

Protocol for Intercultural Relations and Prior Consultation

Introduction

The interaction between ethnic communities and the company is based on cultural and differential aspects, rendering it particularly complex, and highly susceptible to conflict. This complexity is exacerbated by the lack of clearly regulation and structured by law, resulting in legal pluralism. Consequently, rights, duties, and obligations intervene, frequently resulting in blockages that escalate budgets and overrun work schedules.

Notwithstanding, the legitimation of business practices in these territories depends largely on the implementation of effective relationship strategies. In the context of ethnic communities, priority must be placed on recognizing them as populations with both individual and collective rights and duties, grounded in international standards¹. Chief among these standards is the Convention 169 of the International Labor Organization, which Colombia adopted into Law 21 of 1991. This law serves as the main regulation integrating the provisions of the ILO and defining the legal framework for the protecting the rights of indigenous and tribal peoples within the country.

For this reason, Canacol Energy Ltd. and its subsidiaries (hereinafter referred to as “Canacol” or “the Company”) recognize the importance of establishing a protocol for intercultural relations. This protocol aims to address relevant aspects designed towards valuing and respecting cultural diversity, providing differential attention, and upholding the rights of ethnic communities. These principles serve as pillars for strengthening relationships, contributing to sustainable development and facilitating activities in an atmosphere characterized by mutual recognition and collaboration between all parties involved.

1. Objective

To foster relations conducive to intercultural dialogue, the promotion of rights, and the establishment of robust and mutually beneficial ties between the Company and the communities belonging to ethnic groups within its areas of influence, Canacol commits to adhering with the applicable regulations and the principles of Social Responsibility governing our actions. This commitment is aimed at ensuring the sustainability of operations while harmonizing with the respect for the territories and cultural value of the settled ethnic groups.

2. Scope

This protocol is derived from the “Corporate Guidelines for The Social Participation of Ethnic Communities, with Emphasis on Prior Consultation, Intercultural Relations and Human Rights Due Diligence.” Its implementation aims to ensure the social and legal viability of projects, while safeguarding the preservation of the ethnic and cultural identity of the communities residing in the Company’s areas of influence.

In accordance with the provisions of its Comprehensive Social Responsibility Policy, Canacol is firmly committed to aligning all business operations with sustainability objectives. This entails striving for a balance between creating value shareholders, promoting community well-being, minimizing environmental impact, and fostering the generation of shared value in the territories where the Company operates.

2.1 Responsible Parties

- The Vice Presidency of Sustainability will be responsible for overseeing the implementation, monitoring,

1: United Nations Universal Declaration of Human Rights (1948), International Covenant on Civil and Political Rights, International Covenant on Economic, Social and Cultural Rights, American Convention on Human Rights, International Labor Organization (ILO) Convention 169 on Indigenous and Tribal Peoples (1989), United Nations Declaration on Indigenous Peoples (2007), Declaration of the Human Rights Council of the United Nations Organization (UNO) on the Rights of Peasants and Rural Workers (2018), United Nations Guiding Principles on Businesses and Human Rights.

control, and continuous improvement of this document. It will also be tasked with making necessary adjustments as warranted.

- All areas integral to sustainable development, project management areas, and the ones in charge of the assets in operation.
- All employees and contractors of the Company are obligated to adhere to these guidelines and uphold their principles in all aspects of their work.

3. Guiding Principles for its application

In accordance with the above, the implementation of this protocol relies on the recognition of both international and national regulatory principles and postulates. The following are pertinent regulations related to the social participation of ethnic communities, with a focus on Prior Consultation, Intercultural Relations, and Human Rights Due Diligence:

Scope	Regulation	Postulate	Content
International	ILO Convention 169 on Indigenous and Tribal Peoples	Responsibility of governments	Article 2 letter b: <i>“promoting the full realization of the social, economic and cultural rights of these peoples, with respect for their social and cultural identity, their customs and traditions, and their institutions.”</i>
International	ILO Convention 169 on Indigenous and Tribal Peoples	Right to Consultation	Article 32.2: <i>“States shall consult and cooperate in good faith with the indigenous peoples concerned through their own representative institutions in order to obtain their free and informed consent prior to the approval of any project affecting their lands or territories and other resources, particularly in connection with the development, utilization or exploitation of mineral, water or other resources.”</i>
International	United Nations Declaration on the Rights of Indigenous Peoples	Right to Consultation	Article 19: <i>“States shall consult and cooperate in good faith with the indigenous peoples concerned through their representative institutions in order to obtain their free, prior and informed consent before adopting and implementing legislative or administrative measures that may affect them.”</i>

Scope	Regulation	Postulate	Content
National	Law 21 of 1991	Right to Consultation	Article 6: "Governments shall consult the peoples concerned, through appropriate procedures and in particular through their representative institutions, when consideration is being given to legislative or administrative measures which may affect them directly; and shall establish mechanisms by means of which the peoples concerned may freely participate to at least the same extent as other sectors of the population."
National	Decree 1320 of 1998	Regulation of Prior Consultation in Colombia	Regulates prior consultation with indigenous and black communities for the exploitation of natural resources within their territory.
National	Presidential Directives 10 of 2013 and 08 of 2020	Regulation of Prior Consultation in Colombia	Establish Prior Consultation as a fundamental right of ethnic communities.
International	ILO Convention 169 on Indigenous and Tribal Peoples	The right to participate in decisions which may affect them.	Article 18: "Indigenous peoples have the right to participate in decision-making in matters which may affect their rights, through representatives elected by them in accordance with their own procedures, as well as to maintain and develop their own decision-making institutions."
International	United Nations Declaration on the Rights of Indigenous Peoples	The right to participate in decisions which may affect them.	Article 5: "Indigenous peoples have the right to maintain and strengthen their distinct political, legal, economic, social and cultural institutions, while retaining their right to participate fully, if they so choose, in the political, economic, social and cultural life of the State."
National	Colombian Political Constitution		Article 330. "The exploitation of natural resources in indigenous territories shall be carried out without prejudice to the cultural, social and economic integrity of the indigenous communities. In the decisions adopted with respect to such exploitation, the Government shall foster the participation of the representatives of the respective communities."

Scope	Regulation	Postulate	Content
	United Nations Declaration on the Rights of Indigenous Peoples	Self-determination	Article 4: <i>“Indigenous peoples, in exercising their right to self-determination, have the right to autonomy or self-government in matters relating to their internal and local affairs, as well as ways and means for financing their autonomous functions.”</i>
National	Colombian Political Constitution	Protection of ethnic and cultural diversity	Article 7: <i>“The State recognizes and protects the ethnic and cultural diversity of the Colombian Nation.”</i>
International	United Nations Guiding Principles on Business and Human Rights	Due Diligence	Article 18.b: <i>“In order to gauge human rights risks, business enterprises should identify and assess any actual or potential adverse human rights impacts with which they may be involved either through their own activities or as a result of their business relationships. This process should: b. Involve meaningful consultations with potentially affected groups and other stakeholders, as appropriate to the size of the business enterprise and the nature and context of the operation.”</i>

Now, within the context of fostering positive intercultural relations from a business perspective, the following principles are outlined as a framework guiding the actions of all direct and indirect collaborators, as well as of third parties contracted by the Company:

- **Good faith:** It entails that the information provided to ethnic communities is authentic, comprehensive, and trustworthy. This means that the information aligns with the intended purpose, contains all relevant details, and avoids any potential for deception or misunderstanding.
- **Identity, integrity, customs, and cultural diversity:** It responds to the purpose of respecting the cultural expressions, values, and cultural practices of indigenous and tribal peoples, as well as other ethnic groups. This involves recognizing the particularities of their language, communication styles, social structures, institutions, beliefs, and rituals. It requires an understanding of the communities’ worldview and aims to conduct interactions in a manner that fosters respectful dialogue and prevents the imposition of arbitrary or dominant positions.
- **Respect:** Ensuring mutual recognition and enforcement of the rights of all parties. This involves recognizing diversity as a valuable asset and reaching consensus on the forms and mechanisms of interaction. It requires incorporating legal conceptions, cultural values, and procedures of ethnic peoples and the Company in a concerted manner, on equal footing, to foster meaningful engagement.
- **Participation:** It is a dynamic process “in which different social forces, depending on their respective interests, intervene directly or through their representatives in the course of collective life in order to maintain, reform or transform the existing systems of the social and political organization.”²

- **Interculturality³**: The concept of interculturality is described as “the presence and equitable interaction of diverse cultures and the possibility of generating shared cultural expressions, acquired through dialogue and an attitude of mutual respect.”

4. Project Development: Phases, Due Diligence and Prior Consultation

In Canacol, the development of its projects is structured around addressing various phases that materialize the viability of the planned scope. A fundamental aspect for decision-making is the identification of ethnic communities within the project’s area of influence. The presence of such communities triggers the activation of the corresponding process related to determining the necessity or appropriateness of prior consultation. In this regard, the following are the phases that a project must follow from the conception through operation to dismantling and closure.

Phase 1	<p>BUSINESS CASE</p> <ul style="list-style-type: none"> • Approach to the territory. • Ethnic reality – Presence. • Consultations offices of Indigenous matters. 	<ul style="list-style-type: none"> • Normalization of existence data. • Map of roads. 	<ul style="list-style-type: none"> • Goods and services. • Compensations.
Phase 2	<p>DAA [Spanish acronym for <i>Environmental Diagnosis of Alternatives</i>]</p> <ul style="list-style-type: none"> • Direct contact with traditional authorities. • Identification of conflicts. • Relevant parties. • Meeting places. 	<ul style="list-style-type: none"> • Definition of area of influence. • Property. • Relocation. 	<ul style="list-style-type: none"> • Sacred sites. • Uses and customs. • Consultation existence of territories.
Phase 3	<p>CERTIFICATION OF APPROPRIATENESS OR INAPPROPRIATENESS OF PRIOR CONSULTATION</p> <ul style="list-style-type: none"> • Meeting of environmental, property, technical and HSE team. <p>BASELINE</p> <ul style="list-style-type: none"> • Mutual knowledge. <p>IMPACT IDENTIFICATION WORKSHOP</p> <ul style="list-style-type: none"> • Free participation without pressure. • Bilingualism. <p>MANAGEMENT MEASURES IDENTIFICATION AND FORMULATION WORKSHOP</p> <ul style="list-style-type: none"> • Free participation without pressure. • Bilingualism. 	<ul style="list-style-type: none"> • Meeting with PC Authority. • Participation guarantee. • Communication tools. 	<ul style="list-style-type: none"> • Formal request. • Terms of the EIS. • Terms of the EIS. • Terms of the EIS.

• 2: https://www.mineducacion.gov.co/1759/articles-177283_recurso_1.pdf, page 1.

• 3: Article 8 of the Convention on the Protection and Promotion of the Diversity of Cultural Expressions (UNESCO, 2005).

Phase 3	PREAGREEMENTS	• Life plans and ethnodevelopment.	• Compensations.	• Shared value.
	PROTOCOLIZATION	• Property agreements.	• Follow-up committees.	• Mechanism for resolution of conflicts and impacts not identified in the consultation.
	CONSTRUCTION	• Social management.	• Environmental management.	• Compliance with compensations.

Phase 4	FOLLOW-UP / SHARED VALUE AND VIABILITY
	CLOSURE / DISMANTLING OF INFRASTRUCTURE

Phase 1 – Business Case

Once the decision is made to structure a business case, the Intercultural Relations and Prior Consultation team will conduct an advance to the project’s area of influence. Their objective will be to implement a Due Diligence model addressing all the relevant variables to ensure stability to the environment. Simultaneously, they will devise an intercultural relationship strategy to prevent any potential impacts on human rights throughout the project’s activities. This process involves identifying both real and potential risks to guarantee legal certainty and establish measurable parameters for the project’s social and environmental viability.

- Identification of possible cultural effects in the territorial scope of ethnic groups and compensations.
- Identification of inter-ethnic conflicts associated with land ownership or representativeness.
- Physical security.
- Goods and services.
- Identification of sites of cultural significance.

Phase 2 – Environmental Diagnosis of Alternatives

During this phase, the transition from a business case to an operational project occurs. The activities undertaken focus on gaining an understanding of the territory through an early intercultural relationship strategy. This involves working with secondary information and conducting preliminary engagements with the territory without intervening with activities within the scope of the project.

- Capex update.
- Definition of the project’s area of influence.
- Presentation of alternatives to the environmental authority.

- Human Rights Impact Study.
- Shared value and viability of the project in operation.

Phase 3 – Prior Consultation and Intercultural Relations

Request to the Directorate of the National Authority for Prior Consultation at the Ministry of the Interior for certification regarding the appropriateness or inappropriateness of the prior consultation. This request should include information from the DAA within the project's area of direct influence, as well as the areas temporarily utilized for construction. The following information should be provided:

- Name of the project, work or activity.
- General characteristics of the project, work or activity (description).
- Geographic coordinates of the area where the project will be carried out.
- Plan of the area of influence of the project, in DWG format.
- Identification of the applicant and notification data.

Once the administrative act certifying the necessity of prior consultation is obtained, the traditional authorities of the ethnic groups to be consulted will be contacted to initiate the consultation process. Due diligence will be applied for communities that have not been certified, ensuring their participation in the preparation of the Environmental Impact Study (EIS) or Environmental Management Plan (EMP) under conditions similar to those of a Prior Consultation process, albeit without the involvement of the Ministry of the Interior. In this scenario, Canacol will ensure the presence of the Office of the Ombudsman or the Office of the Municipal Attorney as guarantors of the rights of the ethnic communities. This measure aims to uphold the rights of the communities and facilitate their meaningful participation in the decision-making process regarding the project's environmental impact.

NOTE: See Annex 8. Document of Guidelines for Participation and Prior Consultation.

Phase 4 - Shared Value and Viability of the Project in Operation

The World Business Council for Sustainable Development (WBCSD) defines inclusive businesses as “economically profitable, environmentally and socially responsible business initiatives that in a mutually beneficial logic incorporate low-income communities into their value chains and improve their quality of life” (WBCSD, 2010). Inclusive businesses must transcend traditional corporate social responsibility and philanthropy by focusing on creating and distributing value for multiple stakeholder groups while considering social and environmental contexts. This concept aligns with Professors Porter and Kramer’s notion of shared value as “the operational policies and practices that increase the competitiveness of a company, while simultaneously improving the social and economic conditions of the communities in which it operates” (M. E. Porter and M. R. Kramer, 2011, “Creating Shared Value”, Harvard Business Review).

The concept of inclusion for businesses must reflect a vision of social inclusion that ensures “all people without distinction may exercise their rights and guarantees, take advantage of their skills and benefit from the opportunities found in their environment” (ECLAC, 2018, Social, economic, and political inclusion of older people), (Unidas, undated).

5. Assurance

The Intercultural Relations and Prior Consultation team will implement a set of due diligence indicators within the intercultural relationship process. These indicators will facilitate the systematization of management activities and enable comparison with international standards regarding human rights and due diligence with ethnic communities.

6. Guidelines for the integration of intercultural relations into the Social Welfare policy and the Social Responsibility Plan

6.1. Guidelines for Intercultural Relations and Prior Consultation

- Understand the local context of ethnic communities in order to foster an effective, efficient, and sustainable relationship.
- Identify in a timely manner the ethnic communities settled in the territory defined as area of influence, either to implement a project or where operations are already being developed.
- Carry out the pertinent consultations with the unit of the Ministry of the Interior in charge of determining the status of the ethnic communities settled in the territory.
- Promote intercultural dialogue based on mutual respect and collaboration where the participation of ethnic communities in decisions that affect them is guaranteed.
- Provide clear, real and accessible information about the activities contained in the project, their possible impacts and the mitigation measures planned by the company.
- Promote respect for compliance with the principles of prior, free and informed consultation.
- Define communication mechanisms and spaces for participation allowing permanent, timely and agile interaction.
- Ensure that all the activities of the business are committed to preventing, mitigating and repairing Human Rights violations.
- Implement effective mechanisms to deal with and resolve conflicts, as well as to follow up on the commitments made during the prior consultation process.
- This protocol and all the guidelines on the matter that have been formalized by Canacol will be part of the contracts entered into with third parties.

The Guiding Principles, recognized as the global standard of conduct that guides States and businesses in their activities, call upon parties to commit to protecting human rights in business contexts; to ensure respect for human rights; and enhance access to effective remedies, both judicial and non-judicial, for individuals impacted by business operations.

6.2. Guidelines for Grievance Mechanisms:

In accordance with the provisions of Canacol's Human Rights Due Diligence document, which incorporates a differential approach for population groups requiring special attention, particularly indigenous peoples, this protocol integrates actions outlined in the Human Rights Remediation Procedure. This framework addresses

negative human rights impacts through the timely management of petitions, requests, complaints, claims, and denunciations from various stakeholder groups within the organization. (See Annex 9, Human Rights Due Diligence Document of CNE Oil & Gas for further details).

This mechanism aims to ensure that affected communities have the opportunity to participate in the decision-making process and that their human rights concerns are effectively addressed.

6.3. Guidelines for Resettlement Requirements:

The principles of prevention and VETO ([Spanish initials for] voluntariness, fairness, transparency, and timeliness) are fundamental in the context of prior consultation for the resettlement of communities affected by projects. To ensure adherence to these principles in the analysis and evaluation of the conditions for defining relocation/resettlement agreements, some key points include:

- **Voluntariness:** It is essential that the relocation or resettlement process be voluntary, ensuring that affected communities participate in an informed manner and are free from external pressures.
- **Fairness:** It must be ensured that all affected parties have equal access to relevant information and decision-making. This involves ensuring that the voices of the most vulnerable communities are heard and considered in the process.
- **Transparency:** Transparency at all stages of the prior consultation process is essential to build trust and ensure that decisions are made in an open and objective manner. Information about the relocation/resettlement agreement, including the criteria used and potential impacts, must be accessible and understandable to all parties involved.
- **Timeliness:** Affected communities must be given the opportunity to actively participate in the planning, implementation, and monitoring of the relocation/resettlement agreement. This involves providing spaces for ongoing dialogue, feedback, and periodic review of the process to address any concerns or changes in circumstances promptly.

The audit and evaluation of the relocation/resettlement agreement must be conducted independently and objectively to uphold the integrity of the process and assess the effectiveness of the measures taken. Additionally, follow-up and accountability mechanisms must be established to ensure that commitments made are fulfilled and that the needs and concerns of the affected communities are adequately addressed.

7. Glossary

- **Ethnic group:** A community determined by the existence of ancestors and a common history. It is distinguished and recognized by shared traditions and rituals, consolidated social institutions, and cultural traits such as language, gastronomy, music, dance, and spirituality, among other elements. The members of an ethnic group are aware of belonging to it, they share among themselves a symbolic burden and a historical depth⁴.
- **Prior Consultation:** The fundamental Right of Ethnic Groups to preserve ethnic and cultural identity when a project, work, or activity intervenes in a territorial area or a territory of collective use. Prior consultation is materialized through the participation of the communities in the identification of impacts and the formulation of cultural management measures in each phase of construction and operation of a project.

- **Intercultural relations:** Establishment of links and relationships with ethnic groups, built on the basis of the recognition of cultural difference.
- **Due diligence and United Nations guiding principles:** Human rights due diligence is defined as an ongoing process by which companies identify, prevent, and mitigate actual or potential negative impacts on human rights, in the context of all their operations and products, and throughout their network of suppliers and business partners.
- **United Nations Declaration on the Rights of Indigenous Peoples. 2007:** “It specifies the collective and individual rights of indigenous peoples, especially their rights to their lands, property, vital resources, territories and resources, to their culture, identity and language, to employment, health, education and to freely determine their political status and economic development.”
 - It does not accept to grant the right to ownership of subsoil resources to indigenous groups. (Political Constitution of 1991, article 332). The State owns the subsoil and the non-renewable natural resources.
 - It does not accept the right to veto projects (Judgment T-129 of 2011), except in particular cases such as: disposal of toxic waste, projects that require their relocation, when they threaten the survival of peoples.
- **Global Compact:** “Promotes the commitment of private sector, public sector and civil society to align their strategies and operations with ten universally accepted principles in four thematic areas: Human Rights, Labor Standards, Environment and Fight Against Corruption, as well as to contribute to the achievement of the Sustainable Development Goals (SDGs).”
- **2030 Agenda for Sustainable Development Goals:** “The 2030 Agenda for Sustainable Development sets out 17 Sustainable Development Goals and establishes 169 integrated and indivisible targets covering the economic, social and environmental spheres. Its purpose is to end hunger, achieve food security and better nutrition, and promote sustainable agriculture.”
- **United Nations Guiding Principles on Business and Human Rights:** “The Special Rapporteur on the human rights and freedoms of indigenous peoples has noted the duty of States and businesses to follow minimum due diligence standards for the guarantee of the rights of indigenous communities, in particular, prior consultation. Specifically, according to the Rapporteur’s reports, there are two types of responsibilities: (a) general duties; and (b) the configuration of the minimum standard for the protection of indigenous communities (due diligence standard). In any case, for the definition of these matters, the following are decisive: (i) the duty of due diligence in the recognition, (ii) the duty of diligence on the lands, territories and natural resources, and (iii) the duty of diligence in consultation incorporated in the aforementioned report. For the Plenary Chamber, by using the standard of due diligence of companies in relation to respect for the rights of Indigenous Peoples, it is possible to determine whether the right to prior consultation of an ethnically differentiated community was violated and, subsequently, to assess the possibility of ordering the corresponding judicial remedy. The parameters of due diligence also make it possible to adapt the actions of the authorities and individuals to the constitutional principles of good faith (Article 83 of the Political Constitution) and legitimate expectations, because they provide stability to the parties involved in relation to the guidelines and criteria that they must follow to comply with the mandates of prior consultation.”

- 4: Taken from: <http://www.culturarecreacionydeporte.gov.co/es/areas-de-trabajo/practicas-culturales/grupos-etnicos>.
- 5: ILO Convention 169.

Annexes

The following are part of this protocol:

1. International Human Rights Standards (United Nations Charter of Human Rights, and other International Treaties).
2. United Nations Guiding Principles on Business and Human Rights.
3. ILO Convention 169 of 1989 on Indigenous and Tribal Peoples in Independent Countries.
4. Law 21 of 1991.
5. Judgment SU 123 of 2018.
6. Due diligence indicators (Spanish Agency for International Development Cooperation (AECID [for its Spanish acronym]) and Regional Center for Latin America and the Caribbean in Support of the United Nations Global Compact, 2016).
7. Policy of Sustainability and Generation of Shared Value of CNE Oil & Gas and affiliates.
8. Guidelines for Participation and Prior Consultation.
9. Human Rights Due Diligence Document of CNE Oil & Gas and affiliates.