

OUR PROCESSES ARE ALIGNED WITH THE HIGHEST ESG AND HUMAN RIGHTS STANDARDS

Our commitments (business policies), processes and protocols are aligned with the International Financial Corporation (IFC) [Performance Standards on Environmental and Social Sustainability](#) and the requirements for investors and banks established in the [Equator Principles](#) and the [UN Principles for Responsible Investment](#); we conduct due diligence on all our activities, aligning our conduct with the [OECD Due Diligence Guidance for Responsible Business Conduct](#), as well as the [OECD Guidelines for Multinational Enterprises](#) and the [OECD Due Diligence Guidance for Meaningful Stakeholder Engagement in the Extractive Sector](#).

On physical security issues, our processes are aligned with the [Voluntary Principles on Security and Human Rights](#) and the [IFC Good Practice Handbook: Use of Security Forces](#).

Human Rights Due Diligence



ANALYSIS OF SOCIAL AND ECONOMIC IMPACTS

In the design of any project or for the realization of any operation, impact analyses are carried out on all issues, including social, environmental, legal, human rights, physical security and others, to identify potential impacts from the outset and determine prevention, mitigation, contingency and compensation mechanisms.

When starting any of our operations, we develop a socio-environmental baseline, a complete description of the project to be implemented, an impact assessment and an economic assessment of environmental impacts that account for the sensitivity of the area, and from them the Environmental Authority has objective criteria to decide whether or not to authorize the execution of the project establishing measures to prevent, mitigate and compensate environmental impacts. There is also strict surveillance and supervision by different government agencies at national and regional levels to verify compliance with environmental processes.

All these processes are part of a management system that is under constant scrutiny and movement to adapt in time, context, stage, political, social and environmental changes, among others.

- IFC Performance Standard 1.
- OECD Due Diligence Guidance for Responsible Business Conduct.
- Equator Principles – Principles 2 & 4.
- Principles of Responsible Investment – Principle 3
- UN Guiding Principles on Business and Human Rights.
- [Global Compact](#) – Principles 1, 2, 7, 8 & 9





ANALYSIS OF IMPACTS ON HUMAN RIGHTS

In 2022, for our blocks in Putumayo we conducted an analysis of Human Rights impacts supported by [Fundación Ideas para la Paz](#), a reputable civil society organization and expert on such issues.

In 2023 we are carrying out the analysis of Human Rights impacts in blocks in Llanos (Casanare and Meta departments) and Ecuador, and will have the support of [Trust Consultores](#) and CREER, the [Centro Regional de Empresas y Emprendimientos Responsables](#), respectively.

Analyses are conducted on all internationally recognized human rights, including Civil and Political Rights, Economic, Social and Cultural Rights, and Environmental and Collective Rights.

Communities, local, regional and national government agencies, workers, contractors and service providers, Civil Society Organizations and Non-Governmental Organizations participate in the processes of making the reports.

With the responsible areas of our Company, we create actions, processes and projects to better manage the most relevant issues that arise from the analysis, and include them in the social and environmental management plans when appropriate.

- IFC Performance Standard 1.
- OECD Due Diligence Guidance for Responsible Business Conduct.
- Equator Principles – Principles 2 & 4.
- Principles of Responsible Investment – Principle 3
- UN Guiding Principles on Business and Human Rights.
- [Global Compact](#) – Principles 1 & 2.



INFORMATION, PARTICIPATION AND COMMUNICATION WITH STAKEHOLDERS AND RIGHTS HOLDERS

The process of communication with stakeholders begins the moment we arrive in territories.

We have various spaces for information, socialization and participation in the territories where we operate and that are held annually. In these spaces we report progress of projects, results, social investment projects and challenges, among others.

The potential social, environmental and economic impacts of any project are communicated through a meaningful and bidirectional relationship that starts from making a baseline.

With stakeholders, rights holders and communities in the areas of influence we make prevention, mitigation and compensation mechanisms from the moment we start making the Environmental Impact Study.

We communicate and openly discuss environmental impact studies on at least 3 occasions with all stakeholders, rights holders and communities in the areas of influence, as part of the terms of reference of the licensing processes.

We have a grievance mechanism called Cuéntame that is open to all stakeholders and is easily accessible by telephone, WhatsApp, offices, email or through our Nature and Neighbors staff.

The information provided by our stakeholders, particularly our neighbors, is constantly incorporated into our risk analysis and management processes.

- IFC Performance Standard 1.
- OECD Due Diligence Guidance for Responsible Business Conduct.
- Equator Principles – Principles 2 & 6.
- Principles of Responsible Investment – Principle 3
- UN Guiding Principles on Business and Human Rights.
- Global Compact – Principles 1 & 2.





RELATIONSHIP

We are a Company that always relates transparently, respectfully and meaningfully with all our stakeholders: rights holders, communities, indigenous communities, Human Rights defenders, civil society organizations, academia, multilateral organizations, non-governmental organizations, local, regional and national government agencies, partners, contractors and service providers, Armed Forces and Police, media, investors and, of course, our workers.

The relationship processes cover all the topics of interest of the group or person.

Our relationship with employees and contractor workers is based on respect for diversity and inclusion. We comply with national standards and also apply standards that seek to prevent any negative impact on labor rights, as well as incentivize positive impacts. All our contractors must abide by the same processes for hiring and managing their employees and we conduct monthly evaluations to verify compliance with labor and workplace safety issues. Similarly, we highlight the realization of comprehensive induction processes to all our contractors that cover our social commitments, relationship with neighbors, environmental, safety, labor, human rights, compliance, and industrial and physical safety.

- IFC Performance Standards 1, 2, 4 and 7.
- IFC Good Practice Handbook: Use of Security Forces.
- OECD Guidelines for Multinational Enterprises.
- OECD Due Diligence Guidance for Responsible Business Conduct.
- OECD Due Diligence Guidance for Meaningful Stakeholder Engagement in the Extractive Sector.
- Equator Principles – Principles 2, 5 & 6.
- Principles of Responsible Investment – Principle 3
- UN Guiding Principles on Business and Human Rights.
- Voluntary Principles on Security and Human Rights.
- [ILO Declaration on Fundamental Principles and Rights at Work.](#)
- [ILO Convention 169 on Indigenous and Tribal Peoples.](#)
- Global Compact – Principles 1, 2 & 6.



SECURITY RISK ANALYSIS

We perform bidirectional risk analysis with the Armed Services on a block-by-block basis, allowing us to foresee potential impacts and risks for our employees, contractors and service providers, neighbors and operations and thus prevent or mitigate impacts.

All our private security contractors are trained in Security and Human Rights, and Voluntary Principles.

We report any act or fact that contravenes national laws, Human Rights or principles of International Humanitarian Law to the responsible government authorities.

UNDER NO CIRCUMSTANCES DO WE RELATE WITH ILLEGAL ARMED GROUPS.

- Voluntary Principles on Security and Human Rights.
- IFC Good Practice Handbook: Use of Security Forces
- OECD Guidelines for Multinational Enterprises.
- IFC Performance Standard 4.





CLIMATE CHANGE

Since 2021 we have had a comprehensive emissions reduction strategy that aims to reduce the emissions intensity of operations by 35-40% by 2025, by 40-60% by 2030 and reach zero carbon emissions by 2050.

In 2022 we reduced Scope 1 and 2 emissions by 284KtonCO₂e, a decrease of more than 100KtonCO₂e from the 2021 inventory, translating into a reduction of approximately 30% in emissions intensity to 12.6 kgCO₂e/boe. The figures show that we remain on track to achieve our target of reducing emissions intensity by 40% by 2025.

- IFC Performance Standard 6.
- OECD Guidelines for Multinational Enterprises.
- Equator Principles – Principles 2, 3 & 4.
- Principles of Responsible Investment – Principle 3
- Global Compact – Principles 7, 8 & 9.
- Task Force on Climate Related Financial Disclosures – [TCFD](#) -



INDIGENOUS COMMUNITIES

With indigenous communities, we implement differentiated processes of relationship, communication, participation and information, impact analysis and due diligence.

During the consultative and development phase of the Environmental Impact Study, we build baselines for the sociocultural knowledge of indigenous peoples, we carry out participative impact assessment processes with the peoples and establish management measures for each of them, we train and educate our team to understand and act in accordance with our differential approach and respect for the cosmovision, customs and beliefs of the neighboring ethnic communities and we reinforce the capacities of the Nature and Neighbors team, involving an expert and providing specialized advice to ensure due diligence and a differential relationship in the territory.

We respect and promote processes of prior consultation led by the State and contribute and participate in them actively and in good faith, coordinating from the beginning with the agency or entity in charge of the realization of the process.

From our arrival in any territory, we build a respectful relationship with a differential approach with indigenous communities. We seek to build joint visions that allow us to implement actions for the prevention and mitigation of social and environmental impacts in the short, medium and long term and in turn, undertake development initiatives aligned with the life plans of these communities.

In addition to the prior consultation process, in our process of socialization, communication and constantly sharing information with stakeholders, we help guarantee the effective participation of ethnic communities through their institutions and own forms of organization in all matters that may affect their dynamics and culture, in order to define actions that mitigate the impact of our activities on their cultures, environment, traditions, uses and customs.

We analyze social, economic and environmental impacts through our forward management process, from the moment of our arrival in the territory. In this we also use the differential approach to identify the impacts on indigenous communities and agree with them on prevention, mitigation and compensation mechanisms.

In prior consultation processes led by the Government, there is a translator chosen by the community; information is delivered in advance so that it can be studied by the communities with sufficient time; infographics and other simple information mechanisms are generated for the compression of technical information; and decisions and consultation processes are respected.

- IFC Performance Standards 1 & 7.
- OECD Guidelines for Multinational Enterprises.
- OECD Due Diligence Guidance for Responsible Business Conduct.
- Equator Principles – Principle 2 & 5.
- Principles of Responsible Investment – Principle 3
- UN Guiding Principles on Business and Human Rights.
- ILO Convention 169 on Indigenous and Tribal Peoples.
- Global Compact – Principles 1 & 2.





LANDS

Part of our DNA, our Code of Ethics and of the very essence of the company is acting responsibly and respecting everything and everyone around us. We therefore decided as a Company to not undertake resettlement processes, and to change the areas of operation rather than resettle. However, we are aware that in some cases it is necessary to purchase land, and therefore we have a Land Negotiation Manual that clearly establishes the steps of analysis and relationship before, during and after the purchase of a property with a member of the community, all with due diligence.

- IFC Performance Standards 1 & 7.
- OECD Guidelines for Multinational Enterprises.
- OECD Due Diligence Guidance for Responsible Business Conduct.
- Equator Principles – Principles 2 & 5.
- Principles of Responsible Investment – Principle 3
- UN Guiding Principles on Business and Human Rights.
- ILO Convention 169 on Indigenous and Tribal Peoples.
- Global Compact – Principles 1 & 2.



BIODIVERSITY

When planning our projects, we identify and assess the potential direct and indirect impacts on biodiversity and ecosystem services, and identify the existence of residual impacts after the implementation of prevention, mitigation and restoration measures. In Colombia, where the company has the largest operations, we have compensation plans for the loss of biodiversity or affectation to the biotic environment endorsed by the environmental authority. Ecosystem equivalence is considered in these plans, and as a premise for programs that involve restoration or reforestation only native species endorsed by the competent authorities are used.

We work under the approach of no net loss, and in addition to the application of the mitigation hierarchy, we execute voluntary projects to protect biodiversity in the regions where we operate. When undertaking actions that correlate with biodiversity, we have defined these principles:

- Value biodiversity, its services and ecosystem functions from the planning and design of our projects.
- Avoid operations in legally protected environmental areas.
- Carry out the compensations through conservation and restoration actions prioritizing areas of high importance for biodiversity.
- Strengthen the social and cultural link with biodiversity, promoting knowledge of the natural wealth of the countries where we operate.

On an annual basis, we verify our impacts on biodiversity through reports submitted to environmental authorities and through internal and external audits of our environmental management system.

- IFC Performance Standard 1 & 6.
- OECD Guidelines for Multinational Enterprises.
- Equator Principles – Principles 2, 3 & 4.
- Principles of Responsible Investment – Principle 3
- UN Guiding Principles on Business and Human Rights.
- Global Compact – Principles 1, 2, 7, 8 & 9.

