



HUMAN RIGHTS
MANAGEMENT REPORT

2021

TABLE OF CONTENTS

MESSAGE FROM THE CEO	3
OUR VALUES	4
OUR COMMITMENT	5
HUMAN RIGHTS MANAGEMENT	5



MESSAGE FROM **THE CEO**



“In 2021, Canacol Energy continued to make progress in promoting, protecting, and respecting human rights. We know that, as a company, we play an important role in fostering a proactive culture of good practices regarding human rights, and this has allowed us to achieve excellent results in this area.

“The company implements its Human Rights Policy considering the principles of the United Nations Global Compact, the Guiding Principles on Business and Human Rights, as well as the Voluntary Principles on Security and Human Rights, among others. These policies promote equality, empathy, and solidarity among different stakeholders.

“This year, we continue to extend our commitment to the promotion and respect of human rights to our contractors, suppliers, law enforcement and other stakeholders, to increase awareness and apply our principles.

As agents of change, we were able to identify the risks and opportunities associated with our operation, through a due diligence process, allowing us to prevent possible human rights violations and provide mitigation measures in case they occur.

This effort, together with Canacol’s ESG Strategy, was reflected in the positive result we achieved in the Standard & Poor’s (S&P) Corporate Sustainability Assessment, as we managed to obtain a 29-point increase in 2021 regarding human rights.

We reaffirm our commitment to this task and invite the Canacol Energy family to embrace our diversity and dedicate our efforts to continue strengthening a culture of education and respect for human rights within the company.

Charle Gamba
CEO and President



Our values

Mission

Improve the quality of life of millions of people through the exploration, production, and supply of conventional natural gas through socially and environmentally responsible operations managed in a conscious and transparent manner.

Vision

We are a company that explores, drills, and produces hydrocarbons in an efficient and socially responsible manner, committed to the development of the communities where we operate. Additionally, we generate benefits to our stakeholders in a framework of respect and protection of the environment, in accordance with the policies established by the Government and our Company.

Values

Honesty, collaboration and commitment are the values that guide our business activity. We ensure that the personnel and collaborators linked to our operation carry out their functions in accordance with these values.



Our commitment

Our human rights commitment is based on the duty of companies to respect, protect, remedy and implement the Guiding Principles of the United Nations Organization (“UNO”) on business and human rights, as well as the commitments made through the United Nations Global Compact initiative, the Universal Declaration of Human Rights, the Voluntary Principles on Security and Human Rights (VPSHR), and the conventions of the International Labor Organization (“ILO”) on fundamental principles and rights at work.

This commitment is applicable to our personnel, collaborators and stakeholders and is reflected in all our processes, especially in the following documents: **Human Rights Policy, Code of Ethics and Business Conduct, Code of Ethics for Suppliers, Physical Security Addendum, the Guide to Good Labor Practices and, the Due Diligence Procedure, among others.**

In 2021, Canacol Energy continued with its strategy of promoting and respecting human rights, by strengthening due diligence, fostering a culture of education and respect for human rights, and ensuring that our personnel and collaborators comply with our human rights principles and standards.

Bellow, we present an overview of the main actions and efforts carried out regarding human rights:

Human rights management

Assessment of due diligence components

Canacol conducted a disaggregated assessment of each one of the five (5) components related to human rights due diligence: (i) Institutional engagement; (ii) Impact identification; (iii) Impact management; (iv) Monitoring; and (v) Remediation. This diagnosis allowed the Company to analyze gaps and opportunities, based on the documented evidence and records from 2017-2021.

For the development of the evaluation, we designed an instrument consistent with the standards and indicators of the United Nations Guiding Principles, which included quantifiable information. A scale of six levels was considered to determine the degree of development (formalization) and thus have a reference point to structure a due diligence process and incorporate it into the process map.

The method of the evaluation consisted in studying documentation that allowed a classification by the due diligence component. For this exercise, different aspects of due diligence were analyzed, such as: risk identification, impacts management and remediation, performance monitoring, security, water, labor rights, ethnic minorities, and the acquisition of land. Additionally, we were able to identify our critical and strategic suppliers and joint ventures regarding human rights.



Update of the Human Rights Policy

In 2021, we modified Canacol's Human Rights Policy reaffirming our institutional commitment and emphasizing the importance of the due diligence. We have also expanded the normative framework, including different international instruments for the protection of human rights, as well as differential perspectives such as age, gender, and ethnicity in order to provide special support to vulnerable groups.

Additionally, we developed several indicators to monitor the implementation of the Policy and established an annual review process to determine the status of its implementation as well as the need for modifications.

Finally, the changes made to Canacol's Human Rights policy were socialized with our personnel, contractors and suppliers, and the updated policy was published on the Company's website.

Matrix of risks, impacts, and opportunities in human rights

The assessment of the due diligence components allowed the association of risks and opportunities in human rights identified by all areas of the Company for 2020 and 2021. Through the evaluation, risks and opportunities related to human rights were identified, to prevent their occurrence and provide for mitigation measures if necessary.

This exercise, which was validated with representatives of the operational and management processes, constitutes a baseline to include human rights specifications in the due diligence process.

The matrix of risks, impacts and opportunities in human rights allowed the identification of both the risks and the opportunities in the development of Canacol's operation, as set out below:

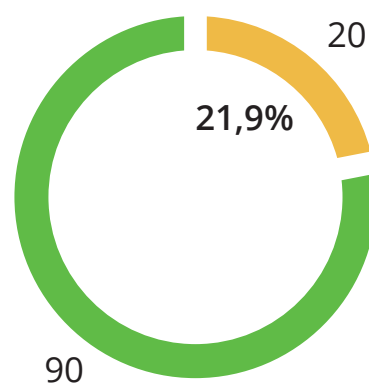
Risks: Of the total risks associated with the Company's operation, risks related to human rights occupy a very low percentage.

Opportunities: 91 opportunities were identified in the development of the Company's operation, of which 20 are related to human rights, representing 21.9% of the opportunities.

■ Total Opportunities

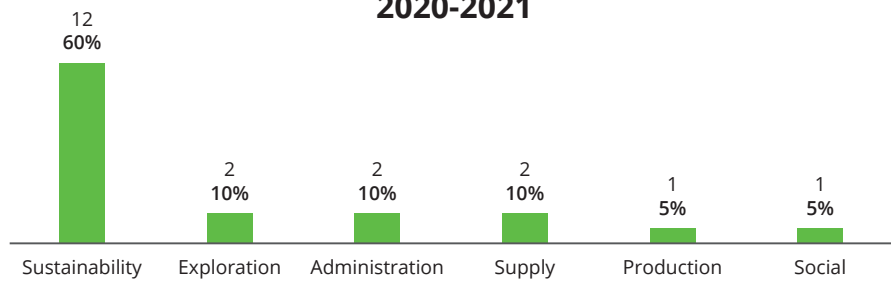
■ Total Opportunities in Human Rights

Opportunities in Human Rights 2020-2021



Opportunities in Human Rights Per Process 2020-2021

The areas with the highest number of opportunities were Sustainability (60%), Exploration (10%), Administration (10%), and Supply (10%).



Some of the opportunities found would strengthen our impact regarding social projects on the communities and the acquisition of local goods and services as well as developing programs to strengthen self-care and prevent occupational diseases, among others.

The risks and opportunities associated with human rights have an adequate management and follow-up as established in the Company's procedures. This practice will also be formalized in the due diligence process.

Regarding remediation, for the period 2020-2021, 82 internal mitigation plans were identified, corresponding to the same number of associated risks. As for the opportunities, 20 internal mitigation plans were found. These mitigation plans are applied in all areas of development of Canacol's operation, such as the departments of Córdoba, Sucre, Casanare, and the city of Bogotá D.C.

Human rights due diligence guide

The Human Rights Due Diligence Guide is a document that disaggregates the responsibilities of each area in the Company's human rights due diligence and constitutes a main and transversal element to facilitate the formulation, socialization, and implementation of the due diligence process.

In addition to the human rights guide, we created a reference document so that the personnel, contractors and suppliers may have practical tools to facilitate the implementation of the process.

Human rights and ethics reporting system

Canacol strengthened its mechanisms to address petitions, complaints, and requests by enabling an independent complaints line for issues related to human rights, ethics and compliance, SAGRILAF and personal data protection.

This is an anonymous, confidential, and secure reporting mechanism that ensures that employees, customers, suppliers and/or stakeholders may report possible unethical actions or situations, as well as human rights violations that may affect the interests of Canacol Energy and/or its stakeholders.



Change management process

Canacol continued with its change management process with the purpose of formulating and implementing the human rights due diligence process.

As part of the change management process, human rights liaisons were appointed for each area of the Company. They will oversee the human rights due diligence implementation process within their work teams and will become enhancers of the commitment to the promotion and respect of human rights.

Human rights remediation plans

We recognize the importance of incorporating applicable human rights mitigation and remediation plans in cases where there is a negative impact on the human rights of our stakeholders. We employ effective redress mechanisms when there has been a violation of the human rights of an individual or a group. Some of the remediation alternatives considered were restitution, apologies, financial and non-financial compensation, and punitive sanctions, applicable according to the impacts of each case.

To date there is no evidence of materialized human rights risks on the part of Canacol and no remediation actions have yet been applied. However, the Company is developing a specific human rights remediation procedure. This procedure will be based on the United Nations Guiding Principles on Business and Human Rights and will include general remediation guidelines applicable to all the Company's operations and stakeholders.

Communications campaign

In the third and fourth quarters of 2021, the Company began a communications campaign to raise awareness of human rights issues and to encourage Canacol personnel to participate in the promotion and respect of human rights.

At the end of the year, 18 graphic pieces related to human rights matters were sent. Some of the topics included Canacol's commitment to human rights, labor rights, rights of indigenous peoples, corruption, food security, children's rights, women's rights, and business rights.

In 2022 we will continue with this campaign, which has allowed us to foster a culture of promotion and respect for human rights within the Company.



Training

In 2021, different human rights training activities for personnel were carried out, to continue promoting a culture of education and respect for human rights within Canacol. In this regard, the following activities stand out:

Human Rights Training Activities, 2021		
Training	Due diligence instruments - face-to-face	35 people
	Decent work - virtual	157 people
Human rights component in C+ courses	Corporate reinduction	357 people
	Equity and inclusion course	366 people

Commitment to human rights of our employees

Canacol is committed to ensuring that its contractors and suppliers respect human rights and carry out their functions.

As an example of this, a special section was designed in the supplier platform that will allow the determination of the status of implementation of human rights policies of employees and, from there, jointly design action plans for the strengthening of human rights in their companies.

In addition, clauses on respect for and promotion of human rights have been included in contracts with suppliers, the Company's Physical Security Addendum, the Good Labor Practices Guide, and the Ethical Manual for Suppliers.

Other actions

In 2021, Canacol actively participated in the five working sessions of the Human Rights and Hydrocarbons group, led by the National Hydrocarbons Agency and the Ministry of Mines and Energy.

In October 2021, we held the first event of children's human rights. 22 Canacol families participated and several activities were performed to promote care and respect for the rights of children, as well as the duties of parents in their protection.

Similarly, a coordinated effort has been carried out with the human resources area, to prioritize human rights in the agenda of activities offered.



Conclusion

Considering the above, we highlight the main achievements obtained during 2021:

- Increased its Corporate Sustainability Assessment (S&P) rating by 29 points over the 2020 score (DJSI).
- Updated the Human Rights Policy.
- Implemented a matrix for the identification of risks, impacts, and opportunities in Human Rights.
- Inserted human rights commitment clauses in supplier contracts with providers.
- Implemented the independent Human Rights, Ethics and Compliance, and Data Protection Whistleblowing Hotline.
- Initiated a human rights promotion campaign through a human rights communication and training strategy for our employees.

The respect and promotion of human rights is one of our top priorities. Thus, we will continue to carry out different actions to further strengthen corporate due diligence, institutional commitment, the culture of education, and respect for human rights in 2022.



