



TAX POLICY

PROLOGO

Banco de Occidente works as a generator of employment, driving the economy, both nationally and internationally, is aware of its commitment to the financing of the State and the development of society, which is reflected in compliance with all established legal regulations, with good practices that aim to avoid the erosion of tax bases and the transfer of benefits due to the existence of gaps in rules or undesired mechanisms between the different national tax systems where it operates and acts as a responsible taxpayer. On the other hand, it generates support in the community through donations, care for the environment, investment in innovation and technology projects, among others.

Likewise, the actions and administration related to tax matters in Banco de Occidente are carried out with total transparency, clarity, order and coherence, always bearing in mind the responsibility towards shareholders, employees, clients, suppliers, consumers and other stakeholders.

Organizational fiscal policy objectives:

- ◆ Ensure strict compliance with tax regulations within the framework of good corporate governance standards and code of business conduct.
- ◆ To guarantee tax assurance in the different business operations, in order to minimize the risks that may arise from the incorrect determination of tax obligations in the different jurisdictions in which we operate.

Scope:

This policy reinforces and deepens the commitments and principles that ensure compliance with the applicable law in Colombia by cooperating with the authorities and providing required information on all its operations.



PRINCIPLES AND GUIDELINES FOR COMPLIANCE WITH TAX POLICY

Principles:

1. **Ethics:** The directors and employees of Banco de Occidente must carry out their business and functions with "ethical conditions of responsibility, character and professional suitability, giving priority to the general interest over the particular interest".
2. **Integrity and good practices:** In any transaction or business you should always act in good faith. Acting with honesty, sincerity and loyalty.
3. **Transparency:** Banco de Occidente must maintain its operations in optimal conditions in order to disclose truthful and clear information on all its activities to customers, users, shareholders, control entities and the community in general.
4. **Clarity:** All reports must be disclosed in the clearest possible manner so that clients, users, shareholders, control entities and the community in general can understand the information presented.
5. **Consistency:** All activities, reports and transactions must be consistent with the law.
6. **Prudence:** Banco de Occidente is obliged to jealously guard the information disclosed by its customers, as long as this does not lead to concealment and collaboration in illegal acts in accordance with the Law.
7. **Legality:** All activities must be carried out in compliance with the Constitution, laws and tax regulations.

Policies:

Personal:

1. Update all your staff on the rules, laws, decrees, resolutions, jurisprudence and doctrines in force where you operate and values with which they must work through the implementation of periodic training, in order that your employees carry out their due compliance with the use of good practices so that they analyze and create strategies that are of great help for the execution of their work. Thus ensuring to reduce some kind of tax risk and guarantee the optimal tax burden.



Regulatory compliance:

2. Comply with all legal regulations in force in each of the jurisdictions in which it operates.
3. To ensure compliance with the tax regulations in force in Colombia and in the jurisdictions where it operates, which is why in case of any uncertainty arising from particular complexity, difference of criteria with the tax authority, lack of regulation of the same standard that leaves gaps or lack of experience and specific internal knowledge, these are documented with the respective external advisors.
4. Apply the arm's length principle in accordance with the appropriate transfer pricing rules for each transaction.

Participation and collaboration with control entities:

5. To support and collaborate with the Colombian and jurisprudential authorities where it operates, providing them with any information or explanation required, in order to assist them in the fulfillment of their duties.
6. To inform the different control entities of tax payments in the annual management report and other required reports.
7. Actively participate through the different associations in the opinion and construction of different policies that allow the country to have an efficient tax system in line with the current situation of the country.
8. Maintain a transparent relationship with the different tax authorities.

Governance:

9. Maintain its policy of zero tolerance to tax fraud, which is why it has tax advisors, internal and external auditors who help ensure compliance with tax regulations. On the other hand, the tax audit helps to identify possible errors and validate their correction in order to comply with all legal requirements in force.



10. Ensure that all processes carried out for the payment of its tax obligations are endorsed by those in charge of the area and reviewed under the scope of the statutory auditor, in order to eliminate or correct any possible error, so that all tax obligations are fully complied with.
11. Maintain a control structure that prevents the risk of executing operations with fictitious companies or companies that appear to have real economic justification.

Prohibitions on tax abuse:

12. Not to carry out operations with countries or territories classified as tax secrecy jurisdictions or "tax havens" to avoid taxes.
13. Do not transfer the value created to low tax jurisdictions.
14. Do not use tax structures without commercial substance to avoid taxes.
15. Do not agree to any abusive tax application, any doubt or uncertainty will be fully documented with your advisors to ensure the correct application of the rules.
16. Not to provide tax advice to any of its clients, which does not preclude sharing and discussing the current regulations applicable to the products offered.

VERIFICATION OF COMPLIANCE WITH THE TAX POLICY

It is the duty of Banco de Occidente, its collaborators and other stakeholders to ensure compliance with the tax policy, which is published on the Bank's website www.bancodeoccidente.com.co, for the full knowledge of all its stakeholders.

The disclosures and economic facts that account for compliance with the tax policy are published in the financial statements.

This policy was developed and approved by the Vice-Presidency of Finance and Strategy, which is also responsible for ensuring compliance with this policy.