
General Framework of the Ethics and Compliance System

1. Subject Matter

The ethics and compliance system of CANACOL ENERGY (hereinafter “the Company”), establishes the commitments made in matters of business ethics, money laundering and financing of terrorism (LA/FT [for the Spanish initials]), containing the Manuals that determine the general directives and guidelines ensuring compliance with prevention, detection and reporting mechanisms of operational, legal, reputational and contagion risks associated with the development of the business.

The foregoing is in compliance with the provisions of Law 1178 of 2016, on transnational bribery, Resolution No. 100-002657 of 2016 and Circular No. 100-000003 of 2016 of the Superintendency of Companies related to business ethics programs.

Likewise, there is compliance with the provisions of the Basic Legal Circular 100-000005 of 2017 issued by the Superintendency of Companies that provides the rules on LA/FT risk self-control and management and report of suspicious transactions to the UIAF [Spanish initials for Financial Information and Analysis Unit].

2. Scope of Application

The ethics and compliance system applies to all areas and processes of the Company and includes its shareholders, managers and, in general, all its employees and related third parties.

3. Business Ethics System

The business ethics system includes the identification, prevention and mitigation of transnational bribery risks, as well as others related to any act of corruption that may affect the Company, with respect to the businesses that it develops, which is why all operations must be adjusted to the highest standards of conduct.

Managers, workers, contractors, clients, suppliers and, in general, all counterparties of the Company shall be bound by all the provisions implemented in the program and shall not in any case admit acts or operations, or business, contractual or legal links with any type of relationship, purpose or effect, direct or indirect, with acts of corruption.

The business ethics system is composed of the following Policies:

- Policy of prevention of Corruption Acts and “zero tolerance” with corruption.
- Policy of training, awareness and dissemination of the Anti-corruption System Policies.
- Policy of participation and collaboration with the State.
- Policies on reports.
- Non-retaliation policy.

- Policy in relation to cash and petty cash management.
- Policy on finance and accounting management.
- Policy on Counterparties.
- Policy of knowledge, linking and contracting of Counterparties and potential Counterparties.
- Policies with respect to Special Counterparties and other particular Counterparties.
- Policy on former public officials.
- Policy on management of interest and lobbying before public officials.
- Policy on participation in state contracting and licensing processes.
- Policy on procurement of goods and/or services and contracting required for the execution of the corporate purpose of the Company.
- Policy on Counterparties that have financed political campaigns.
- Policy on management of Conflicts of Interest.
- Policy on election campaign financing.
- Policy on entertainment and gifts.

The anti-corruption and business ethics system is under the coordination of the Compliance Officer.

In the event of any warning about the commission of an act of corruption involving any of the Counterparties of the Company, the relevant report must be made through the “REPORT THE ACTS OF CORRUPTION” online anti-corruption service channel, to which all the employees of the Company have access through Canacol intranet: <http://intranet/INTRANET/quickstart/>.

iv. System Against Money Laundering and Financing of Terrorism (LA/FT)

The system against LA/FT is within the framework of the LA/FT Risk Manual, in accordance with the Basic Legal Circular 100-000005 of November 22, 2017 of the Superintendency of Companies. With the implementation of an LA/FT risk self-control and management system, the Company seeks to prevent any type of action related to money laundering.

The Company is committed to preventing crimes associated with LA/FT. All operations, businesses and contracts are in accordance with the system and the latter is applicable to shareholders, customers, suppliers and other related third parties. There shall not be in any case admission of acts or operations, or business, contractual or legal links with any type of relationship, purpose or effect, direct or indirect, associated with LA/FT.

The system includes the following provisions:

- Organizational structure, functions and responsibilities.
- Controls for prevention of the LA/FT risk.
- Due diligence processes.
- Identification and reporting of unusual operations, suspicious operations and attempted operations.
- Training and dissemination of the system.

- Penalties for noncompliance.
- Duty of reserve.
- System update.

In the event of any warning about the commission of an act associated with LA/FT involving any of the Counterparties of the Company, the relevant report must be made in accordance with the instructions contained in the LA/FT Risk Manual.

5. Compliance Officers

The Compliance Officers are the Persons within the Company who will have the responsibility for ensuring the application, control, execution and supervision of the Anti-Corruption and Business Ethics and LA/FT Systems; and are listed below:

Chief Compliance Officer	Deputy Compliance Officer
Claudia Lafaurie Taboada	Yenny Julieta Rodriguez

6. Ethics and Compliance Committee

The Ethics and Compliance Committee will be formed by the Senior Management of the Company and its main function will be to support the Compliance Officer in the determination of suspicious operations when the latter may determine.

7. Reporting Channels

LA/FT	Anti-Corruption
clafaurie@canacolenergy.com	Report the Acts of Corruption: online reporting channel http://intranet/INTRANET/quickstart/ .