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RATING ACTION COMMENTARY

Fitch Affirms Ecopetrol's Foreign and Local Currency IDRs at 'BB'; Outlook Stable

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Fitch Ratings - New York/Bogota - 20 Oct 2026: Fitch Ratings has affirmed Ecopetrol S.A.'s Long-Term Foreign Currency and Local Currency Issuer Default Rating at 'BB' with a Stable Outlook. Fitch has also affirmed the company's National Long- and Short-Term ratings at 'AAA(col)'/'F1+(col)' with a Stable Outlook. The ratings remain linked to Colombia's sovereign rating, reflecting the Colombian government's 88.5% ownership and its potential influence over Ecopetrol's strategy and investment decisions.

The affirmation reflects Ecopetrol's robust standalone financial profile, with Fitch-calculated EBITDA leverage forecast to average 2.8x through the rating horizon and interest coverage to remain above 6.0x. The company's 'bbb-' Standalone Credit Profile (SCP) is constrained by the sovereign rating due to the absence of legal ring-fencing from potential sovereign interference. Governance risks related to strategy and board independence remain relevant rating considerations.

KEY RATING DRIVERS

Linkage to Sovereign: Ecopetrol's ratings are linked to Colombia's sovereign rating of 'BB' with a Stable Outlook due to the government's potential influence over strategy and investment decisions. The Colombian government owns 88.5% of Ecopetrol. Ecopetrol's SCP of 'bbb-' is above Colombia's Long-Term IDR of 'BB'. Fitch's Government-Related Entities Rating Criteria caps Ecopetrol's ratings at the sovereign rating, reflecting the absence of legal ring-fencing to isolate cash flows from sovereign interference.

Ecopetrol's cash flow has historically been affected by payments from the Colombian government's Fuel Price Stabilization Fund (Fondo de Estabilizacion de Precios de los Combustibles; FEPC). The fund offsets the gap when Ecopetrol sells gasoline and diesel

domestically below import parity prices. The FEPC balance fell to COP 3.2 trillion trillion at the end of 2025 following government price adjustments. It has risen again amid higher fuel prices and could reach COP11 trillion by the end of 2026.

Adequate Financial Profile: Fitch forecasts EBITDA leverage will average 2.8x through the rating horizon. Lower production is partly offset by strong prices in 2026 and 2027 and Brava's proportional production. Fitch forecasts interest coverage will remain above 6.0x. Free cash flow will be mildly negative due to higher cash needs to develop offshore gas assets, which can pressure available liquidity and funding needs in years with lower prices.

Stable Operating Metrics: Fitch assumes total hydrocarbon production of 724,000 barrels of oil equivalent per day in 2026, down 3% from 2025, as lower gas production offsets higher crude output. Proved reserves of 1,944 million boe resulted in a reserve life of 7.18.4 years at end-2025. Fitch forecasts reserve life of 9.7 years at end-2026, supported by Brava's reserves. Fitch assumes a 100% reserve replacement rate through the rating horizon. Ecopetrol's after-tax full-cycle cost averaged about USD52.06/boe over the past three years.

ESG - Governance Structure: Strategic acquisitions and changes in board composition in 2024 increased focus on Ecopetrol's governance assessment. Fitch continues to recognize governance safeguards and bylaws intended to preserve independence from the majority shareholder. However, changes in strategy raise questions about the board's independence. This could affect operating performance, including reserve additions and production, and the company's ability to access bond markets effectively and efficiently.

PEER ANALYSIS

Ecopetrol's linkage to Colombia's sovereign rating is similar to that of Petróleos Mexicanos (PEMEX; 'BB+'/Stable), Petróleo Brasileiro S.A. (Petrobras; 'BB'/Stable) and YPF S.A. ('B-'/Stable). All are majority-owned by their respective governments. State ownership and the potential for government influence over strategy, financial policy and cash flows drive the sovereign linkage. As with Petrobras and YPF, Ecopetrol's Standalone Credit Profile (SCP) is above the sovereign rating, resulting in equalization of its IDRs with those of its majority shareholder.

Ecopetrol's 'bbb-' SCP compares with those of investment-grade international oil companies, including BP p.l.c. ('A+'/Stable), Occidental Petroleum Corp. ('BBB'/Stable) and Eni S.p.A. ('A-'/Stable). Ecopetrol's production of 0.7 million boed is lower than that of larger peers, but remains consistent with the 'bbb' category. Its financial profile is adequate, with

EBITDA leverage of 2.5x at FYE25, close to that of Occidental, its closest-rated international peer, at 2.0x. Ecopetrol's SCP is constrained by exposure to domestic funding conditions and leverage.

FITCH'S KEY RATING-CASE ASSUMPTIONS

--Ecopetrol remains majority owned by Colombia;

--Brent average USD87/bbl in 2026 and USD70/bbl in 2027 before trending toward USD60/bbl in the long term;

-- Henry Hub prices of USD 3.5/MMBTU for 2026, USD 3.25/MMBTU for 2027, USD 3.0/MMBTU for 2028.

-- USD 6.5/bbl discount to Brent on average through rating horizon;

-- Addition of 10.6 kboed to baseline production from Brava acquisition in 2026, and 45,000 kboed in 2027.

-- Royalties of 15%

--Stable production growth of 1% per annum through 2029;

--100% reserve replacement ratio per year;

--Aggregate capex of approximately USD6.2 billion per year for the next four years;

--Dividends of 55% of previous year's net income in 2026, 60% in 2027, and 55% going forward;

--Progressive tax rate based on 2022 fiscal reform instating windfall taxes of 15%, 10%, 5%, 0% based on current crude prices.

--Refinancing of maturities annually at 7% interest rate

CORPORATE RATING TOOL INPUTS AND SCORES

Fitch scored the issuer as follows, using our Corporate Rating Tool (CRT) to produce the Standalone Credit Profile (SCP):

Business and financial profile factors (assessment, relative importance): management ('bb+', Moderate), sector characteristics ('bbb', Moderate), market and competitive positioning ('bbb+', Moderate), diversification and asset quality ('bbb', Lower), company operational characteristics ('bbb+', Higher), profitability ('a', Moderate), financial structure ('bb+', Moderate), and financial flexibility ('bbb-', Higher).

The quantitative financial subfactors are based on standard CRT financial period parameters: 20% weight for the latest historical year 2025, 40% for the forecast year 2026 and 40% for the forecast year 2027.

The governance assessment of 'some deficiencies' results in an adjustment of -1 notch(es).

The operating environment assessment of 'bbb-' has no impact.

The SCP is 'bbb-'.

To derive the Long-Term IDR:

Application of Fitch's Government-Related Entities Rating Criteria results in an equalized approach.

RATING SENSITIVITIES

Factors that Could, Individually or Collectively, Lead to Negative Rating Action/Downgrade

--A downgrade of Colombia's sovereign ratings;

--Material delays in development and construction milestones across business segments, which could lead to a downgrade of the company's SCP to 'bb+';

--Sustained leverage exceeding 3.0x, which could lead to a downgrade of the SCP to 'bb+';

-- Increased refinancing risk that weakens the company's financial flexibility.

Factors that Could, Individually or Collectively, Lead to Positive Rating Action/Upgrade

-- An upgrade of Colombia's sovereign ratings, although this is not expected in the short to medium term.

LIQUIDITY AND DEBT STRUCTURE

Ecopetrol's robust liquidity profile is supported by USD2.5 billion of cash on hand at June 30, 2026, strong access to the capital markets and an adequate debt maturity profile. Based on market appetite, Fitch does not expect Ecopetrol to have difficulty refinancing its 2027 maturities, in part or in full. The company obtained USD 1.2 billion in funding for the Brava acquisition in the European bank market. It also secured a USD-denominated syndicated bank loan in April.

Fitch expects most of Ecopetrol's consolidated EBITDA to continue come from its oil and gas business. Fitch estimates that ISA's 2025 EBITDA, adjusted for Ecopetrol's ownership, was USD 1.1 billion. This represents 7% of Fitch's projected 2026 EBITDA for Ecopetrol. Gross leverage excluding ISA, defined as total debt/EBITDA, is expected to be 1.7x in 2026. Fitch forecasts average gross leverage of 2.8x through 2029.

ISSUER PROFILE

Ecopetrol is a leading integrated energy and infrastructure company in Latin and Central America. It is Colombia's largest company in the upstream, midstream and downstream business segments. Interconexión Eléctrica S.A. is 51% owned by Ecopetrol and is the region's largest energy transmission company.

REFERENCES FOR SUBSTANTIALLY MATERIAL SOURCE CITED AS KEY DRIVER OF RATING

The principal sources of information used in the analysis are described in the Applicable Criteria.

MACROECONOMIC ASSUMPTIONS AND SECTOR FORECASTS

Click here to access Fitch's latest quarterly Global Corporates Sector Forecasts Monitor data file which aggregates key data points used in our credit analysis. Fitch's macroeconomic forecasts, commodity price assumptions, default rate forecasts, sector key performance indicators and sector-level forecasts are among the data items included.

CLIMATE VULNERABILITY SIGNALS

The results of our Climate.VS screener did not indicate an elevated risk for Ecopetrol.

ESG CONSIDERATIONS

Ecopetrol S.A. has an ESG Relevance Score of '4' for Management Strategy due to reduced visibility on execution of growth strategy which has a negative impact on the credit profile,

and is relevant to the ratings in conjunction with other factors.

Ecopetrol S.A. has an ESG Relevance Score of '4' for Exposure to Social Impacts due to multiple attacks to its pipelines, which has a negative impact on the credit profile, and is relevant to the ratings in conjunction with other factors.

Ecopetrol S.A. has an ESG Relevance Score of '5' for Governance Structure due to uncertainty regarding the degree of independence of the board of directors in operational decisions that could be material for the maintenance of cash generation, production levels, and addition of reserves, which has a negative impact on the credit profile, and is highly relevant to the rating, resulting in a one-notch downgrade of the SCP.

The highest level of ESG credit relevance is a score of '3', unless otherwise disclosed in this section. A score of '3' means ESG issues are credit-neutral or have only a minimal credit impact on the entity, either due to their nature or the way in which they are being managed by the entity. Fitch's ESG Relevance Scores are not inputs in the rating process; they are an observation on the relevance and materiality of ESG factors in the rating decision. For more information on Fitch's ESG Relevance Scores, visit

RATING ACTIONS

ENTITY / DEBT	RATING TYPE	RATING	RATING ACTION	PRIOR
Ecopetrol S.A.	LT IDR	BB Rating Outlook Stable	Affirmed	BB Rating Outlook Stable
	LC LT IDR	BB Rating Outlook Stable	Affirmed	BB Rating Outlook Stable
	Natl LT	AAA(col) Rating Outlook Stable	Affirmed	AAA(col) Rating Outlook Stable
	Natl ST	F1+(col)	Affirmed	F1+(col)

senior unsecured	LT	BB	Affirmed	BB
senior unsecured	Natl LT	AAA(col)	Affirmed	AAA(col)
senior unsecured	Natl ST	F1+(col)	Affirmed	F1+(col)

VIEW ADDITIONAL RATING DETAILS

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APPLICABLE CRITERIA

National Scale Rating Criteria (pub. 22 Dec 2020)

Metodología de Calificaciones en Escala Nacional (pub. 22 Dec 2020)

Parent and Subsidiary Linkage Rating Criteria (pub. 27 Jun 2025)

Government-Related Entities Rating Criteria (pub. 18 Jul 2025)

Metodología de Calificación de Entidades Relacionadas con el Gobierno (pub. 04 Sep 2025)

Metodología de Vínculo de Calificación entre Matriz y Subsidiaria (pub. 10 Sep 2025)

Corporate Rating Criteria (pub. 09 Jan 2026) (including rating assumption sensitivity)

Sector Navigators – Addendum to the Corporate Rating Criteria (pub. 09 Jan 2026)

Metodologia de Ratings Corporativos (pub. 09 Jan 2026)

ADDITIONAL DISCLOSURES

Dodd-Frank Rating Information Disclosure Form

Solicitation Status

Endorsement Policy

ENDORSEMENT STATUS

Ecopetrol S.A.	EU Endorsed, UK Endorsed

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Parliament and of the Council of 16 September 2009 and The Credit Rating Agencies (Amendment etc.) (EU Exit) Regulations 2019 respectively.

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The complete span of best- and worst-case scenario credit ratings for all rating categories ranges from 'AAA' to 'D'. Fitch also provides information on best-case rating upgrade scenarios and worst-case rating downgrade scenarios (defined as the 99th percentile of rating transitions, measured in each direction) for international credit ratings, based on historical performance. A simple average across asset classes presents best-case upgrades of 4 notches and worst-case downgrades of 8 notches at the 99th percentile. For more details on sector-specific best- and worst-case scenario credit ratings, please see Best- and Worst-Case Measures under the Rating Performance page on Fitch's website.

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