

Operator: Good morning. My name is Juan and I'll be your operator for today. Welcome to Ecopetrol's earnings conference call, in which we will discuss the main financial and operational results for the third quarter of 2022. All lines have been muted. There will be a question-and-answer session at the end of presentation.

Before we begin it is important to mention that the comments in this call by Ecopetrol's senior management include projections of the company's future performance. These projections do not constitute any commitment as to future results, nor do they take into account risks or uncertainties that could materialize. As a result, Ecopetrol assumes no responsibility in the event that future results are different from the projections shared on this conference call.

This call will be led by Mr. Felipe Bayon, CEO of Ecopetrol; Yeimy Baez, VP of Low Emission Solutions; Alberto Consuegra, COO; and Jaime Caballero, CFO.

Thank you for your attention. Mr. Bayon, you may begin your conference.

Felipe Bayon: Good morning and welcome to the third quarter 2022 earnings conference call.

The Ecopetrol Group continues to deliver solid operating and strategic results that are joined up by a successful commercial strategy and a disciplined financial management in a year in which we have delivered historical results.

Firstly, I want to thank the more than 18,000 direct employees of Ecopetrol and as well as our allies and contractors and partners who jointly look to make the impossible possible for the benefit of millions of Colombians and those in the areas in which we operate.

In the first nine months of the year, we achieved a net income of COP 26.6 trillion and an EBITDA of COP 59.2 trillion, which equates to an EBITDA margin of 50%. The net income for these nine months is 59% higher than the whole 2021 net income and 150% higher than the one observed for the same period in the last year.

From this quarter's results, I would like to highlight the following milestones. The gas discoveries in the Caribbean in the Gorgon-2, in which we partner with Shell as the operator, and the Uchuva-1 well with Petrobras, the operator, both exploratory wells, and the announcement by our subsidiary Hocol of the successful drilling of the Coralino-1 well, proven the presence of gas in a structure close to the Arrecife discovery in the department of Cordoba. All this to reiterate Colombia's potential for gas, the hydrocarbon of the energy transition.

The growth path in our production levels in accordance with the strategy outlined and announced at the beginning of the year, the average production in 3Q was 720,000 barrels of oil equivalent per day and so far this year we have an average of 706,000 barrels of oil equivalent per day due to the increase of our execution capacity, which has improved the

performance of the fields in Colombia and our growing unconventional operations in the U.S. in the Permian.

The increase in the capacity of more than 50,000 barrels per day at the Cartagena refinery, thanks to the successful start-up of the interconnection of crude oil plant - IPCC project taking a firm step to guarantee the supply of fuels and Colombia's energy sovereignty.

Completion of the pilot test for the production of green hydrogen at the Cartagena refinery. This project is part of Ecopetrol's strategic hydrogen plant within the framework of its low-carbon emissions business portfolio, which we expect will contribute to our operations decarbonization goals as well as those of Colombia.

Let's please turn to the next slide to address issues in line with our T ESG strategy. During the first nine months of the year, we have made significant achievements in our T ESG strategy.

On the environmental front, I would like to highlight our progress in decarbonization, circular economy and natural climate solutions reflected in the following:

- An 87% fulfillment of the annual emissions reduction goal, accumulating a reduction of 229,317 tons of CO2 equivalent so far in the year.
- The result of our energy efficiency program, which as of 3Q 2022 has led to savings of COP 97 billion and avoided the emission of 98,000 tons of CO2 equivalent.
- The inauguration jointly with Eldorado Airport in Bogota of the first road segment in Colombia paved with asphalt and recycled plastic low-density polyethylene in favor of the protection of the environment and waste reuse.

On the social front, we continue to work for the sustainable development of the communities in the territories in which we operate.

- The ceremony in where we awarded scholarships for university or higher education to 65 high-schoolers through the "Bachilleres Ecopetrol" program, thanks to which we have now benefited more than 1,600 young Colombians from 32 departments in the country over the initial 36 years of the program's existence.
- The contracting of goods and services for COP 17.6 trillion during 2022 by the Ecopetrol Group, contributing to the economic and social development in different regions.
- The results achieved in the ranking of the most diverse and inclusive companies of the National Consulting Center, where we obtained third place.

On the corporate governance front:

-Ecopetrol was awarded with the Andesco Sustainability Award for having best practices in corporate governance 2022 environment.

-Additionally, I would like to highlight the balance of our second Extraordinary General Shareholders' Meeting, in which we have 305 institutional and 85 retail shareholders.

-We reached 1,096 connections in our live transmission where our shareholders elected the Board of Directors, which now is formed by two women and seven men and seven independent and two non-independent members.

-In strict compliance with the company's bylaws, the Board is composed of: one member nominated by the representatives of the minority shareholders who was re-elected; three elected members who continue in office; one board member nominated by the hydrocarbon-producing departments in which Ecopetrol has a presence and was elected; and four new board members.

The members of the Board of Directors of Ecopetrol have extensive experience and broad technical, financial and business knowledge, which supports the role as a strategic advisor to the Ecopetrol Group.

Finally, on the science, technology and innovation front:

-As of 3Q 2022, we have been able to capture benefits for USD 136 million, mainly due to the results obtained by the business technologies and digital solutions implemented in Ecopetrol and Cenit, amongst others.

-We advanced the first awarding phase of the “Innovate2022 contest”, a program that allocated COP 720 million to promote the energy transition and innovation in the country.

-We signed a joint declaration with the representation of the State of Bayern of Germany and South America to strengthen our bilateral cooperation focused on intensifying the bilateral exchange of knowledge, innovation and technology for sustainable development and the energy transition.

I want to now pass the floor to Yeimy Baez, who will talk to you about the main advances in the business segment of low-emission solutions.

Yeimy Baez: Thanks, Felipe. During this quarter, we reached important milestones in the portfolio of low-carbon solutions.

On the natural gas side, a pilot project was started for the import of liquefied natural gas on a small scale to the district of Buenaventura in order to test an alternative gas source to guarantee a reliable supply of this fuel to the city.

Additionally, the Kandeo Project was ratified with 12 companies from the gas and financial sector. This project aims to finance the purchase of approximately 4,000 heavy load vehicles powered by natural gas. Ecopetrol will join with an investment close to COP 60 billion.

It is expected that this project will spur demand for natural gas vehicles, while eliminating more than 220,000 tons of CO2 per year.

We reaffirm our social commitment with the agreement signed by Hocol and Gases de la Guajira to provide funding to connect 308 low socio-economic households to the natural gas service by 2023.

Additionally to what Felipe mentioned about the proof of concept to produce green hydrogen at the Cartagena refinery, we continue working on the decarbonization of the public and cargo transportation industry with the introduction of fuel cell vehicles.

In this line of work, we made progress on the pilot for sustainable mobility in Bogota, where infrastructure will be created to recharge vehicles with hydrogen fuel cells, promoting use of low-carbon solutions within the integrated public transportation system of Bogota, SITP in Spanish. The system will be live for approximately a year with the possibility of an extension for up to ten years.

Finally, I would like to highlight that the Ecopetrol Group continues with the implementation of various low-carbon technologies to generate energy from non-conventional renewable sources such as solar, wind, biomass, geothermal, among others, in the areas of the country where the group operates. The operations that already have this renewable energy system have created cost savings close to COP 19 billion and reductions of over 27,000 tons of CO2 per year.

I will now give the floor to Alberto Consuegra, who will talk about the main operational milestones.

Alberto Consuegra: Thank you, Yeimy. During this third quarter, we drilled four exploratory wells, for a total of 13 wells drilled and six confirmed exploratory successes, two offshore and four onshore so far this year. By the end of the year, we expect to drill 24 exploratory wells in line with the plan.

The presence of gas has been confirmed in deep waters in the southern Colombian Caribbean in the Gorgon-2 well operated by Shell, in which Ecopetrol has a 50% interest, confirming the extension of the discovery made back in 2017 with the Gorgon-1 well and confirming the existence of an offshore gas province where the Kronos and Purple Angel discoveries were also found in 2015 and 2017, respectively.

This outcome will allow us to proceed with the evaluation of the findings which, if developed, would increase Colombia's gas reserves. Additionally, during October, the Coralino-1 well, located in the department of Cordoba and operated 100% by our subsidiary

Hocol, revealed the presence of gas in the Cienaga de Oro formation, which is undergoing initial tests to determine its technical and commercial feasibility.

Moving forward with the incorporation of reserves, the El Niño-2 discovery, located in the department of Cundinamarca, progressed from its exploratory stage to the development and production stage.

Ecopetrol has 50% interest, Perenco 30% as operator, and CNOOC 20%. Currently, the Ecopetrol Group has a robust and competitive exploration portfolio that drives the country's sovereignty. Gas opportunities offer an estimated potential of 17 TCF of gas identified in 46 prospects and eight discoveries under evaluation.

Let's continue to the next slide, please. As Felipe mentioned, the production continues to grow, reaching 720,400 barrels of oil equivalent per day by 3Q 2022, the highest on record since 2Q 2020 and placing us at the high end of the target range set for 2022.

As compared to second quarter, production increased by 15,800 barrels of oil equivalent per day. We highlight the incremental production of our operations in the Permian and the Rubiales and Caño Sur fields. Likewise, production recovered in the La Cira, Caño Limon, and Caricare fields after community events. Also, the contribution of production from the exploratory wells should be highlighted. It is important to note the increase in our execution capacity.

So far this year we have drilled and completed 407 development wells, 42% more than in the same period of last year with an average use of 29 active rigs and 373 workovers.

Finally, we highlight the entry into operation of the first facilities train in Caño Sur, which will increase the production of the field by yearend between 7,000 and 10,000 barrels of oil per day.

Let's move on to the next slide, please. In the Permian basin, our activities during this quarter reached an average production of 43,800 oil equivalent barrels net Ecopetrol per day before royalties, 79.2% more than in the same period of 2021 with a record production of 50,200 barrels of oil equivalent per day in September. Gas production contributed about 16% to total production.

We also highlight our solid financial results. So far this year, we have generated an EBITDA of USD 454.5 billion, with an EBITDA margin of 88%.

In line with our T ESG strategy, we highlight the low-emissions intensity of our Permian operations, as a result of the zero routine flaring initiative and the use of fugitive emissions monitoring systems in the facilities.

Likewise, as part of Ecopetrol S.A. alliance with Accenture and AWS to develop a digital solution for water management, a pilot project is currently being conducted in our Permian assets. By yearend, we expect an average production between 36,000 to 38,000 barrels of

oil equivalent per day net for Ecopetrol before royalties, with approximately 93 wells drilled and 95 wells completed.

Let's continue to the next slide, please. In the midstream segment, transported volume increased by 63,000 barrels per day versus 3Q of 2021 mainly due to the higher production of crude and local demand for refined products. It's worth noting that in the third quarter of this year, we reached an all-time high for product pipeline transport exceeding 300,000 barrels per day.

In order to strengthen the company's operation and contribute to the hydrocarbon transport business, two new tanks, each with a storage capacity of 100,000 barrels, came into operation at the Sebastopol station of the mid-Magdalena trunk line, increasing the storage capacity of this strategic asset of the pipeline system by 26%.

Within the framework of our T ESG strategy, we highlight the inauguration of the photovoltaic solar system in Tumaco, Nariño together with the Pacific Technical Development Corporation, which will supply the energy required for the cocoa drying process. This project will benefit 293 families and positively impact 90% of women in the region, promoting the closing of gender gaps in the cocoa activity.

Let's go to the next slide, please. In the downstream segment, operational integrity was maintained and exceptional financial results were achieved. We highlight quarterly historical throughput levels recorded in both refineries as well as an increase in value because of higher diesel and jet fuel production.

During the third quarter, the segment registered a combined refining gross margin of USD 20.3 per barrel and an EBITDA of COP 2.2 trillion. The Cartagena refinery accounted for 36% of the segment's EBITDA during the quarter and 41% so far this year. These results were leveraged by an efficient plant shutdown execution strategy, ensuring the operational availability and reliability of the assets as well as cost control.

On September 15, the Cartagena refinery increased its throughput capacity to 200,000 barrels per day, an amount that exceeds the previous operating capacity by 50,000 barrels, thanks to the successful start-up of the original crude unit systems. This project involves the effort of more than 1,500 people with 93% of labor originated from Cartagena. No injuries, process safety events and environmental incidents were reported. This expansion established the role of the Cartagena refinery as a strategic asset to guarantee Colombia's energy autonomy and will allow us to produce a greater volume of fuels that meet the highest international quality standards.

On the other hand, the Barrancabermeja refinery was recognized as the best in Latin America by the World Refining Association during the Latin American Refining Technology Conference. This award highlights the refinery's lead position in efficiency, energy transition, profitability and implementation of new technologies.

In line with our commitment to T ESG at the Cartagena refinery, a renewable diesel industrial trial will take place during this quarter in order to gain information for the business case and continue our progress in the energy transition process.

During the fourth quarter, we expect to complete the refinery plant shutdown cycle as scheduled. In Esenttia, progress continues in the expansion of one of the plant's capacity, also maintain the operational stability and availability of all our business units.

Let's move on to the next slide, please. The domestic and international macroeconomic situation has generated commercial, inflationary and logistical challenges for the group. As of September, there has been a significant increase in prices, mainly of raw materials and power, which has impacted the cost structure, representing a weighted increase of 13% versus the previous year.

Within the Ecopetrol Group, we have been developing comprehensive strategies to mitigate the inflationary impact and protect our ability to execute the business plan. So far this year, we have captured efficiencies of approximately COP 1.8 trillion, of which COP 0.6 trillion have helped contain inflationary pressure on costs. In the absence of these efficiencies, we would have had a 16% cost increase.

In addition to this efficiency program, we have worked to ensure the availability of inventories of materials required to operate by developing joint procurement strategies with our suppliers. The total unit cost for 3Q 2022 had a year-on-year increase of approximately USD 13 per barrel, primarily due to higher prices of purchases and imports of crude oil and products.

The lifting cost increased by 9% versus the third quarter of 2021 from USD 8.45 to USD 9.17 per barrel, mainly as a result of greater operational levels and the influence of inflationary pressure on the cost structure. Regarding the refining cash costs, we had a 16% reduction with respect to 3Q 2021, thanks to the higher throughput volume at the refineries. Finally, the cost per barrel transported also decreased due to the higher volume of crude oil and products transported.

I now give the floor to Jaime Caballero, who will present the key financial results of the Ecopetrol Group.

Jaime Caballero: Thanks, Alberto. During the third quarter of the year, the group continued to deliver exceptional financial results, supported by strong operating and commercial performance that has allowed distinctive capture positive market conditions.

EBITDA per barrel of the hydrocarbon business, which does not include ISA's contribution, increased USD 27.1 per barrel compared to the first nine months of 2021, reaching USD 67.3 per barrel explained by higher realization prices of the basket of crudes and products, the incorporation of ISA, and the increase in sales volumes.

Net income breakeven was USD 20.3 per barrel, decreasing USD 14.5 per barrel as compared to the first nine months of 2021, mainly as a result of higher sales volumes and improved crude and product spreads.

In the energy transmission and toll roads business, ISA's EBITDA margin, excluding the construction business, closed at 83.6%, mainly explained by the positive effect of macroeconomic variables in Colombia, Chile and Peru and the entry into operation of new projects since 4Q 2021 in all of the company's geographies.

ISA's ROE for the nine months of 2022 was 13.2%, in line with the strategy of generating sustainable value.

In terms of the Ecopetrol Group's consolidated results, the following standout:

- EBITDA margin stood at 49.5%, driven by higher realization prices of the crude and product basket, the incorporation of ISA, and strong performance of the Permian asset and the Cartagena refinery.

- ROACE continued to increase and stood at 19.1% during the first nine months of the year, compared to 10.8% in the same period of 2021, explained by a higher operating income, in line with the previously mentioned factors.

- It is important to highlight the increase in EBITDA in all of the group's segments, particularly in the downstream, which tripled its contribution compared to the previous year due to its operating stability.

- Likewise, the energy transmission and road segment contributed stability to the Group's revenues and operating cash flow.

- The gross debt to EBITDA ratio was 1.5 times, below June's level, explained by a better EBITDA result. It is important to highlight that the increase in the debt balance observed in the quarter is explained by the foreign exchange restatement, which is mainly recognized in equity due to the use of hedge accounting and not by an increase in debt operations.

- In line with what was discussed in previous calls, the Ecopetrol Group continues to manage debt maturities for the third quarter of 2023, seeking to ensure the most competitive conditions in this volatile market environment.

Please let's go to the next slide. Regarding CapEx performance, during the first nine months of the year USD 5.5 billion were executed, 74% more than in the same period of 2021, out of which USD 4.8 billion correspond to the hydrocarbon business. With this, the Ecopetrol Group returned to the investment execution levels recorded prior to the pandemic.

On the other hand, investments executed by ISA amounted to USD 0.7 billion mainly focused on the transmission business. With the above, we maintain the investment target in the initial range of the plan.

This quarter marks the one-year anniversary of the consolidation of ISA within the group's results so I would like to highlight some relevant milestones regarding the investment made in this company.

Regarding the financing of the acquisition, during 2021 and 2022 we carried out two liability management operations for a total of USD 3.2 billion, which allowed us to improve the maturity profile and reduce expiries in 2023, thus the balance of the international loan taken for the acquisition of ISA amounts to USD 472 million, which will be refinanced over the coming months.

In terms of the contribution to the group's results, ISA has exceeded expectations in terms of revenue, EBITDA and net income generation when compared against original budgets. As of September, revenues were 16% higher than the budget estimate, profit generation was 50% higher and the EBITDA generation was 30% higher. This continues to confirm the added value from ISA to the Ecopetrol Group through the generation of stable cash flows without reducing our exposure to Brent as a group.

Please let's go to the next slide. At the end of the third quarter of 2022, the Ecopetrol Group recorded a cash position of COP 15.9 trillion, where the following items stand out.

An operating cash flow generation of COP 14.9 trillion, mainly associated to the good performance of the business segments, the favorable price environment and the collection during the months of July and August of COP 6.5 trillion from the Fuel Price Stabilization Fund, FEPC for its Spanish acronym. The account receivable from the fund amounts to COP 20.4 trillion as of end September, corresponding to the accumulated amount since April.

Regarding FEPC, it is important to note that the general budget of the Colombian nation for 2023 included an explicit item of COP 19 trillion to partially pay off the accumulated balances since April to date, in addition to empowering the ministry to offset such payments against eventual dividends decreed in its favor and/or use uncommitted budget surpluses for additional payments to the fund.

Also, it is important to highlight that the new government initiated a gasoline price adjustment path, which is critical to slow down the speed of such accumulation and to close the gap of local versus international reference prices. The resources generated by the operation were used for organic capital investment for COP 5.5 trillion as well as for the outflow of COP 7.3 trillion in cash flow of which COP 2.1 trillion correspond to debt service and COP 5.2 trillion to dividends paid to the company's shareholders and to the minority shareholders of the subsidiaries in the transportation segment.

I now turn the floor over to Felipe for his closing remarks.

Felipe Bayon: Thank you, Jaime. In the context of the long-term strategy “Energy that Transforms” presented at the beginning of the year, we set different goals not only in terms

of our operations and financial indicators, but also around the steps required to move decisively and responsibly towards the energy transition.

Several short, medium and long-term commitments on the environment, social and governance fronts are part of the roadmap for our various efforts in the areas of: water reuse, cumulative reduction of greenhouse effect emissions, reduction of fugitive emissions, the increase in the installed capacity of renewable energies, sustainability in terms of transfers to the nation, impact generation through social environment, investment, a constant search of the highest safety standards in our operations.

In line with the performance evidenced in this and other fronts in our TESG strategy, we will continue to disclose in a transparent and timely manner such information to our different stakeholders, highlighting the following:

In 3Q 2022, we presented our second specialized report on climate change management from the perspectives of governance strategy, risks, targets and metrics for 2021, following the recommendations of the Task Force on Climate Related Financial Disclosures - TCFD and international best practices.

We obtained 77 points in the Dow Jones Sustainability Index measurement, where more than 10,000 companies worldwide participate in such evaluation, and as such is one of the most recognized international benchmarks for good corporate practices.

Let's now go on to the next slide. So far this year, the Ecopetrol Group has been delivering solid financial and operating results that have been accompanied by milestones in each of the pillars of our 2040 strategy, "Energy that Transforms". This has allowed us to move forward in an organized manner towards the energy transition, strengthening our commitment to the country and the energy security.

The new Board of Directors has expressed its support for the continuity of the 2040 strategy, which seeks to promote renewable and low-emission energies, while continuing with the exploration and exploitation of oil and gas. The new challenges we face as an industry demand activating levers that allow us to adapt promptly, and to continue to work on generating value for our stakeholders, taking advantage of the opportunities that align with our 2040 strategy and within the framework of the decarbonization objectives.

Let's now go to the next slide for our closing remarks. To conclude, we continue to deliver solid results to our shareholders and stakeholders, even above the goals we set for ourselves in the year.

We have made concrete progress in each of the pillars of our strategy, particularly noteworthy are the results that allow us to ensure supply and guarantee of the energy sovereignty for Colombia.

We remain committed to creating value for our shareholders while working with the government to contribute proactively to the design of the country's energy policy and to define different commitments within the frame of a gradual, responsible and just energy transition.

Once again, thanks to all of you who are participating today in this earnings call. Thanks for your time. Thanks for your interest in Ecopetrol and I will now open the floor for questions and answers.

Operator: Thank you. We will now begin the question-and-answer session. If you have a question, please press zero (0) one (1) on your touchtone phone. If you wish to be removed from the queue, please press zero (0) two (2). If you are using a speakerphone, you may need to pick up the handset first before pressing the numbers.

We have a question from Bruno Montanari, from Morgan Stanley. Please, Bruno, go ahead.

Bruno Montanari: Good afternoon, everyone. Thanks for taking my questions. I have a question about production and a question about taxes. On production, even if we look at the top end of the guidance, it means that in the fourth quarter there would be a decline, right? Can you walk us through what would be the drivers of production now through the end of the year? And if there could be a possibility that you actually surpass the top end of the guidance in 2022?

And then on the tax rate, if I understood correctly from the Spanish call, the company sounded less concerned about the amount of new incremental taxes that would flow through. But on our numbers, looking at the potential 15% extra points on tax, it's a meaningful impact over cash flow. So, I was wondering if that interpretation is correct.

And finally, on taxes, can you give us an idea of the impact of the non-deductibility of royalties and perhaps walk us through how that would be measured? It seems a little bit complex involving what is in-kind royalties, royalties in cash being cost based, among other items so any visibility on that specific point would be greatly appreciated. Thank you very much.

Felipe Bayon: Thank you, Bruno. Good morning and thanks for being here today. I'm going to ask Alberto to take us through a more detail on production for 4Q and next year. And then I'm going to ask Jaime to talk about the tax reform and the impacts. Alberto, go ahead.

Alberto Consuegra: Bruno, good morning, and thanks for your question. With regards to production in 4Q, as you mentioned, there will be a decline and because of the planned maintenance of the Cusiana gas plant, which was executed during the month of October so what we are seeing is in October with weak production because of that, with an average of about a little bit under 700,000 barrels oil equivalent.

But then, we expect a strong comeback in November and December so that at the end of the year, we should be in the higher side of the range that we provided to you, between 700,000 and 705,000 barrels. So that's 2022.

With regards to 2023, we expect to maintain a higher production in the range of 720,000 to 725,000 barrels oil per day.

Mostly, if you look at the sources of the upside, it will be a strong production coming from our mature fields, Rubiales, Chichimene, Castilla; new production coming from Caño Sur; and then also the additional production that we are seeing coming from Permian. So, 2023 looks very exciting and 2022, as I mentioned, very much in line with what we told you before.

Felipe Bayon: Jaime?

Jaime Caballero: Hi, Bruno, hope you're doing well. With regards to the tax reform, we basically see that we're fundamentally talking about two effects. The first one and probably the most meaningful is the surcharge on corporate tax that's going to be linked to the price environment.

Basically, the way that the reform has been proposed, it triggers three levels of incremental surcharge associated to historical price averages in the oil sector and we've been looking at it in a lot of detail and we actually believe that the methodology that has been proposed in the reform is robust and it's one that acknowledges the realities of the price environment in the sector.

To that extent, we believe that this 5%, 10% or 15% surcharge that is linked to prices is going to be closely related to the incremental cash flow that the companies are going to have. And to the extent that those prices materialize, we're going to have a significant effect or not. In lower price environments, the impact is minimal. In higher price environments, there is going to be a cash effect but you need to consider that versus the incremental cash flows that the companies are going to receive anyway associated to the increased earnings associated to that price environment. So that's the way we look at it.

The other effect, which is royalties, we think is relatively marginal. Effectively, what is going to occur is that costs of production, which are currently being deducted from the tax baseline, from the earnings baseline, are no longer going to be able to be deducted. It's not the commercial cost that is associated to these volumes. It's certainly not the total earnings that the government gets from it. As in earlier versions of the reform, it's only the cost of production. So, we believe that probably is not going to be as material as initially estimated.

I'm going to go ahead and give you some estimates that I shared in the previous call that we did in Spanish for the benefit of the audience and to make sure that everybody has the same information. And ultimately, when you take this to a tax effective rate, the way that we are looking at, it is that currently in the Ecopetrol Group we have a tax effective rate

that is around 33%. If we think in terms of ranges, you can think about a nominal tax rate of 35%. So, when you think about a world under this tax reform, in a high-price environment we're going to have a surcharge of up to 15%. So that's going to take that 33% - 35% to 48% - 50% on the basis of the surcharge. And on top of that, we think that the change in the methodology around royalties may add somewhere between 2% to 5% of additional points of that tax effective rate. That's how we think about it and that's how we're modeling it at this stage.

I do want to emphasize again that this is closely related to what price environment you are believing. Clearly, in the near-term, when we think about 2023, we continue to see a robust price environment for our commodities. But when you think about it in the long-term, mid-term and long-term, we don't believe that and therefore we don't believe that this tax reform fundamentally changes our valuation of long-term projects. I hope this addresses the broader angle around your questions. Thank you.

Operator: Thank you. Our next question comes from Barbara Halberstadt, from JPMorgan. Please go ahead.

Barbara Halberstadt: Hi. Good morning. Thank you for the opportunity to ask questions. I wanted to also follow-up from a comment made earlier on the Spanish call in terms of the refinancing options for 2023. Definitely where bonds are trading currently would be a much higher cost of debt for the company. So, if I understood correctly, currently the main source of funding could be bank lines. If that's the case, I just wanted to confirm if you're looking more into local sources or local plus international, and to confirm if that's the case as well.

And also, in terms of the FEPC balance, I think we had an expectation that it could end the year around COP 27 trillion. I just wanted to have an update if you continue to think that's more or less where you want the year in terms of the outstanding balance for the FEPC. And if you already have an estimate for 2023, considering the modest increases in the domestic price that has been applied for gasoline at least. That would be for me. Thank you.

Felipe Bayon: Thanks, Barbara. This is Felipe. Good to have you here. I'm going to ask Jaime to give us more details on both refining and the status of FEPC as we see the year end and next year. Jaime?

Jaime Caballero: Hi, Barbara. Yes, so effectively what we were sharing in the call in Spanish is that I think there's three key messages. The first one is that the ISA acquisition loan has been refinanced to a very large degree. Out of the USD 3.7 billion of the ISA acquisition, basically USD 3.2 billion have already been refinanced at a cost of debt that is very comparable to the initial acquisition credit.

And we have remaining balances for the fourth quarter of next year or September - October of next year of about USD 3.5 billion or so of credits that we need to refinance and we're actively working on those. Our bias is towards bank loans on this. We are looking at all

sources, both local and international. To the extent that there is a remaining balance that we don't think it's cost competitive to deal through loans, we will be looking at other options. But I think those are things that are going to sort themselves over time. At this stage we have a very high degree of confidence that we can refinance this in the short-term through the mechanisms available.

With regards to your second question around FEPC, the Stabilization Fund balance, as we mentioned in our report, our balance at 3Q closing was COP 20.4 trillion that will continue to accrue over the next few months. We believe that the yearend balance is going to be somewhere between COP 29 trillion and COP 32 trillion. I cannot give you a certain number because it depends on how international prices evolve. It also depends on how the exchange rate evolves.

With regards to 2023, we have been working on some internal projections and we are sharing those with the Ministry of Mines and with the Ministry of Finance to inform their decision-making around adjustments at a local level. What we've seen so far is that the Ministry of Finance has a clear interest in accelerating those adjustments over the coming year with a view to reduce the differential that we have between the international price and the local price. I think it's too early to give you a view around projections for next year since they're going to be heavily dependent on the pace in which the ministry makes those adjustments and how international prices and exchange rate evolves. Thank you.

Felipe Bayon: Thanks, Jaime. Thanks, Barbara.

Operator: Thank you. Our next question comes from Luiz Carvalho, from UBS. Please go ahead.

Luiz Carvalho: Hi. Thanks for taking my question. I have basically two questions here. The first one is, trying to come back on the connection between the FEPC and the tax reform, I think we discussed this in a call a couple of weeks ago, but just trying to understand, I really think there has some impact in mining and oil. There were some impacts, including royalties. And also, if you could comment on the free zones, particularly on Reficar, and how the tax reform is correlated to the FEPC situation.

The second question is about some contract renewals or reactivation. There are some talks about potentially reactivating some contracts and some exploratory areas. So, I'm just trying to understand how this can bring some impact either the CapEx or production to the company looking forward. Thank you.

Felipe Bayon: Hi, Luiz. Good to hear you and hope you are doing well. I'm going to take the first question and Alberto is going to take your second question around the contracts outlook.

Basically, what you're asking is how has the tax reform evolved and I think we need to recognize that this latest version that was approved by the chambers of Congress last week

is a very different version from the ones that were previously discussed. I think you can almost speak about this is version 3.0, and there was a version 1.0 and a version 2.0. Version 1.0 spoke about things like export taxes and export levies and things like that. Version 2.0 spoke about a very aggressive taxation or treatment to royalties. All of that has gone away. And what we have now that is relevant to the oil and gas sector is fundamentally three fundamental effects.

The first one is this surcharge that is linked to prices. There are some bands and basically if you are below 60, I don't have the exact numbers here with me, but I think it's USD 63 or so, you have the same corporate tax that everybody else has. Above USD 63 and going from USD 63 to USD 72, and I'm going to give you the exact numbers in a moment, you basically have a 5%, then from USD 72 to USD 83, you have a 10%, and USD 83 and above, we have 15%.

And when you look at those tax bands, they actually quite reflect our understanding of the international price environment. We can agree, if you think about our plan prices, they do reflect when you are in a positive price environment, when you are in an exceptional price environment. And that's how this has been designed.

The other component, which is our own royalties, effectively the change is that the cost of production which has been a deductible item in the Colombian tax regime, will no longer become a deductible item. I think that in the discretion of the tax authority and what this reform is doing is essentially taking a stand where this cost of production is no longer going to be tax deductible.

In the context of the overall reform, the impact of that is not that significant. We believe it represents somewhere between two to five points of incremental taxation for the industry. But in the end of the day, we don't believe that's a deal breaker in terms of the economics of a given project.

The third big topic of conversation throughout this whole tax reform debate was around the continuity of duty-free zones. Version 1.0 and version 2.0 had a very a strong stance around the continuity of them. They were going to go away in some shape or form. Basically, the project that is in place right now and that was already approved by the chambers, maintains the tax status of the existing duty-free zones that the Ecopetrol Group has in place. So therefore, there is not going to be any negative impact associated to that. That's kind of where we are on this list. Over to Alberto.

Alberto Consuegra: Hi, Luiz, good morning. What are we hearing from the government? First, both the Minister of Mines and the Minister of Finance have been very welcome in stating that contracts already signed will be honored. The Minister of Mines also have said that together with A&H and UPME are evaluating the needs of signing new contracts. So, we received this news as positive messages and this reduces the uncertainty that we have in the future.

With regards to reactivation of suspended contracts, I have to tell you that some of them have been suspended for social unrest forced conditions. All the rest will need to have agreement in commercial and technical terms. If those clauses for suspension are resolved, these options will have to compete with other options that we have in our portfolio. If they are competitive enough, then they will have to go through the maturation process and then at the end probably will mean that we will have exploratory options, exploratory drilling associated with these assets.

Felipe Bayon: Thanks, Alberto. Thanks, Luiz.

Operator: Thank you. Our next question comes from Andrew McCarthy, from Credicorp. Please go ahead.

Andrew McCarthy: Thanks very much. Good morning, everyone. Thank you, Felipe, Yeimy, Alberto and Jaime for the presentation and the opportunity to ask questions.

My first question is on fracking in Colombia. Just seen on local media at the moment quite a lot of news on that. So just wondering is it the case that a formal decision has been taken to desist from moving forward with the Kale and Platero projects? And if so, what are the key steps to unwind all the key contracts behind that are in place? Would there be any financial cost implications there for the Ecopetrol Group? So that's question number one.

Question number two and apologies if this has already been covered in the presentation or in the questions, I couldn't quite hear. But just wondering about whether the door is now being opened in fact for the possibility of signing new exploration contracts in Colombia. Any color you could share on that?

And then my third and final question. If you could provide any update on the Invercolsa divestiture, where that is, if that's still moving ahead. And then just generally on any other asset rotation initiatives that you might be looking at to optimize the portfolio. That's it for me for now. Many thanks.

Felipe Bayon: Thanks, Andrew, I'll take the first one and if there's anything Alberto want to add on that. And on Invercolsa I'm going to ask Nicolas Azcuenaga to give us a bit of color.

In terms of fracking, and you were mentioning some of the media coverage that we've seen over the last few days, what we've said as a company is at the end of the day the government and in particular Congress takes the decision formally that there won't be fracking in Colombia, we won't do fracking in Colombia. I think that's very clear. We've asked A&H formally for a 90-day suspension of the contracts that we have as operator. We've done this. Remember there's Kale and Platero you were mentioning.

And remember, we do have a formal environmental license on one of the projects, on Kale. So, what we've said is we're discussing with our partner, ExxonMobil, on how to go back and do some of the commercial agreements that we had with them and then we'll take this

forward. And each company will return to the original ownership of the areas, in the case of Kale and Platero. So that's where we are. I would say that we will, as Ecopetrol, remain with the ownership of the acreage long-term. We'll see where that goes.

In terms of cost implications, we've spent money on preparing for the environmental submission, the application of the license, we've done social investments in the area and we'll manage that accordingly. We don't see any issue with that.

So right now, I think in terms of key steps is awaiting for a response from A&H. And they're taking it from there and obviously in constant and continuous communication with our partner.

The potential of the already signed contracts and both of them have been very vocal in terms of honoring the existing contracts. And I think that's important. We've mentioned that we foresee eventually some ten years of activity going forward in those areas. We're not only shooting new seismic drilling wells. We had good success as you've seen from exploration. But we're also reinterpreting seismic, which has proven to be quite useful. As an example, if we do 2,000 square kilometers per year of new seismic surveys [audio drop – 0:58:35]

...and collected. And the most recent conversations have been around the possibility of looking at additional exploration potential beyond the contracts that have already been signed. And that means we've been talking to both ministries. We've sat down our technical teams with them, looking at what that would entice, how would that look in terms of what's the potential, what are the options, just sharing data and information and having open conversations around our view of what the subsurface potential could be.

In terms of Invercolsa, Nicolas, if you can help us with where we are in the process. Go ahead.

Nicolas Ramirez: Yes, Felipe. Andrew, thanks for your question. First, in terms of our approach to divestments in general, our approach remains unchanged, that is basically to constantly review our portfolio [audio drop – 0:59:53]

...transport, distribution and commercialization of natural gas in Colombia, where we hold a 51.8% stake. Our decision to divest our equity remains unchanged as announced earlier this year in May. And in due course, we will take this decision to review with the new government. As you know, this process of divestment of assets that have participation of Colombian nation in its equity is ruled by Law 226 in Colombia, which includes the revision or the stage at which the government needs to provide a green light to proceed. So, if and when we obtain this green light, we envision a process that will take around nine months to complete. Thanks again for your question, Andrew.

Felipe Bayon: Thanks, Nicolas. Thanks, Andrew.

Operator: Next we have a question from Frank McGann, from Bank of America. Please go ahead.

Frank McGann: Thank you very much. Just a couple of questions if I could. One, you mentioned in the tax discussion about the ability to deduct production costs and I don't know if you meant total production costs or royalties only.

And then in terms of cost inflation, what you seem to be doing or making a lot of efforts to, where are you seeing the biggest effects? And are you seeing any acceleration in cost inflation as you look out over the next six to 12 months?

And then your diluent volumes seemed to be much lower. I'm just wondering, what are the expectations for diluent usage as you go forward here? And how will that affect your overall cost structure? Thank you.

Jaime Caballero: Hello, Frank. Hope you're doing well. So, with regards to your first question, just to clarify, it's the cost of production associated to those specific royalties. So that's what currently the tax regime allows you to deduct and should the reform proceed as it has been approved in the two chambers, that will no longer be a deductible item.

With regards to your second question about inflation, I'm going to make an overarching comment and then I'm going to pass it over to Alberto for some of the specifics. Generally, what we're seeing so far is that we have seen an effect of around 12% to 13% in our cost base associated to inflation. We have been able to mitigate probably some four or five points of that with the existing contract strategy and through demand management and through long-term pricing and the like.

As we look into next year's planning and certainly to the next two, three-year horizon, we are seeing an increasing pressure in that regard. Probably that 12% to 13% is going to become something along the lines of 16% - 17%, simply due to the fact of indexes kicking in. Now, of course, we're not standing still. We are looking again at value chain opportunities and contract opportunities and the like. But directionally, we are seeing an increased pressure. I'm going to pass it over to Alberto, so that he can give you some further color.

Alberto Consuegra: Thanks, Jaime. When you look at our refining and transportation costs, they are very much in line with the plan. And this is because we have, in the case of transportation, actually transported more volumes. So, we keep the indicator under control. Where we are seeing an impact is in terms of lifting costs, jumping in about 15% compared to the second quarter of this year. So right now, we have it in the lines of 9.15% of cost per barrel.

But when you look at those areas in which we need to focus, I would say energy costs, that's number one. The second one has to do with the cost of raw materials, particularly steel, and the third one is about the cost of well services. This is subsurface well services, and well

intervention costs that are going higher, particularly because of what Jaime mentioned. This is about introducing the indexes in line with the inflation that we are seeing for these services. Thanks and welcome.

Frank McGann: Thanks.

Operator: Thank you. Our next question comes from Hernan Goicochea, from LatinFinance. Please go ahead.

Hernan Goicochea: Hello, can you hear me? Hello?

Jaime Caballero: Yes, we can hear, you.

Hernan Goicochea: Okay, great. I just wanted to make sure. Thank you so much for taking my question. I wanted to follow up a little bit on the financing options that is related to the refinancing of the loan that was used for the ISA acquisition. You mentioned that they will be looking at other options. And I remember earlier this year that there was a mention that there was a possible sustainable bond sale, either later this year, at the end of this year. Is there still the possibility of going to the international markets as an option to pay off the loan?

Jaime Caballero: Hi, Hernan, how are you? This is Jaime. Yes. So, with regards to refinancing, I think there's two different buckets to speak about. The first one is the ISA acquisition loan in and by itself and then there's everything else, which is basically some maturities that we have at the back end of 2023. With regards to the ISA acquisition loan, which was a loan of about USD 3.7 billion, USD 3.2 billion of that has already been refinanced through, on one end, a bond that we issued late last year and more recently we used a committed line that we had for USD 1.2 billion. So that has already been refinanced and there's a remaining balance of USD 470 million to go which we're working on.

With regards to 2023 maturities, when you add the balance of ISA, the USD 470 million plus other maturities that we had at the back end of next year, we have a total balance of about USD 3.5 billion.

We are working with the financial system on different avenues to refinance that. Our preference at this stage is through bank loans, which we are working on. These are bank loans with a variety of time horizons. We believe that they actually give us some pretty competitive cost of debt associated to them, with some very interesting extensions in terms of time horizons which are linked to our business plan. That is our preference, I'd say.

There are other options. Bonds are always an option. Ecopetrol has a long-standing presence in the bond market and we are cognizant of that and we keep that option as a possibility. I think as we monitor the credit markets at this stage and circumstances around Colombia and international macroeconomic factors, we continue to review that. I would

say that's a secondary option at this stage, but it's certainly something that we do not rule out at any moment in time. Thank you.

Hernan Goicochea: Thanks, Jaime.

Operator: Thank you. Our next question comes from **Oriana Coval, from Balance [unclear – 1:09:39]**. Please go ahead.

>>Afternoon. Thanks for taking my question. This is **Oriana Coval, from Balance**. I had one follow-up with regards to the FEPC receivable. I understand that you're in conversations on what would be the necessary adjustments for next year to prevent the further acceleration. But if you have any ballpark estimates or view on where do you see the needed adjustments in gasoline and diesel prices as to prevent an accelerated accumulation of the receivable? That would be the first question.

And the second question would be more on the CapEx side. Looking at your CapEx figures for the quarter, if you can further elaborate on the inflationary pressures that account for the increase in USD terms specifically for the exploration CapEx, which I noticed that you did the same number of exploration wells but the figure was substantially above quarter-over-quarter and same goes for midstream business. Thank you.

Jaime Caballero: Hello. This is Jaime. With regards to your first question around FEPC, basically the balance of FEPC has been accruing at a rate of around COP 2.5 billion to COP 4 billion per month, depending on the month. There's actually two or three key factors that are associated to that. You have, on one end, how product differentials internationally evolve. On the other hand, you have how the exchange rate evolves. And thirdly, as a major item of course you have the interventions that the government is making around domestic prices.

I actually would argue that there's a fourth element which is some methodological adjustments that go into a lot of detail but they actually also influence the rate of accrual. The extent of adjustments that need to be made will vary, depending on these other factors. So, you actually need to look at all the factors in unison in order to close the gap.

Directionally, I'd say that the adjustments that the government has announced certainly going in the right direction and if they are maintained and implemented on a monthly basis, we believe that gap is going to be narrowed in a significant way by the end of next year. But again, there's always the uncertainty around how these other factors evolve.

With regards to your second question around inflationary pressures in CapEx, I firstly say that the CapEx execution that you saw in 3Q is by and large, and by a massive amount, dictated by activity execution. It is by no means a result of inflation. I think the inflation that we have seen in our CapEx outlay so far has been minimum. What you're seeing is basically the result of an increased activity set where we have more rigs, we have more workover

units, we have more crews in the ground, and that is actually translating into more production. So that's really the headwind.

Now, as we look into next year and more longer-term CapEx deployment, inflation it does become a factor. As we sign new contracts associated to those capital projects, inflation will be a factor. I'd say that, depending on the specific commodity subsector or service subsector, those effects can be anywhere between 10% to 20%, anywhere in that range. I think you would have to go into the specifics of each project to see to what extent they are mitigated or not. I would say, as a gross average, that a CapEx effect next year of between 13% to 50% is a reasonable estimate. I hope this helps. Thank you.

Operator: Thank you. Our next question comes from Badr El Moutawakil, from Barclays. Please go ahead.

Badr El Moutawakil: Yes. Thank you so much. Congrats on your earnings. Two quick questions for me. First one is are you expecting to receive any FEPC payments from any excess cash from Hacienda by yearend? We read on the news that Ecopetrol could potentially receive something around COP 7 trillion in yearend in addition of the COP 19 trillion that you mentioned earlier on the call. So just curious if you have any updates in terms of that.

And my second question is regarding your gross debt level for 2023. Are you thinking about keeping the gross debt stable around USD 24 billion? I'm just asking because if I look at the company right now in 2022 full-year picture and I just try to do like a quick parallel in 2023, this new government is going to increase taxes, let's say, by COP 5 trillion on Ecopetrol, also depending on the assumptions. And so, the increase in terms of taxes, and obviously, on the upstream is not based on our model, it's not going to offset the pressure from the FEPC. And even if we increase local prices by 20% we don't have the FEPC balance, and the working capital balance offsetting these taxes. So just curious if you can give us your view in terms of gross debt in 2023 and then potentially with the risk of funding any dividends or potentially these higher taxes with gross debt. Do you think that you can fund it extensively with cash? Thank you so much.

Jaime Caballero: Hi, Badr. How are you? Let me address your different questions. I'd say, firstly, let's start with expectations around FEPC payments so this year. There are no further FEPC payments budgeted in Hacienda as in the Ministry of Finance budget for this year. However, there is the legal flexibility to apply excess budget surpluses to FEPC. The extent to which those budget surpluses are going to occur or not is yet being defined.

In our conversations with the Ministry of Finance, we've discussed that as a possibility but it is yet an uncertain one. So, I would say that the base case is no further FEPC payments this year, but there is an upside that that occurs and that's something that we are actively working with the Ministry of Finance.

With regards to your second question around gross debt levels, basically we closed with a healthy gross debt-to-EBITDA ratio in the third quarter and that's going to continue to be reduced over the next few months, and the outlook is a positive one for next year. I think the extent to which we're going to incur incremental debt or not next year is going to depend on the assessment of the timing in which the FEPC payments are going to come in and at the same time how capital markets evolve.

I think all those factors are going to have to be considered. All those factors are going to have to be considered. I think it's still premature to give you a view on that. We're going to be discussing with the Board over the coming weeks, what is our view on the investment plan for next year? What is the optionality that we see around that investment plan? What are the trade-offs associated to the investment plan with regards to cash, with regards to a potential dividend payments and decisions are going to be made on that basis.

But what I would say is that we do have a very strong inclination to protect the investment plan. We have a strong inclination to protect the debt levels that we have at this stage, but we are keeping our flexibility because things are dynamic. And what is going to be the best combination to protect value for the company is something that is yet to be determined.

With regards to your third question around working capital balance and how to offset the pressure of FEPC, clearly, I'd say two things. The first thing is that we are approaching this conversation from a healthy place. I mentioned in the call in Spanish that our free cash flow in 3Q is the best free cash flow in the company's history ever. And it's obviously a combination of multiple factors, but it is accumulating as opposed to liberating. So, it's more rather and less. And that helps a lot.

Now, to what extent that can fully offset an accumulating FEPC indefinitely, I'd say the answer is it cannot. It will not fully offset the FEPC effect and that's why COP 19 trillion were included in the national budget. And that's why we are in discussions with the government to increase that amount. I think that is something that is going to evolve over the coming months and probably in our next call we can give you a better view of that. That's where we are. Thank you.

Badr El Moutawakil: Thanks, Yeimy.

Operator: Thank you. Coming up the next we have a question from Andres Cardona, from Citibank. Please go ahead.

Andres Cardona: Hi. Good morning. Thanks for the presentation. I have two questions. The first is as you have USD 4 billion to USD 5 billion per year incremental cost due to the tax reform, can you let us know what are the key assumptions you are using there in terms of oil prices, if you split that cost between the surcharge and non-deductibility of the royalties? And the last question is if you can give us an update on how many development wells are you targeting to drill in 2022.

Jaime Caballero: Hi, Andres, I'm going to take the first one, your question is related to the tax refund. So, we haven't given an estimate around the tax reform impact for the company and I can assure you that it's not USD 4 billion to USD 5 billion. I think we need to look at the basics and the basics are we have a tax effective rate of 35% currently or about 35% depending on whether you're looking at a group level or at the Ecopetrol S.A. separate level. And depending on your price outlook, you need to add either 5%, 10% or 15% to that. In the highest possible case, which is in a scenario where we end up over the USD 83 or so per barrel threshold that kicks the 15% surcharge, that tax effective rate is going to go to about 50% on our total net income in pesos. So that's the way that you need to calculate it.

The split of what is associated to the surcharge or the *sobretasa* and the royalties is that 90% to 95% of the effect is associated to the surcharge and the marginal amount is associated to royalties. The new treatment of royalties is not a substantial amount as compared to the effect of the surcharge on corporate tax and I hope this addresses your question. Over to Alberto.

Alberto Consuegra: Hi, Andres what we have said is that for this year will be around 580 wells and for next year around 600 wells development wells.

Andres Cardona: Thanks, Alberto.

Operator: Thank you. Our next question comes from Andres Duarte, from Corficolombiana.

Andres Duarte: Hello. Thank you. I have one question. Can you please brief us on the carbon shadow prices you're using to price your projects today? And please remind us if the current tax reform includes a carbon tax component. Thank you.

Jaime Caballero: Hi, Andres. How are you? So, with regards to carbon taxes, the approach in the company has been around employing what we call carbon shadow price. Basically, it's a theoretical level of a carbon impact that is included in the valuation of forward economics in projects that we are reviewing. Basically, the way that it has been implemented is we punish the projects that we're evaluating with an incremental cost associated to the ton of carbon that the unitary ton of carbon that a project produces.

Basically, the way that we have been modeling that out is that we use USD 20 per ton for the next five years, then it goes up to USD 30 per ton, and eventually it goes up to USD 40 per ton. It is a theoretical economic impact. This has no cash impact whatsoever, but what it does is it allows us to prioritize projects and to measure projects in terms of their carbon footprint competitiveness. What this actually does is that it rewards projects that have a low carbon footprint in that they don't have to reflect that cost burden, and it punishes projects with a high carbon footprint through an incremental cost. Again, it's theoretical. These amounts do not go to a purse or fund or anything like that and they don't have any cash implication as of now.

As we look into the future, we are looking at mechanisms to see whether eventually this could actually translate into a real fund whereby what we accumulate is used to fund energy transition projects. But again, this is something that is still on paper and that we are debating as a best practice in the industry.

With regards to the carbon tax as such, in Colombia, there is an existing carbon tax. Different mechanisms have been measured but it ultimately translates into the equivalent of USD 4 per ton of carbon to the system. What the tax reform does is that it takes that USD 4 per ton and it takes it on average to about USD 20 per ton. This depends on the specific product and it depends on the place in the value chain.

Within the Ecopetrol Group, Ecopetrol S.A. and Refinería de Cartagena are responsible for this tax. They either pay it directly or indirectly. But it does have an effect on them. In the context of the total tax reform numbers that we have been discussing, it is not a material item. Thank you, Andres.

Andres Duarte: Thanks, Jaime.

Operator: At this moment we have no further questions. Mr. Bayon, do you have any final remarks?

Felipe Bayon: Well, thanks and I just want to thank everyone for taking part in today's conference call. Thanks for the interest in Ecopetrol. Thanks for the questions. Hope to see you sometime soon and please stay safe. Have a great day.

Operator: Thank you everyone. You may disconnect now.