TAX POLICY

PROLOGUE

Banco de Occidente acts as a generator of employment, a driver of the economy, both nationally and internationally, and is aware of its commitment to financing the State and the development of society. This is reflected in compliance with all established legal regulations, with good practices aimed at preventing the erosion of tax bases and the shifting of profits due to gaps in regulations or undesired mechanisms among the different national tax systems where it operates, acting as a responsible taxpayer. On the other hand, it supports the community through donations, environmental care, investment in innovation and technology projects, among others.

The Bank reaffirms its commitment to complying with both the spirit and the letter of tax laws and regulations in the countries where it operates. All of this is under the direct supervision of senior management.

Consequently, actions and management related to tax matters at Banco de Occidente are carried out with total transparency, clarity, order, and consistency, always bearing in mind the responsibility it has toward shareholders, employees, clients, suppliers, consumers, and other stakeholders.

Objectives of the Organizational Tax Policy:

- Ensure strict compliance with tax regulations within the framework of good corporate governance standards and the code of business conduct.

- Ensure tax assurance in the different business operations, in order to minimize risks that may arise from the incorrect determination of tax obligations in the various jurisdictions where it operates.

Scope:

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

PRINCIPLES AND GUIDELINES FOR COMPLIANCE WITH THE TAX POLICY.

Principles:

1. **Ethics:** Directors and employees of Banco de Occidente must carry out their business and functions with "ethical conditions of responsibility, character, and professional suitability, prioritizing the general interest over the particular interest."

2. **Integrity and good practices:** In every transaction or business, it is always necessary to act in good faith, thus acting with honesty, sincerity, and loyalty.

3. **Transparency:** Banco de Occidente must maintain its operations under optimal conditions in order to provide truthful and clear information about all its activities to clients, users, shareholders, control entities, and the community in general.

4. **Clarity:** Todo informe o reporte debe darse a conocer de la manera más clara para que los clientes, usuarios, accionistas, entidades de control y la comunidad en general puedan comprender la información presentada.

5. **Consistency:** All activities, reports, and transactions carried out must be consistent with the law.

6. **Prudence:** Banco de Occidente is obligated to carefully safeguard the information provided by its clients, as long as this does not lead to concealment or collaboration in unlawful acts in accordance with the Law.

7. **Legality:** All activities must be carried out in compliance with the Constitution, laws, and tax regulations.oda actividad debe llevarse a cabo respetando la Constitución, las leyes y las normas de impuestos.

Policies:

Personnel:

1. Update all personnel on the current norms, laws, decrees, resolutions, jurisprudence, and doctrines where it operates, and on the values with which they must work, through the implementation of periodic training, in order for employees to comply properly using good practices, enabling them to analyze and create strategies that are highly helpful for the execution of their duties. This ensures the reduction of any type of tax risk and guarantees an optimal tax burden.

Regulatory compliance:

2. Comply with all current legal regulations in each of the jurisdictions where it operates.
3. Ensure compliance with current tax regulations in Colombia and in the jurisdictions where it operates; therefore, in case of any uncertainty arising from particular complexity, differences in criteria with the tax authority, lack of regulation creating gaps, or lack of specific internal experience and knowledge, these are documented with the respective external advisors.

4. Apply the arm's length principle in accordance with the appropriate transfer pricing regulations for each transaction.

Participation and collaboration with oversight bodies:

5. Support and collaborate with Colombian tax authorities and those of the jurisdictions where it operates, providing all the information or explanations required, in order to assist them in fulfilling their duties..

6. Inform the different oversight bodies of tax payments in the annual management report and other required reports.

7. Actively participate through different associations in providing opinions and contributing to the development of policies that enable the country to have an efficient and up-to-date tax system.
8. Maintain a transparent relationship with different tax authorities.

Governance:

9. It has a zero tolerance policy for tax risk, which is why it has tax advisors, and internal and external auditors who help ensure compliance with tax regulations. Additionally, the statutory auditor helps identify potential errors and validate their correction to comply with all current legal requirements.

10. Ensure that all processes carried out for the payment of tax obligations are approved 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, thus ensuring full compliance with all tax obligations.

Prohibitions regarding tax abuse:

11. It does not carry out operations with countries or territories classified as tax secrecy jurisdictions or “tax havens” to avoid taxes.

12. It does not transfer created value to low-tax jurisdictions.

13. It does not execute any type of operation with fictitious companies or those that appear to have real economic justification, nor does it use tax structures without commercial substance.

14. It does not engage in any abusive tax application; in the event of any doubt or uncertainty, it will be fully documented with its advisors, guaranteeing the correct application of the regulations.

15. It does not provide tax advice to any of its clients, which does not preclude sharing and discussing current regulations applicable to the products offered.

VERIFICATION OF COMPLIANCE WITH THE TAX POLICY

It is the duty of Banco de Occidente, its employees, and other stakeholders to ensure compliance with the tax policy, which is published on the Bank’s website for the full knowledge of all its stakeholders.

Disclosures and economic facts that demonstrate compliance with the tax policy are published in the Financial Statements.

This policy was prepared and approved by the Financial and Strategy Vice Presidency, which is also responsible for ensuring its compliance..