



Modern Slavery Statement

May 31, 2024

About this Statement

This Modern Slavery Statement is issued by Canacol Energy Limited and its subsidiaries in accordance with Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act (the "Supply Chains Act") for the reporting period of January 1, 2023 – December 31, 2023.

This Statement is made by Canacol Energy Limited and its wholly owned subsidiaries, collectively the "Reporting Entities". Where this Statement refers to "Canacol", the "Company", "we", "us", or "our", it is a reference to all of the Reporting Entities.

Canacol's Approach to Human Rights

Canacol recognizes that modern slavery is a significant global human rights issue and can take many forms, including human trafficking, forced labor, child labor, domestic servitude, people trafficking, workplace abuse and/or other unethical behavior. We are committed to acting ethically, and with integrity and transparency, in all business dealings and to putting effective systems and controls in place to safeguard against any form of modern slavery within Canacol's business or supply chains. The Company has a zero-tolerance approach to modern slavery and requires its supply chains to comply with this commitment.

Canacol is dedicated to complying with the requirements of Canada's Supply Chain Act and upholding internationally recognized human rights standards. We do not tolerate slavery or

human trafficking in our organization or in those of our suppliers and subcontractors. We hold ourselves to the highest standards and expect all Canacol's employees, contractors, suppliers, and members of the Board of Directors (the "Board") to act with integrity and comply at all times with the letter and spirit of the laws, regulations and rules that apply to Canacol.

To understand our human rights risks we follow a strategic framework to strengthen our ability to assess, address and prevent potential impacts within our Company and across our supply chain, all of which is evidenced below by our substantial policies, procedures, processes, and programs.

Canacol's Comprehensive Human Rights Framework



Structure, Activities and Supply Chains

Canacol is the largest independent gas exploration and production company in Colombia supplying approximately 17% of the country's gas needs. Our assets include producing natural gas fields, a mature crude oil field, and a portfolio of exploration blocks in Colombia and Bolivia.

The Company is headquartered in Calgary, Alberta, Canada and is traded on the Toronto Stock Exchange and the BVC (Colombian Stock Exchange). We have approximately 396 employees worldwide, of which 116 work in the exploration and production segment. In addition, the Company utilizes the services of professionals on a contract or consulting basis as required.

Our business activities span the exploration, development and production of oil and gas. To support these activities, we do business with a wide range of suppliers, sourcing materials and services locally and predominantly from Colombia, Canada and the United States.

Canacol's supply chain strategy is aligned with the highest ESG standards. The supplier evaluation and selection processes adhere to the ISO 14001 standard and to the Company's Environmental Quality Plan.

Canacol maintains its dedication to fostering a dignified and ethical work environment. We achieve this through the implementation of comprehensive policies aimed at preventing workplace and sexual harassment, promoting human rights, enhancing social well-being, and ensuring compliance with Internal Work Regulations, through the Code of Ethics and Business Conduct. Additionally, we prioritize the prevention of forced labor and maintain a

structure of committees focused on fostering coexistence and equity, notably the DEI and Labor Coexistence Committees. To reinforce awareness and understanding of these critical issues, we have instituted an extensive training scheme that extends throughout our value chain.

The Company remains committed to ensuring labor rights across its value chain, conducting thorough audits to uphold our principles and various social criteria. These standards include the presence of plans, programs, and procedures addressing labor participation issues, procurement of local goods and services, responsiveness to Concerns, Requests, Complaints and Claims ("CRCC"), social investment initiatives, and integration of a differential approach and gender considerations. Furthermore, assessments encompass measures related to the hiring of skilled and unskilled labor, selection processes for local contractors and suppliers, risk management strategies concerning local, regional, and national interest groups, as well as information and communication processes with these stakeholders. These audits are instrumental in ensuring alignment with our policies and fostering responsible practices among contractors and subcontractors within our value chain.

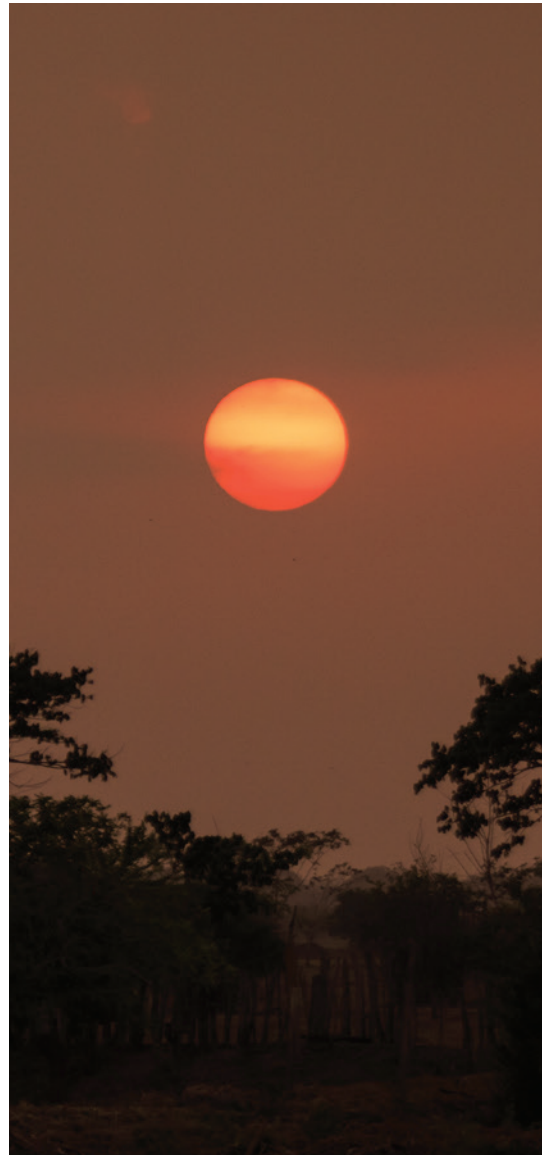
Canacol has identified and addressed social and environmental impacts within its supply chain by implementing strict standards and conducting regular controls. This includes compliance audits and ongoing monitoring of supplier commitments on a weekly basis.

Evaluations are comprehensive, encompassing criteria such as quality, quantity, and safety in production and delivery, aligning with Canacol's

standards and the minimum requirements set by labor and environmental legislation. These standards include ISO 9001, ISO 14001, and ISO 45001, as well as ensuring compliance with the Company's Anti-Corruption Policy.

We have a human rights section on our supplier and contractor procurement platform to ensure compliance with all national and international standards before initiating any contractual relationship. Compliance achievements by our suppliers include:

- Implemented principles for eradication of child and forced labor.
- Implemented respect for human rights, refraining from engaging in labor exploitation or threats.
- Implemented Human Rights, Diversity, Equity, and Inclusion Policies, along with measures to prevent workplace and sexual harassment.
- Established committees dedicated to workplace coexistence and gender equity.
- Created complaint channels to address any labor risks related to human rights.



Governance Structure

Canacol is governed by its Board, which approves the Company's strategy, governance policies, and assesses its sustainability and financial performance. The governance policies and strategy are formulated to ensure that Canacol conducts its business and operations

in a transparent and ethical manner, while generating value for its stakeholders. The policies enacted by Canacol are applicable to all employees, contractors, and suppliers.



Policies and Due Diligence Processes

The following policies are aimed at mitigating modern slavery risks within Canacol's operations:

Human Rights Policy

Canacol has a Human Rights Policy approved by the highest management level of the Company. This Policy reflects Canacol's commitment to the respect, protection, and promotion of human rights. It is applicable and disseminated to all employees, contractors, partners, and suppliers who are associated with the Company. The objective is to extend our principles within the scope of their projects, operations, and activities.

Canacol firmly rejects any form of (i) human trafficking; (ii) forced labor; (iii) child labor; and (iv) discrimination.

The Company also upholds and advances (i) freedom of association; (ii) equal pay; and (iii) protection of special groups, including women, children, adolescents, individuals with

disabilities, ethnic communities, and migrant workers, among others.

Human Rights Manual

The Human Rights Manual provides clear guidelines for managing and promoting human rights, encompassing both the respect for individuals' rights within the Company's operations and the promotion of best practices in human rights.

Human Rights Due Diligence Process

Canacol's Human Rights Due Diligence Process outlines guidelines for identifying, avoiding, and resolving potential or actual risks related to human rights.

In accordance with the United Nations Guiding Principles on Business and Human Rights, companies are required to institute a process of Human Rights Due Diligence. This aims to

identify, mitigate, and address the adverse impacts of their activities on human rights. The due diligence process consists of five components: i) Institutional commitment; ii) Identification of impacts and opportunities; iii) Management of impacts and opportunities; iv) Performance monitoring; and v) Remediation of impacts.

At Canacol, we have established a Due Diligence Process based on an assessment of human rights risks and opportunities. This Process is designed to identify gaps and assess the impacts concerning the implementation of the Company's procedures and policies.

In this context, Canacol periodically conducts a detailed evaluation of each of the five components listed above. The aim is to offer recommendations that bolster the identification of risks and opportunities as well as the assessment of potential and existing impacts. These insights are then incorporated into the Company's integrated management system.

Integral Ethics, Compliance and Anti-Corruption System

The Integral Ethics, Compliance and Anti-Corruption System is based on Canacol's principles and values, which are proof of the Company's commitment to maintain the highest ethical standards in the development of its business. The System is composed of i) a manual of policies for Money Laundering, Financing of Terrorism and Financing for the Proliferation of Weapons of Mass Destruction - SAGRILAF; ii) the Transparency and Business Ethics Program; and iii) the Code of Ethics and Anti-Corruption.

Code of Ethics and Business Conduct

Canacol's Code of Ethics and Business Conduct outlines principles to which the Company's employees and officers are expected to adhere

to in the conduct of the Company's affairs. This Code sets forth principles regarding responsibilities to all employees, the public and other stakeholders. It applies equally to all permanent, contract, secondment and temporary agency employees who are on long term assignment with the Company, as well as to consultants. Any violations of this Code or any other policies established by the Company may result in disciplinary action, up to and including termination of employment or service.

Suppliers Code of Conduct

The standards we hold for our suppliers are laid out in our Suppliers Code of Conduct and applies to all Canacol suppliers. As such, it is an integral part of the contract that contains the terms and conditions that regulate the link between the suppliers and Canacol. It specifies that Canacol suppliers develop a code of conduct or ethical and sustainability practices with their own contractors in order to do business with Canacol.

Procedures

Expanding upon the framework for the integration of human rights within Canacol, the Company has also established the following procedures:

Management of Human Rights Complaints

Delineates the steps for addressing human rights complaints received through Canacol's communication channels.

Human Rights Remediation

Provides guidelines for effectively addressing human rights violations and devising strategies to mitigate and transform negative situations within the Company's operational context.

Security and Human Rights

Establishes clear guidelines governing Canacol's interactions with entities responsible for public and private security.

Risk Identification and Management

Introduces a process for identifying and proactively managing human rights-related risks and opportunities within the Company.

Land Management and Human Rights

Sets forth guidelines to ensure that all business activities, particularly those related to land acquisition, use, and associated operations, are conducted with the utmost respect for human rights.

Collectively, these procedures constitute a robust and comprehensive framework through which Canacol demonstrates its unwavering commitment to the integration of human rights protection and to avoid any form of modern slavery.

Identifying Risks and Opportunities and Assessing Effectiveness

We are committed to raising awareness among our stakeholders about the critical importance of respecting, preventing, protecting, and remedying human rights in Canacol's daily operations. We emphasize that this commitment applies to all areas, operations, and assets of the Company.

Our human rights management efforts in 2023 focused on further enhancing: i) due diligence, ii) a culture of education and respect for human rights involving all of our stakeholders and iii) the identification of human rights risks and opportunities. This process enabled us to proactively prevent possible human rights violations and to anticipate necessary mitigation measures in the event of any future occurrence.

In 2023, a total of 36 workshops were conducted to identify and correlate risks and

opportunities in human rights. These workshops aimed to review the fundamental aspects of human rights due diligence, aligning with the United Nations Guiding Principles on Business and Human Rights. Additionally, these sessions focused on associating human rights-related risks with preventative and mitigation strategies, employing a comprehensive due diligence approach.

Canacol evaluates modern slavery and human rights as part of our on-going commitment to the highest ethical standards and will continue to review, reassess, and further develop our anti-slavery policies and programs not only to ensure compliance with the law but also to ensure that we fulfill our Company's core values.

Training

In the framework of Canacol's commitment to human rights and the promotion of behavior with the most ethical of standards, the Company's stakeholders, including employees, contractors, and communities participate in annual training in human rights and ethical conduct. The objective of these training sessions is to promote a culture of education and respect for human rights within the Company, extending to all of our collaborators.

Additionally, Canacol employees are required to take online courses throughout the year dealing with human rights, the prevention of forced labour and child labour, health and safety at work and the prevention of workplace harassment.

Concerns, Requests, Complaints and Claims

Canacol's CRCC system provides open and available channels for all stakeholders to submit complaints and grievances, including those related to human rights.

This system also considers complaints raised by suppliers or community members. Our reporting mechanisms can be accessed through confidential channels such as the intranet, email and the ethics hotline, all of which are governed by a non-retaliation framework and guidelines.

The channels are managed by an independent company and are available 24 hours a day, 7 days a week from any location worldwide.

Annually, the Company conducts campaigns to enhance their credibility as independent, anonymous, confidential, and secure channels aimed to empower employees, customers, contractors, and stakeholders to report possible actions or violations of human rights.

Remediation Measures

We believe that the risk of modern slavery in our operations is low due to policies and practices aligned with our strong corporate values and ethics and as such, as of the date of this report, the Company has not undertaken any measures to remediate any actions or to remediate the loss of income to the most vulnerable families that resulted from any measure taken to eliminate the use of forced labour or child labour. However, Canacol's management team consistently

assesses these risks and should a situation of non-compliance be identified, the Company will work to immediately develop and implement a corrective plan to remedy the issue.

Our Standards

Canacol enforces its procedures and policies in human rights, adhering to the United Nations Guiding Principles on Business and Human Rights, the principles of the United Nations Global Compact, and the Voluntary Principles on Security and Human Rights.

Canacol also takes its direction from the principles and rights enshrined in several crucial international documents. These include the Universal Declaration of Human Rights, the International Covenants on Civil and Political Rights, as well as on Economic, Social and Cultural Rights, the eight conventions of the International Labor Organization (ILO), the Declaration of the ILO on Fundamental Principles and Rights at Work, the United Nations Declaration on the Rights of Indigenous Peoples, the Convention on the Elimination of All Forms of Discrimination against Women, the Convention on the Rights of the Child, the ILO Convention 169 on Indigenous and Tribal Peoples and other

principles and rights established in the domestic laws of the countries where the Company operates.

Additionally, the Company discloses information regarding modern slavery and human rights transparently through its annual ESG Integrated Report and Human Rights Report.

We expect all suppliers, employees, and contractors to adhere consistently to applicable laws, rules, and regulations of any governmental or regulatory body, including those relating to modern slavery.

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Approval For This Statement

This Statement was approved by the Board of Canacol for all Reporting Entities and has been submitted to the Minister of Public Safety and Emergency Preparedness in Canada. This Statement is also available on our website at www.canacolenergy.com

In accordance with the requirements of the Supply Chains Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in this Statement for

Canacol. Based on my knowledge and having exercised reasonable diligence, I attest that the information in this Statement is true, accurate and complete in all material respects for the purposes of the Supply Chains Act, for the reporting period listed above.



Charle Gamba
President and Chief Executive Officer

Date: May 31, 2024

I have the authority to bind Canacol.