

Gran Tierra Energy will invest more than 10,000 million pesos in Putumayo PDET municipalities through the Works for Taxes Program

- *Gran Tierra Energy will develop four projects targeting improvements on mobility, education and housing in the Development Programs with a Territorial Approach – PDET municipalities.*
- *Works for Taxes, is the mechanism through which companies can use their tax contributions to develop and implement projects that improve livelihoods, supports economic development and contribute to the stabilization of the territories most affected by poverty and violence.*
- *Through this mechanism, seven projects are being developed for the Putumayo PDET sub-region, executed by Gran Tierra Energy, Dow Química and Ecopetrol, with an investment of 31,116 million pesos.*

Putumayo, October 2, 2020. Through the Works for Taxes mechanism, Gran Tierra Energy is implementing four projects with the objective of improving mobility, education and housing in the Putumayo PDET municipalities, with an investment of 10,101 million pesos. One of these projects has already been completed and delivered to the community, which consisted in the construction of 25 sanitary units and prefabricated treatment systems that benefit the communities of La Cafelina, Canangucho, Champagnath, Germany, San Isidro and El Porvenir villages. This project had an investment of COP\$ 440,769,227.

“These projects are the result of the “Peace with Lawfulness (Paz con Legalidad)” policy led by President Iván Duque to stabilize the municipalities most affected by poverty and violence. Hand in hand with the private sector, we are fulfilling the initiatives proposed by the community that seek to improve their living conditions and boost the economy of the regions”, explained the counselor for Stabilization and Consolidation, Emilio Archila.

Thanks to this project, 25 families in Villagarzón will have: sanitary units with a toilet, a shower, a sink and a laundry room, the unit also has its own inspection boxes, grease traps, an up-flow anaerobic filter and an infiltration field.

“I am grateful for making the PDET initiatives a reality so that our communities can have a dignified life. It is gratifying to see how the embodied dreams come true, which were built by the communities themselves, this motivates us to continue articulating ourselves to work for the PDET, in which the communities set us the goals for this and the following

administrations”, said the Secretary of Rural Development of Villagarzón, Jair Burbano. The other projects that will be implemented by Gran Tierra are: two projects for the provision of cafeteria appliances and supplies for educational centers in the municipalities of Orito and Puerto Caicedo, with an investment of COP\$ 2,069 million; and a third project for the improvement of tertiary roads between the Puerto Vega - Campoalegre in Puerto Asís, with an investment of COP\$ 7,591 million.

“Gran Tierra Energy is committed to supporting the Colombian Government’s efforts for building peace in the regions. The alliance between Gran Tierra and the Office of the Presidential Commissioner for Stabilization and Normalization has been a critical part of the ongoing support for the social and economic development of Putumayo and its communities. In the Putumayo, our operations have provided local employment and strengthened local businesses and entrepreneurs. We have also focused our efforts on promoting new forms of economic development in the region, which in turn supports the government in its efforts to transform territories most affected by the conflict” explained the Country Manager of Gran Tierra Energy in Colombia, Manuel Buitrago.

The completion of this Work for Taxes project was announced in a virtual event with the participation the director of the Territory Renewal Agency (ART), Juan Carlos Zambrano; the Putumayo Governor, Buanerges Rosero Peña; the Villagarzón Mayor, José Andrés López Muñoz and the ViceMinister of Water and Sanitation at the Ministry of Housing, José Luis Acero Vergel.

For the PDET sub-region of Putumayo, seven projects are being developed by Gran Tierra Energy, Dow Química and Ecopetrol, totalling 31,116 million pesos. Since 2018, the Works for Taxes mechanism has resulted in 100 projects that have benefitted 135 municipalities, with a total investment of COP\$ 677,317 million.

Works for Taxes

It is the mechanism put in place by the Colombian Government through which companies can execute projects of economic and social impact to improve the living conditions of the inhabitants of the municipalities most affected by violence and poverty.

There are two options for this mechanism: the first is the Trust option, which has been implemented since 2018, and allows legal entities to invest up to 50% of their income tax to develop projects.

And the second is the Agreement option, which was created in 2020 and allows natural and legal persons to access projects with their own resources.

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