

# **COMPLIANCE**

**PROGRAM FOR  
ECOPETROL  
AND ITS BUSINESS GROUP**



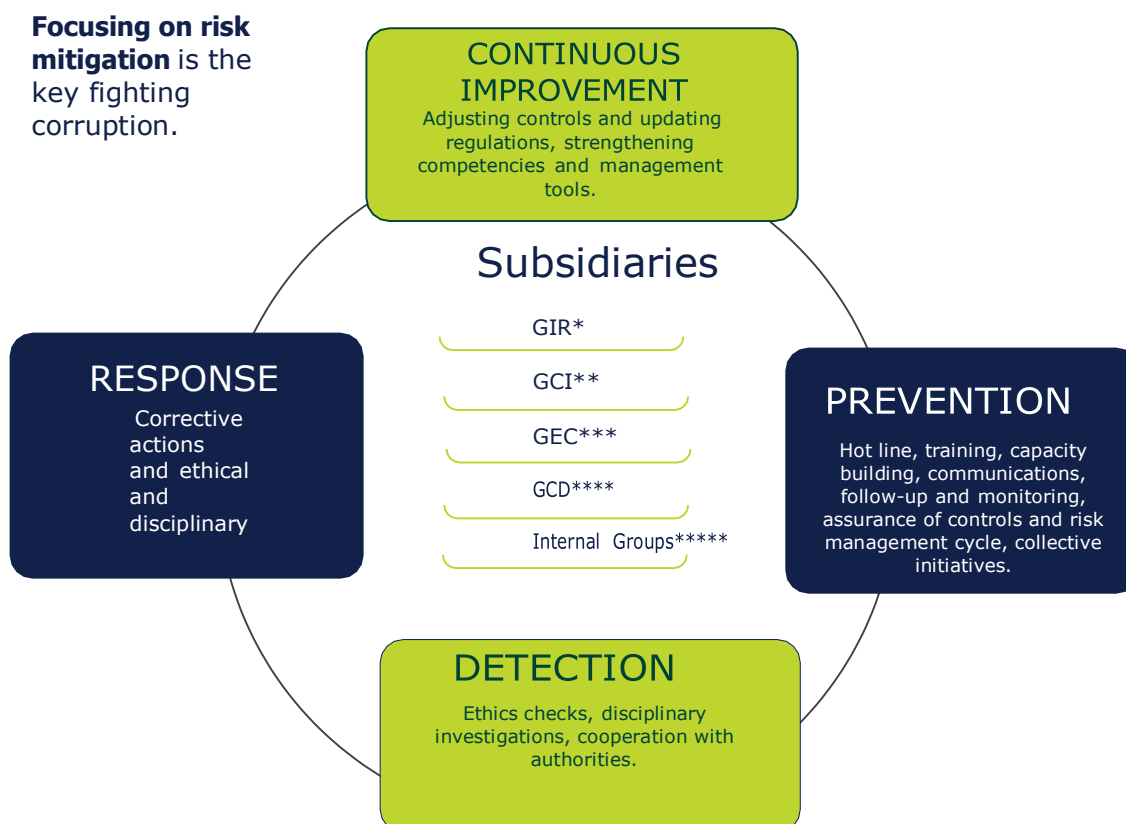
# COMPLIANCE

PROGRAM FOR  
ECOPETROL  
AND ITS BUSINESS GROUP

The Compliance Program is a set of actions, guidelines, procedures and good practices adopted by Ecopetrol and its Business Group (BG), to identify and classify the risks it faces in the development of its corporate objectives, in order to establish prevention and control mechanisms.

## Its specific objectives are:

- i. Consolidate an ethical culture in the organization, under the principles of the Code of Ethics and Conduct (CEC) integrity, responsibility, respect and commitment to life.
- ii. Identify and manage the company's compliance risks and ensure their control, with special emphasis on those associated with fraud, corruption, bribery, money laundering, financing of terrorism, and financing the proliferation of weapons of mass destruction, violations of the Code of Ethics and Conduct and anti-bribery regulations, such as FCPA, Law 1778/2016, among others, in order to mitigate the impacts of their materialization.
- iii. Promote the proper execution of the processes required for business development, to avoid the materialization of risks arising from control failures.
- iv. To support the compliance with Ecopetrol Group's strategic objectives and ensure the reasonableness of the financial statements.
- v. Generate business confidence from investors, society, stakeholders and the general public.



# TONE AT THE TOP

## **Board of Directors**

Responsible for approving the CEC; ensuring the effectiveness of the internal control and risk management systems; promoting, maintaining and strengthening the Compliance Program, and an ethical and transparent culture in the organization to prevent and mitigate the materialization of compliance risks; fulfilling the functions assigned to it by current and applicable regulations in the area of Money Laundering, Terrorism Financing and Proliferation Financing (ML/FT/PF) prevention and control; among others.

## **Audit and Risk Committee of the Board of Directors**

Responsible for hearing and following up on matters related to effective compliance with the CEC, as well as complaints of corruption - bribery, accounting and financial fraud impacting Ecopetrol's financial statements.

Supervise the efficiency of the function of prevention and control of fraud, corruption - bribery in all its forms, ML/FT/PF, including procedures for the submission of anonymous complaints, allegations, and claims.

Advise the Board of Directors on the approval of guidelines, policies, principles, models and methodologies to be applied in matters of internal controls, and monitors their correct functioning; verifies the establishment of the Risk Management System; knows and follows up the management of the subordinated companies of the BG, in matters such as: the internal control model and process, ethical and compliance complaints, and the risk management system, and periodically reviews the reports of the Statutory Auditor, the Audit and Compliance Officer.

## **Ethics Committee**

Responsible for assessing the ethical environment of the organization and issuing recommendations for its strengthening.

## **Corporate Vice President of Compliance / Compliance Officer**

Independent area, with functional reporting to the Audit and Risk Committee of the Board of

Independent area, with functional report to the Audit and Risks Committee of the Board Directive, responsible for the adoption and monitoring the Compliance Program and the assurance of the Risk Management and Internal Control Systems in Ecopetrol and its Business Group.

This area is in charge of periodically reviewing and updating the activities derivative from the Group's Compliance Program, generating improvement actions in accordance with the results of its effectiveness; carrying out preventive and corrective monitoring of potential compliance risks (corruption, facilitation payments, political contributions and donations, fraud, national and transnational bribery, ML/FT/PF, violations of the CEC and the FCPA; and risk from counterparties).

It also issues guidelines on matters within its competence to the BG companies and monitors their management; it is in charge of processing ethical, compliance and disciplinary complaints, among others.

Regular reports are submitted to the Audit and Risk Committee of the Board of Directors on the work carried out by the Vice-Presidency and its teams. The Vice-Presidency is conformed by the Corporate Risk Management, the Corporate Internal Control Management, the Corporate Ethics and Compliance Management, the Disciplinary Control Management, the Excellence in Transparency Coordination, and the Monitoring Coordination.

## **In the Ecopetrol Group:**

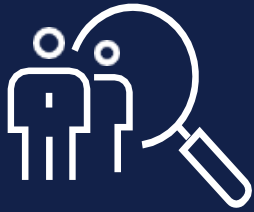
The Boards of Directors and the Audit and Risk Committees also exercise leadership in executing the guidelines of the corporate Compliance Program and are assigned similar responsibilities.

The Compliance Managers in the subsidiaries, who are responsible for managing ethical issues and ensuring risk management and the internal control system, as well as executing the activities defined annually in the Compliance Program, report to the Corporate Vice-Presidency. They must submit regular reports on their management to the parent company.

Presidency is conformed by the Corporate Risk Management, the Corporate.

# Our Code of Ethics and Conduct

The Code of Ethics and Conduct is the pillar of the Compliance Program, and it is a compendium of rules that define behavior expected by the organization and guide the Ecopetrol Group's way of proceeding. It is applicable to Ecopetrol, its Business Group, and to:



- Board members and employees of Ecopetrol and the companies of its Business Group.
- Natural or legal persons having any relationship with the Group: beneficiaries, shareholders, contractors, suppliers, agents, partners, clients, customers, allies and suppliers, including security services contracts.
- Personnel and firms that the counterparts employ for the execution of the activities with the Ecopetrol Group.

## OUR PRINCIPLES



- Integrity
- Responsibility
- Respect
- Commitment to life

## OUR ETHICAL GUIDELINES

- ◆ Act as responsible corporate citizens always.
- ◆ Comply with the laws and regulations in jurisdictions where we do business.
- ◆ Comply with internal regulations.
- ◆ Avoid conflicts of interest and unethical behavior.
- ◆ Bribery (domestic and transnational) is prohibited.
- ◆ Facilitation payments, political contributions and donations, payments for lobbying services, and diversion of money from social investment activities or sponsorships are prohibited.
- ◆ Ensure integrity and transparency in accounting.
- ◆ Prevent and detect ML/FT/PF risks.
- ◆ Receiving, offering, and soliciting gifts and hospitalities is prohibited.
- ◆ The resources of the company and its facilities must be protected and used appropriately.
- ◆ Appropriate treatment of personal and sensitive data, and protection of Group business information.
- ◆ Act with social responsibility.
- ◆ Respect and protect Human Rights and HSE standards.
- ◆ Ecopetrol rejects any form of discrimination.
- ◆ The use of privileged information is prohibited in stock trading.
- ◆ Ecopetrol is committed to the environment, the efficient use of energy and natural resources.
- ◆ Ecopetrol rejects any practice that promotes monopoly and that violates or limit free competition.
- ◆ Sexual harassment in the workplace is rejected in Ecopetrol.
- ◆ All acts against the CEC must be reported.
- ◆ The use of privileged information is prohibited in stock trading. Insider trading in share trading is prohibited.
- ◆ Ecopetrol is committed to the environment, the efficient use of energy and natural resources.
- ◆ Ecopetrol, it rejects any practice that promotes monopoly and that violates or limit free competition. And infringes or limits free competition.
- ◆ Sexual harassment in the workplace is rejected in Ecopetrol.
- ◆ All Any facts against the CEC must be reported.
- ◆ Zero tolerance for retaliation against complainants. The complainant is adequately protected.
- ◆ Ecopetrol and its Business Group may terminate contracts or agreements for violations of Ecopetrol's ethical principles and/or guidelines.
- ◆ The code also describes for each principle, the expected behaviors to ensure compliance, and has a chapter on frequently asked questions.
- ◆ Ecopetrol rejects any form of discrimination.
- ◆ Zero tolerance for retaliation against complainants. The complainant is adequately protected.
- ◆ Ecopetrol and its Business Group may finish contracts or agreements for violations of Ecopetrol's ethical principles and/or guidelines and its Business Group for violations of ethical principles and guidelines.
- ◆ The Code also describes for each principle, the expected behaviors to ensure compliance, and has a chapter on frequently asked questions.

# Specific activities of the Compliance Program for the prevention of corruption, bribery, fraud, corruption, ML/FT/PT.

## **Risk Management and Internal Control**

**Management:** This area ensures the detection and management of its risks based on the COSO ERM 2017 methodology, whereby the process and business risk cycle is executed on an annual performing risk identification, assessment, treatment, monitoring and reporting activities (including bribery, corruption, fraud, ML/FT/PT/AMLF) in all processes of the organization with special emphasis on the highest risk ones.

"Furthermore, the Company has an Internal Control System based on COSO 2013 which is intended to provide reasonable assurance of the Consolidated Financial Statements in compliance with SOX and FCPA.

For this assurance, self-assessments, monitoring, reports, alerts, tests on the design and operations of controls and risk indicators (KRI), among others, are carried out.

**"Watching to** comply with compliance risk prevention regulations and the proper implementation and progress of the Anti-Corruption Plan.

**"Due diligence and monitoring of counterparties** (suppliers, including security service providers, customers, contractors, allies, new business partners, acquisitions and mergers, JVs), at each stage of the procurement process and for any business relationships.

**"Periodic monitoring** of customers, vendors, suppliers, employees, partners, financial service providers, land providers, joint ventures and any other counterparties, on binding, restrictive and control lists of national and international bodies, public information and news; payments to politically exposed persons (PEPs), payments in restricted or high-risk jurisdictions; trading activities by workers, of controlled products, of intermediary third parties; inabilities, incompatibilities and conflicts of interest; economic pressures, to detect red flags,

agreements, sponsorships; receiving or offering gifts and hospitalities; cash and credit card transactions credit; petty cash, among others, with the objective of measuring and monitoring the risk of compliance (corruption, bribery in all forms, fraud, ML / FT / PT).

**"Signing ethical clauses** by the parties, when signing a contract or agreement, in order to guarantee: i) knowledge, commitment and application of the ethical and anti-corruption rules that govern Ecopetrol in the development of its business, ii) commitment to act transparently and to report facts that transgress the ethical principles in the ethical line, iii) obligation to have records and reports, and a reasonable accounting that records the detail of the transactions, iv) not to incur in conflict of interest, not to make facilitation payments, gifts, promises or the offering of other advantages, directly or indirectly, through any person or entity, to a public official, vi) obligation to train the third party's personnel on Ecopetrol's ethical provisions and to agree on ethical anti-corruption.

v) clauses with third parties and subcontractors, vii) right to audit the legal business, viii) termination for non-compliance, in Ecopetrol and its BG.

**"Subscription of forms by contractors and allies** Additional subscription of forms by contractors in the following areas: (i) ML/FT/PT risk prevention, through which they declare the legality of resources, relevant company information and processes in which the company or its workers may be involved, the commitment not to incur in these crimes and to report any alteration of the reported conditions; ii) the Commitment to Contractual Integrity, whereby the counterparties ratify the duty to act in accordance with Ecopetrol's ethical principles and guidelines and not to incur in situations of conflict of interest that may affect the development of the business.

"Written manifestation and ratification by the business partners (Joint Ventures) of their understanding of the principles and guidelines of Ecopetrol's CEC and its BG.

**"Technological tools** for the consolidation and verification of information, which allow cross-checking different records and generating preventive alerts. It includes a matrix of related parties.

**"Ethics hotline** to obtain advice through dilemmas and consultations, and to file ethics and compliance complaints.

**"Ethics and Compliance Clinic** to provide face-to-face or telephone advice on the application of the organization's ethics and compliance principles and guidelines, disciplinary matters, and risk and controls.

**"Ethics mentors** (63) at the national level, who support the execution of the Compliance Program activities aimed at disseminating, encouraging and strengthening the internalization of the company's ethical guidelines, communicating, training, promoting the use of the ethics hotline, receiving complaints, advising workers on compliance with the CEC and promoting commitment to transparency.

**"Regular training for Board members** on risk management and anti-corruption practices. Ongoing, general, and targeted training and communications to senior management, all employees, special risk areas and counterparties. This training, in addition to disseminating the ethical guidelines of the BG, seeks to promote the establishment of Compliance Programs with counterparties.

**"Induction course for new employees** in the organization's ethical principles and guidelines.

"Mandatory **virtual courses for training** in Integrity, Transparency and Anti-Corruption, Risk Management and Internal Control, Fiscal Control and Ethics and Compliance.

**"Cooperation with control authorities**, reporting and transferring required information.

**"Assurance of the information** managed in the development of the activities of the compliance program.

**"The members of the Board of Directors** pledge to maintain leadership in the Compliance Program and to comply with the organization's ethical principles and guidelines by signing the declaration of information and obligations form.

**"Annual Commitment to Transparency** by the company's employees, including senior management, which assesses the knowledge and application of the CEC, the Anti-Fraud, Anti-Bribery, Anti-Corruption and ML/FT/PF Prevention Manuals, as well as other internal ethics and compliance regulations. This instrument ratifies the rejection of acts of corruption, local and transnational bribery, fraud and violations of the provisions of the CEC, as well as the declaration of having completed the Ethics and Compliance Course.

**"Preparation, publication and monitoring of the Annual Anti-Corruption Plan**, through which annual actions are defined to mitigate corruption risks in the organization.



# INTERNAL RULES DEVELOPING THE PROGRAM

Manuals, guides, and procedures have also been established for the development of these provisions:

- Anti-Fraud, Anti-Corruption - Bribery, and ML/FT/PF Risk Management Manuals.
- Internal Control System Manual.
- Contractual and Agreement Management Manuals.
- Instructions for the management and prevention of conflicts of interest and ethical conflicts.
- Guidelines for handling gifts and hospitalities.
- Guide to Preventing Corruption in Land and Servitude Negotiations.
- Guidance for the prevention of compliance risks in the new business process in Ecopetrol S.A.
- Risk Management Guidelines.
- Guidance for the preservation of international order and the decision-making of superiors.
- Ethics and Compliance Management Procedure, which includes actions applicable for violations of the Code of Ethics and Conduct.
- Procedure for the relations with the Congress of the Republic.
- Procedure for the Planning, authorization and Subscription of Sponsorships and Promotional Aids, among others.
- Procedure for the management of social, environmental and / or international investment projects.

For the management of human talent, the following regulations have also been established to prevent and sanction acts related to compliance risks:

- The Internal Working Regulations, which contain the internal disciplinary regime.
- Employment Contracts, through which workers commit to act in a transparent manner and not to violate the Code of Ethics and Conduct.
- Procedure for the Granting of Variable Compensation, which provides the non-payment of this benefit when the company's ethical guidelines are violated or when internal control failures have occurred.
- Background check and integrity test for all employees of the organization.
- Induction course for new employees on ethics, training and communications.
- Employee performance appraisal system that includes, in addition to work objectives, the organizational competencies: passion forexcellence, commitment to life, creativity - accountability, collaboration - communication and integrity.
- Ecopetrol employees who have responsibilities in contractual processes must sign their commitment to transparency for each process.



# INTERNAL AND EXTERNAL ASSURANCE OF THE COMPLIANCE PROGRAM

Corporate Internal Control Management provides assurance on controls that mitigate process risks (including bribery, corruption, fraud and ML/TF/PT) through management testing, which is performed by an independent audit firm.

Likewise, the Corporate Ethics and Compliance Management carries out permanent monitoring of areas and activities of special risk.

The Statutory Auditor performs independent verification procedures on compliance and ethics, as well as on controls to prevent financial fraud in Ecopetrol and the BG companies.

## PARTICIPATION IN COLLECTIVE INITIATIVES

- ◆ World Economic Forum's Partnering Against Corruption Initiative (PACI).
- ◆ United Nations Integrity Initiative on Drugs and Crime (UNODC) Colombia.
- ◆ The UN Global Compact (Principle 10 "Businesses should work against corruption in all its forms, including extortion and bribery").
- ◆ Extractive Industries Transparency Initiative (EITI).
- ◆ Sectoral Pact for Transparency and the Fight against Corruption, with the Colombian Chamber of Petroleum Goods and Services (Campetrol).
- ◆ Transparency Pact of the Vice-Presidency of the Republic.
- ◆ Business Integrity Path (Business Integrity Route - Inter-institutional Network on Transparency and Anti-Corruption - RITA - of the Transparency Secretariat of the Vice-Presidency of the Republic
- ◆ Pact for Legality and Transparency in the Promotion of Local Procurement with the chambers of commerce in Ecopetrol's areas of influence.



# Assessments of the effectiveness and achievements of the Compliance Program

As internal assurance mechanisms, the Corporate Compliance Vice-Presidency is responsible for reviewing the controls that mitigate process risks (including those of compliance), through tests, which are performed annually by an independent auditing firm. Likewise, permanent monitoring is carried out in areas and activities of special risk and assurance and advisory practices are implemented.

- ◆ As part of the assurance to comply with sections 404 and 302 of the SOX Act, an audit firm ("Big Four") is periodically hired to review the design and operating effectiveness of controls under SOX and compliance scope (including those associated with: corruption, fraud, bribery, ML/FT/ FPWMD) for Ecopetrol and main companies of the Group. According to the results issued in 2022 by the firm Deloitte & Touche, no material weakness or significant deficiencies have been identified.
- ◆ In addition, the firm Ernst & Young – independent registered public accounting firm – performs auditing procedures, issuing an opinion report on the reasonableness of the financial statements and evaluation on the internal control system. Entity-level controls are audited within its exercise – including those related to ethics and compliance. As of December 31, 2022, the external/statutory auditor's opinion indicated that Ecopetrol S.A. maintained, in all material respects, effective internal control over financial reporting, based on the COSO criteria, and reported no significant deficiencies, or material weaknesses. The process ended on March 29, 2023
- ◆ In 2022 Icontec carried out a process of renewal of the certifications of the: ISO 9001: 2015, ISO 14001: 2015 and ISO 45001: 2018, in which the risk management system was evaluated, finding it adequate and without nonconformities.
- ◆ Ecopetrol's anti-corruption policies and procedures were evaluated by the United Nations Global Compact initiative, obtaining a rating of 100%.
- ◆ In the Dow Jones Sustainability Index (DJSI), the score in Business Ethics reached the highest possible score of 100 points. We scored 90 points in Risk and Crisis Management.
- ◆ In the Business Integrity Route of the Transparency Secretariat of the Presidency of the Republic, we have obtained 100% in all criteria in the self-assessment of our integrity and compliance program. In addition, we have been invited to participate as mentors to other companies to share our best practices.
- ◆ Ecopetrol was rated at the optimum level (maximum) in Transparency for Colombia's Corporate Management of Corruption Risks measurement initiative.
- ◆ Sustainalytics scored Ecopetrol with 2.1 points -low risk- (1.0 being the best score), in the component related to bribery and corruption risk management."
- ◆ In the MSCI's ESG rating report, we obtained the maximum score in the components regarding the compliance program, and they recognize that we have robust policies in relation to our peers.
- ◆ People Voice, an independent third party, assessed the knowledge and commitment of workers to apply the company's ethical principles and guidelines. obtaining a favorable participation that has been increasing year after year (2017: 94.3%, 2018 96.9%, 2019: 98.9%, 2020: 99.24%, 2021: 99.42%, 2022: 99.62%). Among the total number of workers surveyed, more than 99% affirm that they have taken the Ethics and Compliance Course, comply with the Code and other internal regulations, are committed to acting in an ethical and transparent manner, and will not carry out or tolerate acts that violate said Code.

# STANDARDS AND BENCHMARKS UNDERPINNING THE PROGRAM

The Compliance Program is based on the applicable regulations, as well as on national and international standards and benchmarks, guidelines, and best practices manuals for the fight against corruption, fraud, bribery, ML/FT/ PF, such as:

- ◆ Foreign Corrupt Practices Act (FCPA), or the rules and regulations promulgated thereunder.
- ◆ SOX Act.
- ◆ COSO ERM2013, Guidelines 2017.
- ◆ Control objectives for COBIT information and technology.
- ◆ Basic Legal Circular of the Superintendency of Finance.
- ◆ Basic Legal Circular of the Superintendency of Societies.
- ◆ External Circular 0092016 of the Superintendency of Health.
- ◆ Law 610 of 2002. Law- Fiscal Responsibility Process
- ◆ Law 734 of 2002. Disciplinary Code Act or the rule that modifies it.
- ◆ Law 1118 of 2006. Legal Nature of Ecopetrol.
- ◆ Law 1474 of 2011 Anti-Corruption Statute.
- ◆ Law 1712 of 2014. Transparency and the right to access public information.
- ◆ Law 1778 of 2016. Anti-Bribery Act.
- ◆ Regulations of the Financial Analysis Unit- UIAF.
- ◆ Principle 10 of the UN Global Compact.
- ◆ United Nations Convention against Corruption.
- ◆ Inter-American Convention against Corruption of the Organization of American States (OAS).
- ◆ Good Practice Guidance on Internal Controls, Ethics and Compliance, Annex II, recommended by the Organization for Economic Co-operation and Development (OECD) Council on Combating Bribery of Foreign Public Officials in International Business Transactions (based on the 1997 Convention).
- ◆ Guide for Companies in Colombia by the Transparency Secretariat of the Vice-Presidency of the Republic.
- ◆ Recommendations for the implementation of an anti-corruption ethics and compliance program for UNODC Companies.
- ◆ DOJ Compliance Program Guidelines.
- ◆ FATF Recommendations.
- ◆ Benchmarks for compliance programs defined in the Parenting Against Corruption initiative - PACI. World Economic Forum.
- ◆ Business Principles for Countering Bribery - Transparency International.
- ◆ ISO-31000 standard for risk management.
- ◆ The guidelines set out in the ISO technical standards 37001 on Anti-Bribery Management System, and 37301 on Compliance Management Systems.
- ◆ Values of the Public Employee DAFP (2020).
- ◆ Code of Best Corporate Practices - Country Code.
- ◆ Reference Asia-Pacific Economic Cooperation APEC Code of Business Conduct.
- ◆ Regarding ICC Rules to combat corruption, they are considered but are not mandatory.
- ◆ Reference The UK Bribery Act 2010.

# CHANNELS FOR DEALING WITH DILEMMAS, QUERIES AND COMPLAINTS

## 1. Ethical Line

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

- Website - Iris - main page - Quick Links - Ethics Line
- International Hotline (International Freephone Prefix) 018009121013
- National Line in Bogotá or Extension for 57+ 310 315 8600 ext. 43900Ecopetrol employees.

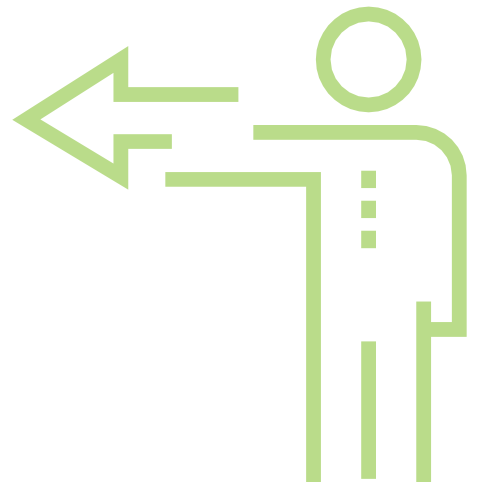
## 2. Ethics and Compliance Clinic, in the main building of Ecopetrol, in Bogotá, to receive advice in person or by telephone. Tuesdays and Fridays from 8am to 12 pm- - National Line in Bogotá or Extension for 57+ 310 315 8600 ext. 59052

## 3. Ethical mentoring at national level.

The ethics hotline is corporate and is operated by an independent international company, guaranteeing total transparency in the process. This system guarantees: i) availability all year round, 24/7; ii) reporting in Spanish, English and Portuguese; iii) anonymous complaints; iv) guarantees the confidentiality of information, in accordance with applicable international standards.

## The processing of complaints is guaranteed:

- > They can be submitted anonymously.
- > The identity and processing of the report is confidential.
- > The system records the reported information, ensuring data protection in accordance with the applicable data protection guidelines.
- > Retaliation is prohibited and the petitioner is protected.
- > The matter is objectively verified by an independent team.
- > The person who files the case can follow up on the case, even if it was filed anonymously, through the technological tool.
- > A response on the handling of the case is issued.



GRUPO  
**eco**PETROL

