



## Gran Tierra Energy to Invest USD\$14.3M in Four New Work for Taxes Projects in Putumayo

- *Gran Tierra Energy will invest USD\$14.3 million dollars to deliver four new projects in the municipalities of Mocoa, Puerto Asís, and Valle del Guamuez, Putumayo.*
- *Through these investments Gran Tierra will be the largest private investor in the 2024 round of the Work for Taxes (WxT) initiative. Through WxT Companies can apply to use funds that they would otherwise have paid in taxes to implement impactful projects that are identified jointly with local communities.*
- *Projects include the construction of a new Aqueduct System in La Carmelita, Puerto Asís and 3 projects for important tertiary road improvements in Puerto Asís, Valle del Guamuez, and Mocoa. The projects will benefit 24,000 Putumayo residents.*
- *Gran Tierra remains committed to partnering with the National Government on initiatives that contribute to the peacebuilding process and support the economic development of the Putumayo. The Work for Taxes mechanism is a great example of a partnership that is delivering real results for local residents in the Territorial Development Programs PDET and the Most Affected Areas by the Armed Conflict ZOMAC municipalities in the Amazonia. These partnerships support the ongoing work of transition to a more peaceful region.*

**Bogotá, Tuesday, June 25, 2024.** The Change Government, through the National Agency for Territorial Renewal (ART), and Gran Tierra Energy (GTE) are pleased to announce four new major infrastructure projects that will be implemented by GTE in Putumayo through the Work for Taxes mechanism. The company will invest USD\$14.3 million (over COP\$57.000 million) to undertake the construction of a new Aqueduct System in La Carmelita, Puerto Asís and 3 projects totaling 13KM for improvements and paving of tertiary roads in Puerto Asís, Valle del Guamuez, and Mocoa, which are part of the Territorial Development Programs (PDET). Combined the projects will benefit 24,000 Putumayo residents.

All four projects were requested and designed jointly with local communities and were developed in partnership with local and national governments as ones that would yield important results to improve the quality of life of the people of Putumayo. The implementation of the projects will continue to be a joint effort, with communities, local and national governments working alongside the Company throughout the next two years.

The new Aqueduct System in La Carmelita will directly benefit the more than 1,300 inhabitants of Puerto Asís, providing a consistent supply of clean water to a community that has long struggled with access to clean potable water. The road paving and enhancement projects will support local residents from Puerto Asís, Valle del Guamuez, and Mocoa by increasing reliability and conductivity for rural communities. Furthermore, this work will also positively impact the local economy by making it easier and more cost effective for local entrepreneurs, farmers and businesses to transport their products to local and national markets.

Diego Perez-Claramunt, Vice President of HSE and Corporate Social Responsibility, stated that "We want to thank the National Government, through the ART, for the opportunity to invest and implement local infrastructure projects together through the Work for Taxes mechanism. Gran



Tierra is thrilled to be undertaking these four new projects that were identified as priorities by the communities who live near our operations. We see the Work for Taxes mechanism as a great opportunity to undertake big infrastructure projects that will benefit thousands of local residents, while also boosting Putumayo's economy."

Meanwhile, the director of the ART, Raúl Delgado, celebrated that rural development in PDET territories has become fertile ground for the government and the country's businesses to work together. "Tax-for-Works promotes institutional trust by making visible how a tax transforms into social investment; taxpayers contribute directly to peacebuilding and project execution occurs in less time. We appreciate Gran Tierra for their trust in the mechanism."

This year, the mechanism achieved the highest quota within the Higher Council for Fiscal Policy (CONFIS) recorded since its implementation in 2018, reaching one trillion pesos, a historic figure. The Government of Change aims for more companies and sectors to participate and benefit from it for the upcoming cut-off of the Project Bank, scheduled for August.

### **Work for Taxes impact in Putumayo's development.**

Work for Taxes is a mechanism created and led by the ART that private companies can utilize to design and execute projects that will improve the lives of the communities of municipalities most affected by poverty and violence in Colombia. Through this initiative Companies can apply to use funds that they would otherwise have paid in taxes to implement impactful projects that are identified jointly with local communities.

Gran Tierra Energy has previously invested USD\$4.2 million in the Work for Taxes mechanism in municipalities of Putumayo. These projects have included installing basic sanitation units for rural families, improving infrastructure in local schools and enhancing important tertiary roads., For example, GTE provided cafeteria upgrades to 152 schools that increased food security for local students. The participating schools now have the ability to store and prepare nutritious food, keeping students in school longer. 12,000 students and teachers have benefited from this initiative. Another completed Works for Taxes project by Gran Tierra Energy was a road improvement project that benefited more than 15,300 people in the communities between Campo Alegre and Puerto Vega. The local economy and local residents saw positive impacts as the new road reduces dust, cargo and passenger transportation costs, while at the same time increases road safety.

Gran Tierra remains committed to partnering with the National Government on initiatives that contribute to the peacebuilding process and support the economic development of the Putumayo. The Work for Taxes mechanism is a great example of a partnership that is delivering real results for local residents.