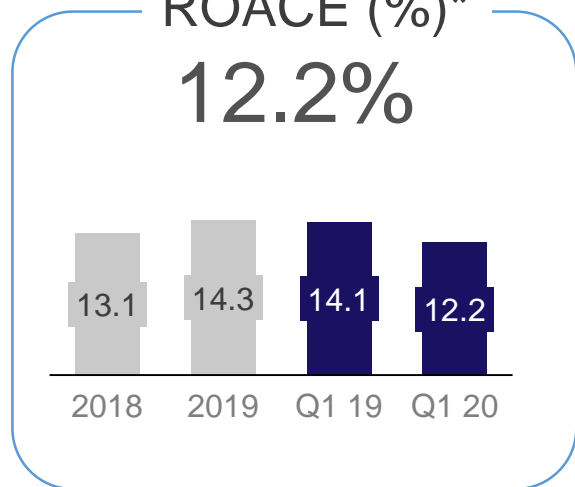
Gross debt /Ebitda*



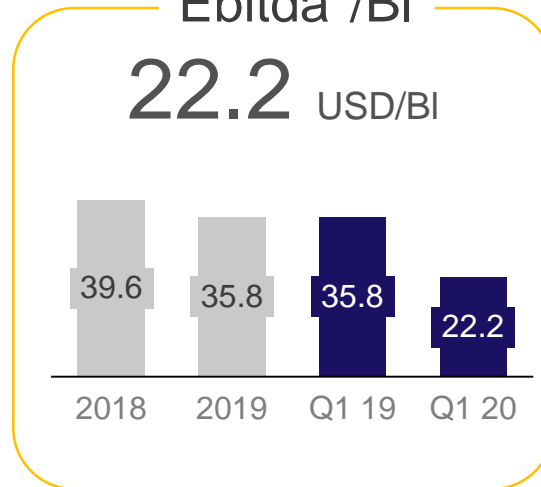
Ebitda Q1 20 COP 5.3 Tn % by segment



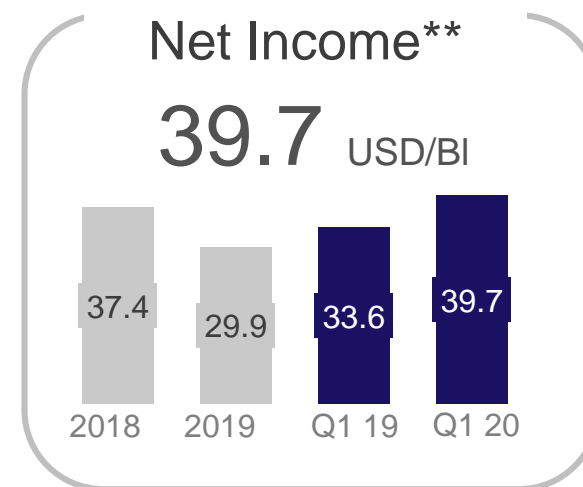
ROACE (%)*



Ebitda*/BI



Break Even Net Income**

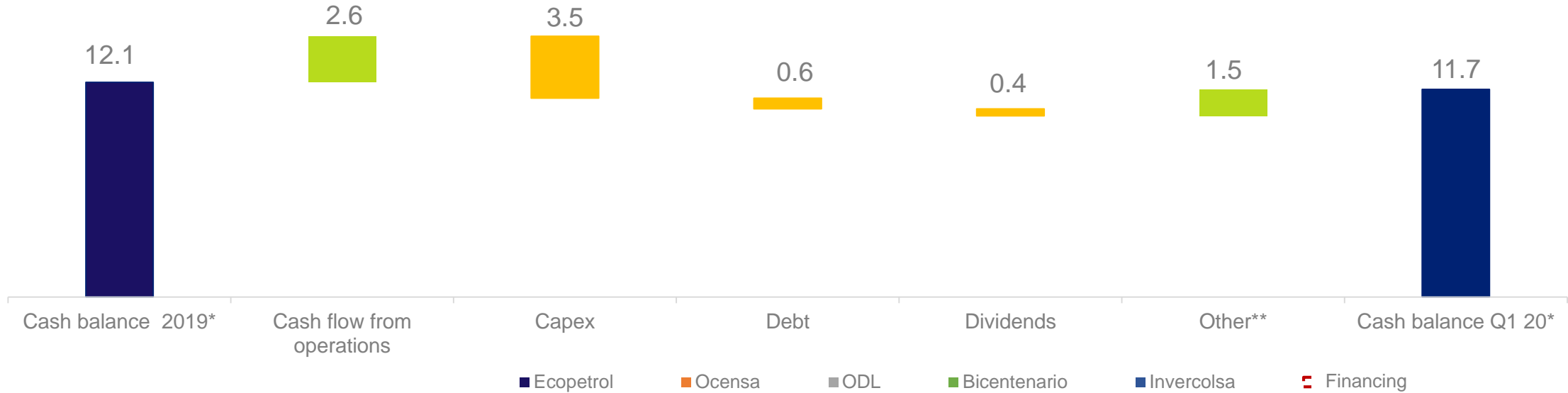


*Last 12 months

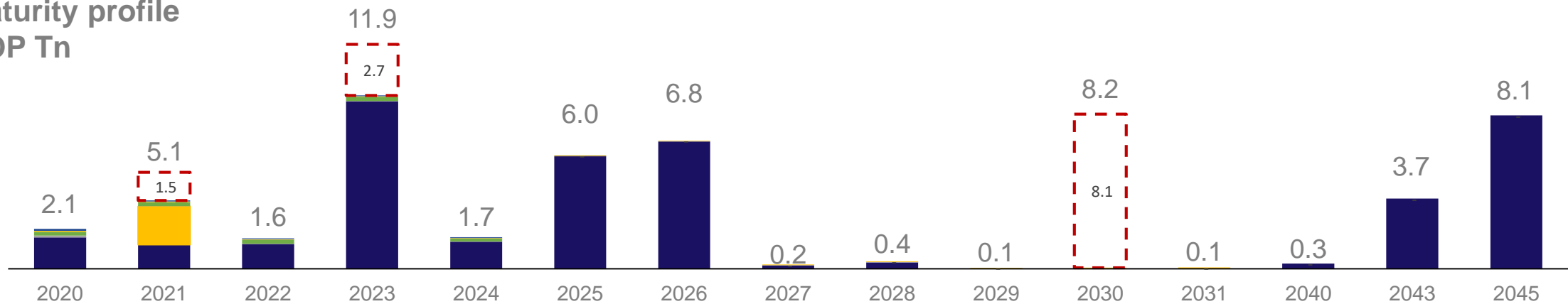
** Without impairments effect.

Robust cash position to face market conditions

Cashflow COP Tn



Maturity profile COP Tn



*Includes: Cash and Cash Equivalents and Other Current and Non-Current Financial Assets. ** Includes variation between periods of Other Current and Non-Current Financial Assets

Short-term financial framework

@ USD 30-40 /BI



CASH PROTECTION

Sustainable production
@ <USD 30 /BI

OPEX optimizations
COP 3.5 - 4.5 Tn

Debt
+USD 3.1 Bn

Dividends payable 2H 2020
COP 5.5 Tn



CAPITAL DISCIPLINE

CAPEX
USD 2.5 – 3.0 Bn
Previous USD 4.5 - 5.5

Staggered Sanction
Price

USD 37 /BI
Average 2020 - 2022

USD 50 /BI
2023+



RESILIENCE / FLEXIBILITY

Cash flow
Breakeven
~USD 26 /BI

Net Income
Breakeven
<USD 30 /BI



2020 Perspectives

@ USD 30 – 40 /BI

	Q2 2020 (e)	2020 (e)
Production (mboed)	660 - 680	664 - 710
Transported Volume (mbd)	800 - 1,000	850 - 1,100
Crude Differential (USD/BI)	-9.0 / -13.0	-9.0 / -11.0
Throughput (mbd)	215 - 240	285 - 320

Our priorities:

- ✓ Commitment to life
- ✓ Adapting to a new reality
- ✓ Cash protection and capital discipline
- ✓ Strategic imperatives remain



Social & Environmental
COP 300 Bn
in 2020



De-carbonization
1.8- 2.0 MtCO₂e
by 2022



Innovation and Technology
USD 92 M
in 2020

GLOSSARY

Acronym	Definition
Bl	Barrel
Bn	Thousand of million
bped	Barrels of oil equivalent per day
COP	Colombian pesos
ESG	Environmental, Social and Governance
GEE	Business Group
JV	Joint Venture
kbd	Thousand of barrels per day
kbped	Thousand of barrels of oil equivalent per day
KTON	Thousand of tons
Mbtu	Million de BTU
mmbd	Million barrels per day
mmbbl	Million barrels
MtCO ₂ e	Million Metric tons of Carbon Dioxide equivalent
ROACE	Return on Average Capital Employed: Operating income after tax / Capital Employed. Calculated in pesos
Tn	Million of million
USD	US dollar
USD Bn	Billion US dollar
USD M	Million US dollar

Q & A



DE
TODOS,
PARA
TODOS

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DE TODOS, PARA TODOS

ecopETROL