



Human Rights Report 2023

Message from the CEO

In 2023, Canacol Energy (referred to as “the Company” or “Canacol”) made significant strides in promoting, protecting, and respecting human rights. We recognize our important role in fostering a proactive culture of best practices in human rights and we are proud to have achieved excellent results in the area.

We continue to enforce our Human Rights Policy grounded in the principles of the United Nations Global Compact, the Guiding Principles on Business and Human Rights, and the Voluntary Principles on Security and Human Rights, among others. These policies, coupled with our dedication to promoting and respecting human rights, foster equality, empathy, and solidarity among our stakeholders. This includes our collaborators, contractors, law enforcement agencies, and local communities, empowering them to understand and apply these fundamental principles.

As agents of change, we possess the capability to identify risks and opportunities inherent in our operations, through a due diligence process. This enables us to proactively prevent possible human rights violations and anticipate necessary mitigation measures in the event of their occurrence.

Our commitment to human rights has yielded tangible results, as evidenced by our improved performance in the Corporate Sustainability Assessment (CSA) conducted by S&P Global Sustainable¹. In 2023, we achieved a notable increase of 3 points compared to the previous year. Over the past three years, our dedication and strategic actions have propelled us to a 59 point increase, culminating in a total score of 87 in the human rights section.

We reiterate our commitment to this task and invite all stakeholders to join us in fortifying a culture of education and respect for human rights across all facets of the Company’s actions and operations.

Sincerely,

Charle Gamba

President and Chief Executive Officer

Our Commitment

We are committed to raising awareness among our stakeholders about the critical importance of respecting, preventing, protecting, and remedying human rights in our 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 our stakeholders; and (iii) the identification of human rights risks and opportunities.

This Report provides a summary of the primary human rights initiatives undertaken during the year.



Human Rights Management

Due Diligence

Theoretical and practical workshops on identification and association of risks and opportunities in human rights

In 2023, a total of 36 theoretical-practical 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, the sessions focused on associating human rights-related risks with preventive and mitigation strategies, employing a comprehensive due diligence approach.

Risk and opportunity management format

In 2023, the Company updated the Risk and Opportunity Management Format. As part of enhancing the identification and correlation of risks and opportunities, three new columns were incorporated, specifically addressing the impact on human rights.

The update was prompted by the necessity to recognize the potential impact on human rights within the risks identified by each department of the Company. The matrix now includes a drop-down list featuring the following rights:

Human rights at risk of being affected

1. Right to freedom (of religion, thought, association, opinion, expression, and assembly)
2. Right to security
3. Right to life
4. Right to health
5. Right to food
6. Right to adequate water supply
7. Right to clean air and environment
8. Right of access to effective remedies
9. Right to move freely
10. Rights of indigenous peoples
11. Right to strike
12. Right to work and to enjoy fair and favorable working conditions
13. Right to education

14. Rights of children
15. Right to participate in public affairs
16. Right to private property and/or decent housing
17. Right not to be subjected to torture, cruelty, inhumane, and/or degrading treatment or punishment
18. Right to privacy

This list is not exhaustive. If you believe that another human right not included may be violated or affected, you can select the “other” option and specify it when completing the matrix.

Similarly, if you determine that a risk, once identified, does not have any impact on human rights, you can choose the option “not applicable” and specify it when completing the Format.

Once a risk is identified and associated with a human right, the respective areas must design a treatment, control, and/or prevention plan to mitigate the likelihood of the risk materializing. Additionally, contingency or mitigation plans must be developed in case the risk does materialize.

Dashboard for control and monitoring of risks and opportunities associated with human rights

In 2023, a Dashboard for the Control and Monitoring of Risks and Opportunities Associated with Human Rights was developed. This tool aims to provide for effective and efficient support in monitoring the areas that have identified risks and/or opportunities linked to human rights.

The Dashboard offers several advantages: 1) Observation of the processes and subprocesses involved; 2) Assignment of a level of criticality to the risk and/or opportunity; 3) Tracking of prevention plans on a quarterly basis; 4) Measurement of the effectiveness of prevention plans; (5) Assessment of progress in the implementation of the prevention plans; 6) Visualization of whether identified risk materialized during the evaluated quarter; 7) Monitoring of mitigation plans; 8) Evaluation of the effectiveness of mitigation plans if a risk has materialized; 9) Assessment of progress in the implementation of mitigation plans; 10) Establishment of strategies and commitments per quarter with each process and subprocess involved; 11) Assignment of a person responsible for executing the plans; and 12) Assignment of a person responsible for monitoring the plans.

The Dashboard was socialized with the human rights liaisons of each area of the Company.

Complaints

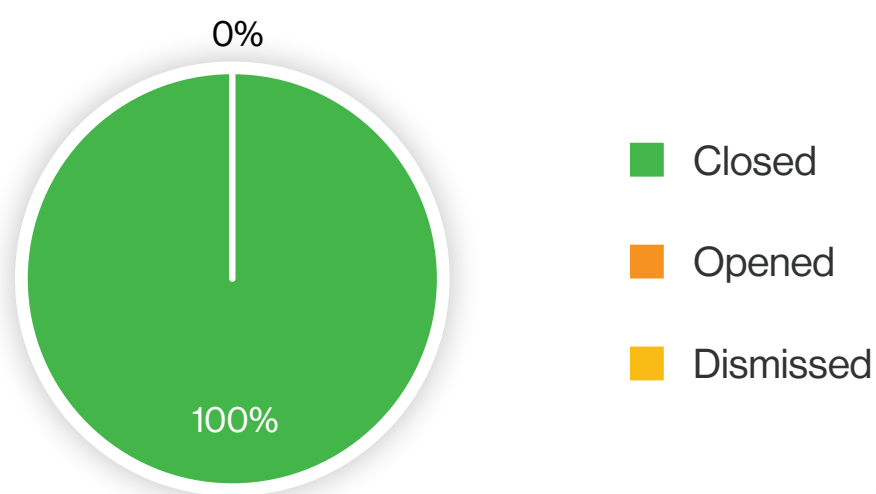
The Company has an independent whistleblowing line for all matters concerning human rights, ethics and compliance, and protection of personal data.

During 2023, we conducted a campaign to enhance the credibility of the whistleblowing line as an independent, anonymous, confidential, and secure channel. This campaign aimed to empower employees, customers, contractors, and stakeholders to report possible actions or violations of human rights that could impact the interests of Canacol and/or its stakeholders.

Throughout 2023, 5 complaints related to human rights were received. These complaints were addressed in accordance with the Human Rights Complaints Management Procedure and were closed after analysis, as they were not deemed to be human rights violations or were lacking of information to initiate a formal investigation.

The whistleblowing line is managed by Resguarda, an independent company, which receives the complaints and forwards them to the appropriate individuals within the Company. Those responsible for receiving complaints can manage them and initiate the process of gathering information and evidence through the platform.

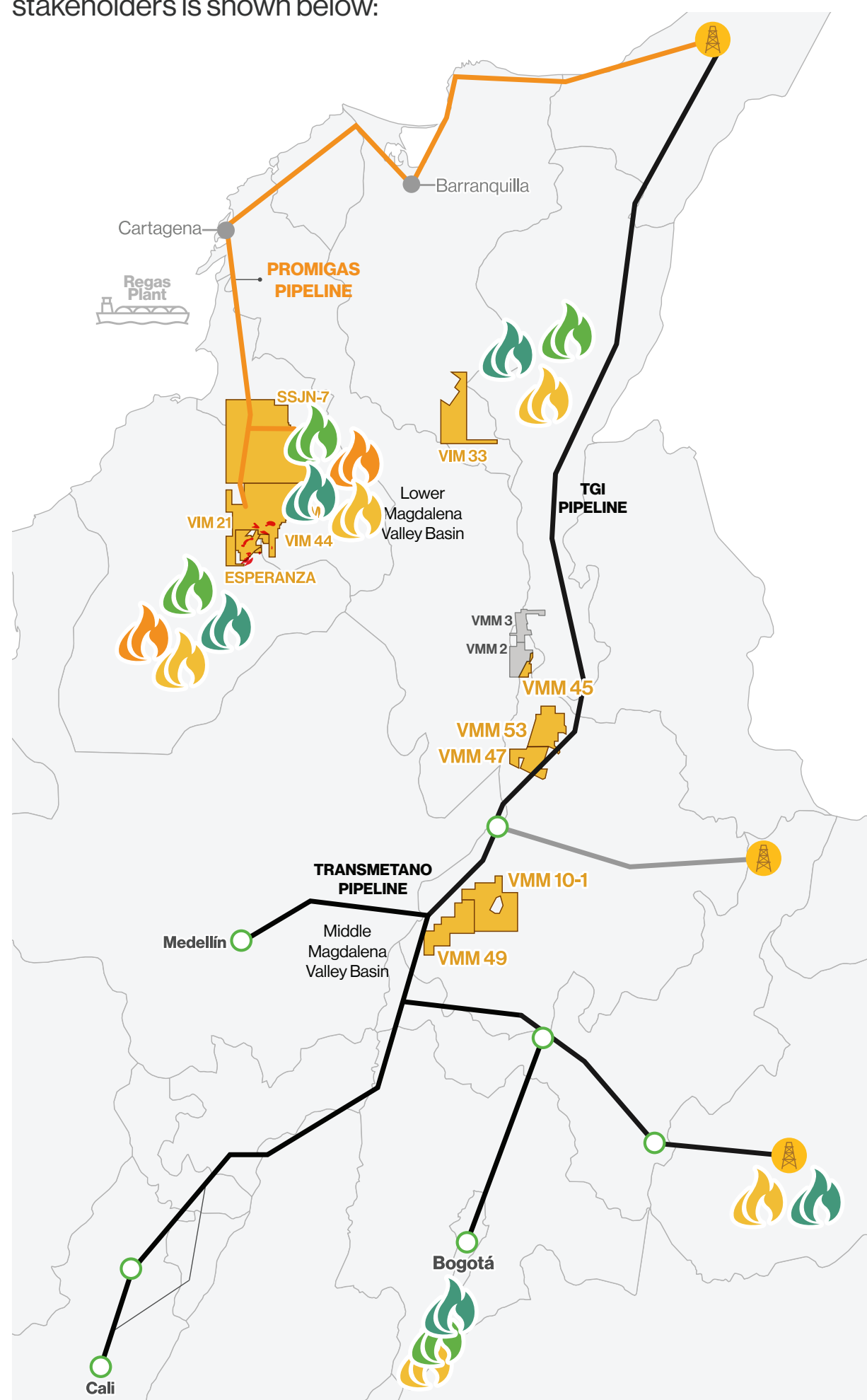
Total Complaints: 5



Education and training activities

In the framework of our commitment to human rights training, our stakeholders, including employees, contractors, communities, and public forces, underwent training during the year. The objective of these training sessions is to continue to promote a culture of education and respect for human rights within the Company, extending to all of our collaborators.

One of the main achievements of the Company in 2023 was the increase in the number of people trained compared to previous years. A total of 1,868 individuals underwent training during the fiscal year. The variation specified by stakeholders is shown below:



Public forces and private security

- Carried out onsite
- Bogotá D.C, Sucre, Cordoba and Cesar

Workers

- Carried out onsite
- Bogotá D.C, Sucre, Cordoba, Casanare and Cesar

Communities

- Carried out onsite
- Sucre and Cordoba

Contractors

- Carried out virtually
- Bogotá D.C., Sucre, Casanare and Cesar

Stakeholders	# of people
Collaborators	510
Contractors	909
Public forces and private security	284
Communities	165
Total	1,868

It is important to note that in 2023, the Company conducted its first human rights training sessions with communities in the areas of influence.

Collaborators

Three training sessions were conducted for all Company employees on topics relevant to human rights: i) Due diligence, ii) Prior consultation, and iii) Women's rights.

Training	Number of people	Number of hours per person	Total hours
Due diligence	213	2	426
Prior consultation	92	2	184
Women's rights	92	2	184

Additionally, our employees are required to take courses on the C+ Platform periodically. This platform serves as a digital tool for training on human rights, health and safety at work, and operational issues, among others. The objective of the courses related to human rights is to reinforce knowledge of human rights and the Company's policies on topics such as DEI, prevention of workplace harassment, and commitment to human rights, among others.

Training	Number of people	Number of hours per person	Total hours
Workplace harassment C+	123	0.7	86
Corporate induction	171	1.6	274
Diversity, equity & inclusion program	371	0.6	223
Corporate reinduction	403	0.6	242

Contractors

Three training sessions were conducted with the contractors of the Company:

Topic	Content
Canacol's instruments and tools for the protection of human rights	Policies, standards, and best practices of the Company
Due diligence in human rights	Management of actual and potential risks, the components of due diligence, and the commitment to maintain it throughout the supply chain
Responsibility of contractors regarding human rights	Respect for national laws and international treaties on the matter

All contractors received training on the following topics: i) The Company's instruments and tools for the protection of human rights; (ii) Corporate human rights policies, (iii) Human rights due diligence, and (iv) Responsibility of contractors regarding human rights.

Public forces

We conducted 14 face-to-face and virtual training sessions for the Military and Police Forces, covering topics such as: i) Application of human rights in operations, ii) International humanitarian law, and iii) the Voluntary Principles Initiative.

Additionally, we provided training to our private security contractors in the field, emphasizing the importance of recognizing human rights issues during the operations and in the normal course of their duties. The training sessions were conducted in our areas of influence, with 100% of our contractors trained in Sahagún and San Martín.

Department	Municipalities	Attendees
Córdoba	Montería	Military, police, and private security contractors
	Sahagún	Military and police
	Pueblo Nuevo	Police
Sucre	Sincelejo	Police
	San Marcos	Police
	San Benito Abad	Police
	La Unión	Police
	Caimito	Police
	Morroa	Military and police
	Corozal	Military and police
Córdoba	Aguachica	Military and police
	San Martín	Military, police, and private security contractors

Training	# of people	# of hours per person	Total hours
Montería	28	2	56
Sahagún	38	2	76
Pueblo Nuevo	7	2	14
La Unión, Caimito, San Benito Abad and San Marcos	26	2	52
Sincelejo and Corozal	92	2	184
Morroa	9	2	18
Aguachica	66	2	132
San Martín	18	2	36

Communities

Three face-to-face training sessions were conducted with the communities of Rodania, Santa Inés, and Piñalito, with a total of 165 participants. The training topics included: i) Community human rights, ii) Women’s rights and empowerment, and iii) Children’s rights.

Community	Number of people		Number of hours per person	Total hours
	Adult	Children		
Rodania	37	0	3	111
Santa Inés	44	47	3	273
Piñalito	25	12	3	111

Communication campaign

In 2023, we initiated a campaign based on the SDGs, aimed at raising awareness among Company employees about the importance of integrating human rights into our daily activities, recognizing that this issue is a collective responsibility. The campaign underscores the SDG’s mission to address pressing societal challenges, including climate change, armed conflicts, strained health and education systems, discrimination, resource scarcity, and more. These goals serve as a catalyst for action to eradicate poverty and inequality, safeguard the environment, and ensure universal access to health, justice and prosperity. The fulfilment of the SDGs is essential to ensure that no individual is left behind.

We conducted a comprehensive review of the 17 SDGs, highlighting four key elements for each goal: 1) Assessment of the current situation; 2) Identification of the primary causes impacting the goal; 3) Strategies for achieving the goal; 4) Actions undertaken by our Company to contribute to the solution.

Below is the timeline we established for assessing each goal.

Month	Item
February	▶ Understand the SDGs
March	▶ Goal 1: No poverty
	▶ Goal 2: Zero hunger
	▶ Goal 3: Good health and well-being
April	▶ Goal 4: Quality education
May	▶ Goal 5: Gender equality
	▶ Goal 6: Clean water and sanitation
June	▶ Goal 7: Affordable and clean energy
July	▶ No item

August	<ul style="list-style-type: none"> ▶ Goal 8: Decent work and economic growth ▶ Goal 9: Industry, innovation, and infrastructure
September	<ul style="list-style-type: none"> ▶ Goal 10: Reduced inequalities
October	<ul style="list-style-type: none"> ▶ Goal 11: Sustainable cities and communities ▶ Goal 12: Responsible production and consumption
November	<ul style="list-style-type: none"> ▶ Goal 13: Climate action ▶ Goal 14: Underwater life ▶ Goal 15: Life on land
December	<ul style="list-style-type: none"> ▶ Goal 16: Peace, justice, and strong institutions
January	<ul style="list-style-type: none"> ▶ Goal 17: Partnership for the goals ▶ Review of the 17 SDGs

Liaisons

The Liaisons serve as collaborators responsible for the transmission, promotion, and verification of human rights processes within the Company’s various areas. Additionally, they play an important role in supporting the due diligence process by identifying risks associated with human rights. This strategy stems from the recognition of the necessity for the human rights area to benefit from technical support provided by individuals specialized in different areas. These liaisons possess a deeper understanding of the risks associated with specific projects, enhancing the efficacy of our human rights initiatives.

In 2023, all liaisons underwent training covering: i) Due diligence, ii) Management of risks and opportunities in human rights, and iii) Management of the Dashboard for Control and Monitoring.

Voluntary Principles Initiative

The Voluntary Principles Initiative is a multi-stakeholder initiative comprising of non-governmental organizations, governments, and companies in the extraction, harvesting, and natural resources development sectors. Its objective is to promote the application of security principles in operations and respect for human rights, thereby improving the quality of life of affected communities.

In 2022, Canacol was accepted as an “engaged member” of the Voluntary Principles Initiative. In 2023, we delivered our first verification presentation, providing an overview of Canacol’s operating context and the unique aspects of our operational areas. We presented the actions undertaken in recent years to implement the Voluntary Principles Initiative within the Company. This included an account of the guidelines, policies, and procedures employed in human rights due diligence, along with highlighting various activities related to security and community relations.

In 2025, Canacol plans to present its first implementation report, incorporating the recommendations provided by the members of the Voluntary Principles team following the verification presentation.

Conclusions

Considering the above, we emphasize the following key achievements attained in 2023:

- Increased our Corporate Sustainability Assessment rating by 3 points compared to 2022, achieving a score of 87/100 and ranking in the 99th percentile in human rights. This places the Company third among oil and gas sector companies world wide.
- Received recognition for exemplary human rights practices from the Global Compact in the category “Policies and Commitments to Respect Human Rights” for the initiative “Canacol: A Culture Focused on the Respect and Guarantee of Human Rights”.
- Successfully completed the verification presentation as “engaged member” of the Voluntary Principles Initiative.
- No human rights violations reported during the year.
- Addressed and closed five complaints related to human rights received through our independent whistleblowing line.
- Raised awareness among all employees about the importance of the SDGs, encouraging actions contributing to their achievement.
- Updated the Company’s Risk and Opportunity Management Format.
- Conducted 36 theoretical-practical workshops on identifying and associating risks and opportunities in human rights with all areas of the Company.
- Achieved 100% employee training on human rights.
- Increased contractor training on human rights by 25%, compared to 2022.
- Provided training to 284 members of the public forces and private security contractors in the departments of Córdoba, Cesar, and Sucre.
- Conducted inaugural human rights training sessions with communities in Córdoba and Sucre.

In 2024, Canacol will maintain its commitment to uphold and promote human rights within its business operations. We will continue to prioritize the enhancement of corporate due diligence, reinforce institutional commitment, and foster a culture of education and respect for human rights.