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1. Objective

In this document, **the Company** outlines the guidelines under which the social objective of Parex Resources Colombia Ltd. Branch Office, (hereinafter "PAREX"), must be developed in order to comply with a Corporate Social Responsibility framework applicable in the operation of projects that are carried out in the Colombian territory where hydrocarbon exploration and exploitation activities are carried out. This policy is based on the 2020 Vision and aims to carry out activities that allow the fulfilment of legal obligations while fostering and promoting strategic social projects that seek positive relationships with the public by following an approach based on dialogue, compromise and joint financing. This leads to projects that contribute and which are in favour of: social, economic and cultural development, institutional strengthening, improvement of social infrastructure, living conditions and quality of life; all of this is achieved through the strengthening of management in basic organizations and different local institutions, without replacing the responsibilities of the State.

2. Scope

This policy applies to all Employees of the Company, contractors and subcontractors.

3. Definitions

Area of intervention (AI): corresponds to the territorial area served: municipality, township, village and/or its equivalent, where the Company carries out a project, job or services for the fulfillment of its social objective.

Local goods and services: refer to all commercial activities and other activities related to the provision of services that are provided formally and which are in line with the law and the Company. These are delivered through contractors and subcontractors working in the communities in the areas of interest for exploration and production projects as they boost the local and regional economy.

Social investment: is the use of financial, physical, technical or management resources, which the Company voluntarily and strategically allocates in the areas of interest for economic and social development programs.

PBC: program for the benefit of the community, social investment as an obligation with various characteristics according to the terms and conditions of each contract.

Request: an appeal made to the Company to provide information or a response to situations or aspects of general and/or particular interest.

Complaint: an expression of dissatisfaction by a third party, which is made known to the Company and to which an answer must be given.

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Claim: a request made for consideration by a third party to the Company and to which an answer must be given.

Corporate Social Responsibility (CSR): a set of corporate practices, principles and values that involve an economic, social and environmental commitment from the Company, its contractors and subcontractors. It is oriented towards ethical behaviours that contribute to the development and improvement of the quality of life of the public located in the geographical areas where the Company operates.

4. Responsible

It is the responsibility of the CSR area to review, update, issue and ensure the correct application of this policy.

5. Regulatory References

Doesn't apply

6. Corporate Social Responsibility Policy

6.1 Our vision

PAREX is a Company focused on hydrocarbon activity which is oriented towards the fulfillment of its corporate objectives through efficient operations. Parex strives to be a leader in the industry in 2020 as it continues to generate added value to its shareholders, contributing to the State and creating social development and wellbeing for its workers and contractors.

6.2 Our mission

PAREX is a Canadian Company, which has been present in Colombia since 2009 working in hydrocarbon exploration, production and marketing activities. It conducts its operations in a responsible, transparent, cost-effective and safe manner while respecting the environment and sharing its achievements with its shareholders, contractors, suppliers, workers, authorities and neighbouring communities.

6.3 Corporate principles

Promotion of human dignity: PAREX respects human rights and promotes their compliance in all operations within the organization. The Company rejects violence and any acts perpetrated as a means for political action or as pressure to obtain benefits of any kind.

Competitiveness: PAREX works with sustainable competitive advantages in the operational, environmental and social fields, reaffirming its commitment to the country and to the region in which it operates.

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Equality: PAREX offers dignified working conditions, respecting fundamental rights. People are valued for their professional skills and attitude towards life, the Company and the communities, regardless of their cultural, religious, social, sexual or gender differences.

Consistency: PAREX strengthens the skills and capabilities of its professionals in order to help them make sound and honest decisions. It seeks to be consistent between what it does as an organization, what it achieves as a Company and what it promotes in a responsible way in its environmental, social and security policies.

6.4 Corporate values

Commitment: PAREX achieves corporate goals, while generating shared benefits within a sustainable environment.

Respect: the traditions, cultural diversity, ways of living and customs of the residents and ethnic groups of the regions and areas where we develop our projects are recognized and valued.

Transparency: the Company seeks credibility and trust by ensuring integrity and ethical behaviour in all operations.

Innovation: strategies are implemented using flexible and dynamic practices, which allow successful operation in uncertain environments.

Inclusive and assertive communication: the goals and activities are shared with the target audiences in a timely manner and in a clear and transparent way through processes that promote coexistence and mutual knowledge, in order to complete them in a visible and inclusive way. "We do what we say, and we say what we set out to do." We seek to have mutual trust and respect with the stakeholders through continuous and open dialogue.

6.5 Relationship with communities and authorities

The Company establishes relationships of trust with its stakeholders based on dialogue, transparency and ethics, maintaining ongoing communication with the communities, the local, regional and national authorities; informing them in a timely manner about the activities to be carried out; handling and responding to requests, queries and complaints that may come up during the development of projects.

6.6 Relationship with ethnic communities

The Company promotes respect for ethnic groups, seeing them and treating them as strategic allies during the development and operation of projects. It permanently encourages employees, contractors and subcontractors to take into account the effective participation of local communities in the operations. We also support the development of innovative and creative plans in search of shared

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benefits. The relationship with ethnic groups is developed in the Company in accordance with the provisions of the current regulations, as is, among others, the Prior Consultation Procedure.

6.7 Human rights

The Company, as well as any of the entities controlled by the parent company, its subsidiaries, affiliates, divisions, and/or branches, accept and declare that they carry out all of their activities under the framework and guidance of compliance and respect for human rights.

The Company and its workers refrain from taking part, inciting, facilitating, or performing, under any circumstance, actions that violate human rights, the rights of target audiences or of the communities living in the areas where hydrocarbon operations are carried out.

When developing business relationships with its contractors and clients, the Company will always ensure there is respect for human rights and it will eradicate any type of discrimination on the basis of creed, race, sexual orientation, political affiliation or any other type of convictions and/or beliefs.

The Company requires its workers and contractors to respect and enforce this policy, to that effect, all forms of violence, intimidation or abuse are rejected, and the prohibition of engaging with any illegal armed group is emphasized.

The Company has fair labour practices for the development of its social objective, respecting the provisions of the current legal framework.

For the development of this corporate social responsibility policy, the Company favours the disclosure and strict compliance with these guidelines by its contractors and, for this purpose, in all of its contracts, it includes the policies of human rights and of corporate social responsibility as an annex and integral part thereof.

7. COMPONENTS OF THE CORPORATE SOCIAL RESPONSIBILITY POLICY

The Corporate Social Responsibility Policy includes the following components:

7.1 Information and communication with the public

The Company develops the necessary activities to provide information to the public in a timely and clear manner regarding the scope of the projects in the social, technical and environmental areas, at the beginning, during and at the closing stage of the projects. It also takes into account the social environment and the situation of the community in which the operation is carried out for the planning and execution process, in order to allow the population to exercise their rights as individuals and their duties as citizens.

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7.2 Petition, Claim and/or Complaint (PCC) Care Protocol

In the course of its operations, the Company addresses the Petitions, Claims and Complaints (hereinafter "PCC") made by third parties, (government entities, communities, individuals, among others), most of which are received by the CSR team. In order to adequately manage the PCCs and offer appropriate responses, a protocol, which is in charge of the legal aspects, has been established with a clearly defined procedure; through this protocol, the Company seeks to maintain an ongoing communication with the public.

7.3 Participatory employment management

The Company, in accordance with the law, pursuant to Law 1636 from 2013, Decree 1668 from 2016 and as per other agreed rules currently in effect relating to the Public Employment Service "PES", requires contractors and subcontractors, to carry out the processes of selection and recruitment of personnel in the percentages and terms established in the aforementioned regulations, prioritizing the recruitment of personnel already residing in the municipality where the project is carried out, unless, for reasons of non-compliance with the required roles, or if the offer is not sufficient to meet personnel requirements, the process of filling vacancies in the following orders as determined by law must continue.

7.4 Acquisition of goods and services by contractors and subcontractors

The Company encourages the participation, development and business strengthening of local suppliers and contractors to boost the municipal and regional economy, providing contractors and subcontractors with the necessary information for the acquisition of existing goods and services primarily in the areas where their projects are developed.

7.5 Social Investment – Community Benefit Program (CBP)

The Company establishes relationships of trust with the public based on dialogue, transparency and ethics. The social investment of the Company has a strategic sense in compliance with its Corporate Social Responsibility, through which, it not only seeks to contribute to the generation of benefits shared with stakeholders, but also, to support the realization of the development plans of the regions where it operates and the generation of sustainable social environments. The Company sees in the territorial authorities some allies to promote development initiatives.

The Company strictly adheres to current regulations and constantly seeks to generate a positive impact through its social management plan, through the fulfillment of obligations in community benefit programs (CBP) in accordance with the phases and standards established by the National Hydrocarbons Agency (NHA), as well as in the development of social investment projects in the following action areas: Community Strengthening; Institutional Strengthening; Economic Development; Culture, Recreation and Sport; Development Plan Support and Cross-cutting Projects.

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Social Investment Areas

- a) **Community and collective strengthening:** promotion of initiatives that foster the self-management of councils for communal action and for neighbouring communities in order to develop and enhance their capabilities, to encourage the improvement of the situation in their community and to move forward and conclude projects co-financed with joint contributions that promote sustainable development and collective well-being.
- b) **Institutional strengthening:** support of programs and projects that improve institutional capacity aimed at public and private entities. It leads them to achieve optimization in the management of high-impact programs and projects for the communities and the Company's public groups, it also allows them to generate a positive impact in the construction of sustainable development and guarantees a social licence to operate.
- c) **Economic development:** support of income-generating programs and projects and/or productive projects with communities in intervention zones. It is aimed at sustainably improving income, strengthening the local economy and raising the standards of living of the population. Furthermore, it is based on the financial, social and environmental best practices of social responsibility or sustainable management.
- d) **Culture, recreation and sport:** support of programs and projects oriented to the construction, preservation and strengthening of tangible and intangible cultural heritage. Contribution to the integral development of the child and youth population while generating opportunities for the good use of spare time and healthy recreation.
- e) **Development Plan Support:** generation of strategic alliances with local and/or departmental administration groups for the development of projects that are in line with the goals of regional development plans, especially those aimed at improving the living conditions of the residents in the intervention area, which strengthen the management of territorial entities and produce greater impact and development in the communities.

Cross-cutting Projects

In addition to the Social Investment and the community benefit programs, the Company has defined the following cross-cutting projects, highly valued within the Company for their impact on the childhood population:

PROJECT	DESCRIPTION
"Niños al Parque" - (" <i>Children to the Park</i> ")	Installation of playgrounds in the villages of the intervention area.

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“Aprender es Crecer” - (<i>“Learning is Growing”</i>)	Improvement, adaptation of school infrastructure with the provision of school textbooks, sporting goods, entertaining, educational and teaching material.
“Salud para Todos” - (<i>“Health for All”</i>)	Health and Dental Brigades are held in partnership with municipal and departmental authorities as well as with the support of local hospitals, health centres and other entities concerned.
“Día del Oxígeno” - (<i>“Oxygen Day”</i>)	Initiative to raise awareness about the generation of a carbon footprint.

Phases for the Management of the Community Benefit Plan (CBP)

Phase 1: Knowing the Territory

Phase 2: Transforming the living conditions of the communities

Phase 3: Learning and improving

7.6 Communication for development

For PAREX, building trust and fostering an open and transparent dialogue with its target audience is essential to strengthening the relationships that the Company intends and requires to have in order to carry out its activities in a harmonious and sustainable way in the areas of operation. For this reason, PAREX designs, builds and implements spaces and tactics of communication and participation that foster constructive and inclusive dialogue that generates the necessary value for the joint creation of knowledge and development in the territories.

PAREX focuses the communication management with its target audience on three pillars of management and strategic communication: Operational Excellence, Responsible Business and Generator of Sustainable Environments.

Principles of communication with the target audience

- Communication: Two-way information exchange.
- Inclusion: Participation of all real and potential stakeholders.
- Equality: Opportunities for communication, relationship and feedback for everyone.
- Reciprocity: Willingness from all parties to engage in dialogue through transparent channels of communication and mutual respect.

Conditions of dialogue with the target audience

- Recognition of common interests above individual points of view.

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- Active listening in matters of common interest.
- Conciliation agreements for the generation of shared benefits.
- Search for equitable, transparent and amicable relationships.
- Building relationships of trust under corporate principles and transparency.
- Responsiveness in addressing relevant impacts and concerns from target audiences in a comprehensive manner.
- Maintenance of communication channels to address and follow up on concerns, requests, claims and/or complaints that occur in a territory.

8. Change control

Version	Date	Changes Made
1	10-01-2010	Issuance of the document "Petro Andina Resources Inc."
2	15-02-2010	Modification to the Sustainability Policy and the CSR; the mission, values and principles are included.
3	30-04-2011	Inclusion of the glossary and the six components of the Sustainable Management program and CSR.
4	11-04-2013	CSR policy, adjustment available to the CSR program components.
5	05-01-2016	Inclusion of the table of contents, the CBP concept, and the legislation on PES.
6	20-07-2017	The P.E.C.O. is updated, the document is included in the Quality Management System, a change control review is performed from version 0.
7	10-09-2018	The policy is adjusted to be in line with the 2020 vision; the (CBP- ANH) concept is included and differentiated from IS, PCC adjustment, and Communication for the version and code development and adjustment according to GSC.

"Signed"	"Signed"	"Signed"
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PREPARED	CHECKED	APPROVED

Translator's Note:

This document was written in Spanish and subsequently translated into English. If any discrepancies are found between the original Spanish version and the translated English version, the content and meaning of the original Spanish document shall prevail