



**MANUAL**

**SIGGO**

INTEGRATED OPERATIONAL MANAGEMENT SYSTEM

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# 1. INTRODUCTION

Currently, Management Systems have taken on great relevance in the organizations, not only because of their regulatory nature, but also because little by little awareness has been raised on the importance of workers, the environment, communities, assets as well as the repercussions in terms of efficiency, efficacy and effectiveness that could greatly impact a company. Based on the above, this manual establishes and provides information about SierraCol Energy's management system, which focuses its efforts on establishing, implementing and maintaining its System, in such a way that it is in accordance with the applicable legal regulations, as well as with the requirements and needs of the organization in the midst of its changing environment, as foundation for sustainability, growth and continuous improvement in the fulfillment of its objectives.





## 2. OBJECTIVE

The purpose of this manual is to compile and integrate the general guidelines on which SierraCol Energy's Integrated Operational Management System (SIGO - for its initials in Spanish) is based grounded on the reference standards IOGP 510, ISO 14001/2015 ISO 45001/2018 as well as legal requirements such as Decree 1072/2015 and Resolution 0312/2019, being a key element for communication and participation of different stakeholders.

The SIGO Manual has a generalist nature, describing the system without reaching a great level of detail; such purpose falls under the different documents contained therein that cover the requirements of the aforementioned standards.

## 3. SCOPE

**Exploration, exploitation, refining, sale and transportation of oil, gas, and hydrocarbons in general.**

SierraCol Energy's Integrated Operational Management System includes disciplines such as Safety, Occupational Health, and Environment (HSE), Risk Management (RM) and Social Responsibility (SR), which is extended to all its stakeholders and their operations, whether or not they are operated by it, to comply with its policy and objectives.



# 4. DEFINITIONS

## ■ **Accountability**

A mechanism by which individuals and the company report on their performance.

## ■ **Contractor**

An external organization that provides services to the organization in accordance with agreed specifications, terms, and conditions.

## ■ **Efficacy**

It is the ability to achieve the result that is expected or desired after taking an action.

## ■ **Hazard**

Source with potential to cause an injury and the deterioration of health.

## ■ **HSE**

Health, Safety & Environment: Health, Safety & Environment.

## ■ **Legal and other requirements**

Legal and other requirements that an organization must meet or chooses to comply with.

## ■ **Management System**

A group of elements of an organization that are interrelated or interacting to establish policies, objectives, and processes to achieve these objectives.

## ■ **Organization**

A person or group of people who have their own roles, responsibilities, authorities and relationships for the achievement of their objectives.

## ■ **Policy**

Intentions and direction of an organization, as formally expressed by its Senior Management.

## ■ **Risk**

Effect of uncertainty.

## ■ **RM**

Risk management

## ■ **Senior Management**

A person or group of people who direct and control an organization at the highest level.

## ■ **SIGO**

Integrated Operational Management System, which includes the disciplines of Health, Safety & Environment, Process Risks and Social Responsibility.

## ■ **SR**

Social Responsibility.

## ■ **Stakeholders**

Also called interest groups; person or organization that may affect, be affected, or be perceived as affected by a decision or activity.

## ■ **Worker**

A person who performs work or work-related activities that are under the control of the organization.



# 5. REFERENCES

- NTC-ISO 9000:2015 Quality Management Systems-Fundamentals and Vocabulary.
- NTC-ISO 45001:2018 Occupational Health and Safety Management Systems. Requirements with Guidance for Use.
- NTC-ISO 14001:2015 Environmental Management Systems-Requirements with Guidance for Use.
- IOGP 510 Operating Management System Framework (IPIECA).
- IFC Performance Standards on Environmental and Social Sustainability.
- Decree 1072:2015 Single decree regulating the labor sector.
- Resolution 0312: 2019 Minimum standards of the OHS-MS Occupational Safety and Health Management System.



# 6. GENERAL INFORMATION ABOUT THE ORGANIZATION



<b>Corporate Name:</b>	SierraCol Energy Arauca, LLC
<b>Tax Identification Number:</b>	860.053.930-2
<b>Head office address:</b>	Bogota, Cundinamarca Calle 77A No. 11-32
<b>Telephone:</b>	(60 1) 345 41 55
<b>Main activity:</b>	0610 — RUT Code — Crude Oil Extraction
<b>Secondary activity:</b>	8299 - RUT Code — Other business support activities
<b>Risk class:</b>	V





## Work Centers:

The headquarters of SierraCol Energy are located at Calle 77 A # 11-32 in the city of Bogota, Colón Building. The organization operates the hydrocarbon-producing fields of association contracts signed with the state-owned company Ecopetrol, located in the department of Arauca, in the jurisdiction of the municipalities of Arauca and Arauquita. These fields include Caño Limón, La Yuca, Caño Yarumal, Caño Verde, Chipirón Este, Jiba, Araguato, Cosecha Y, Cosecha G, Caño Rondón, Cosecha A, Caricare, Rex NE, among others. Within the production infrastructure are facilities PF1, PF2 and PS1 in the Caño Limón field and CPF1 in the Caricare field.



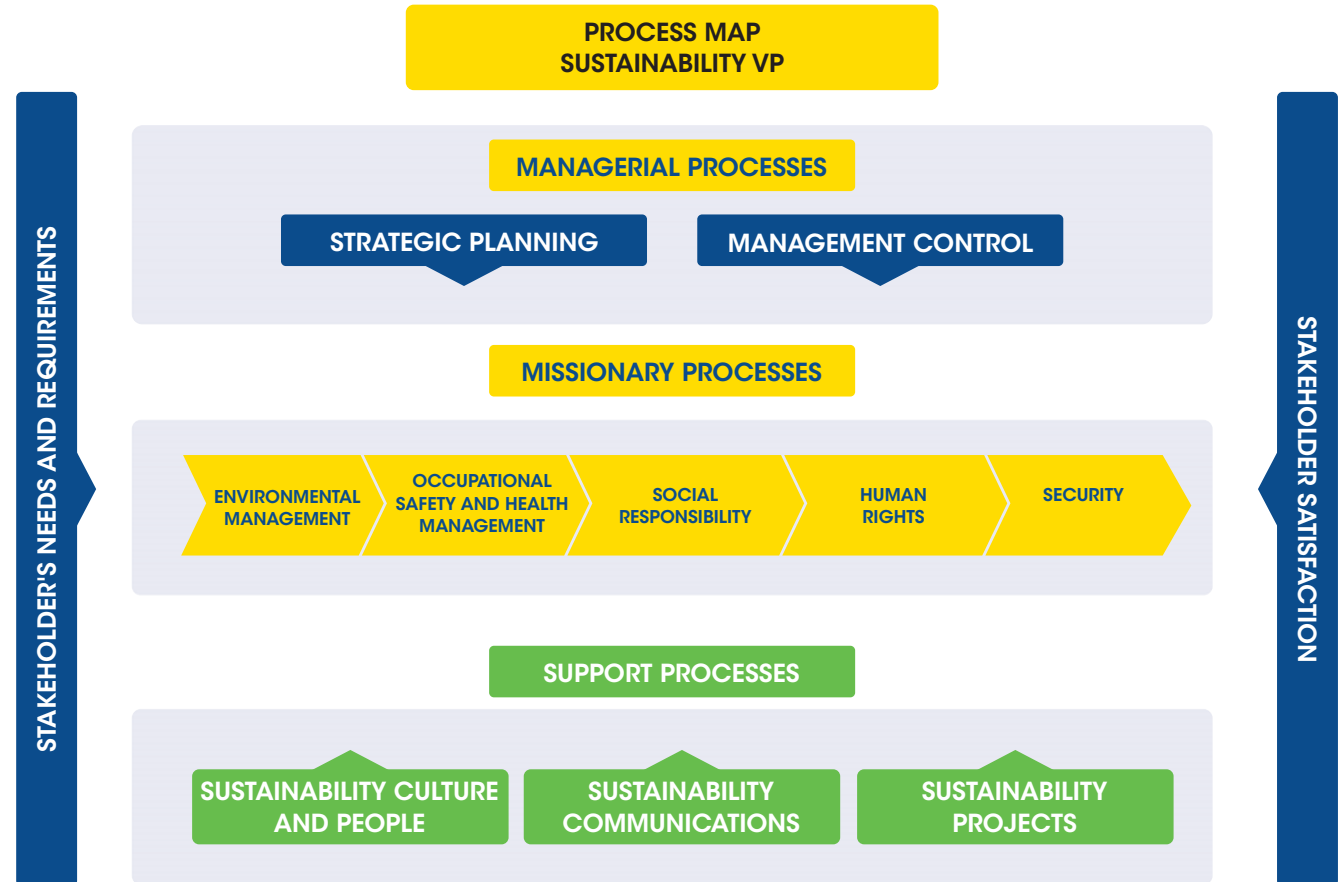


# Process map:

**Strategic Processes:** Processes that direct the Integrated Management System, defining the management guidelines for its processes and for the other processes.

**Missionary Processes:** These are those aimed at the fulfilment of SierraCol Energy's economic activity. These processes carry out their activities considering the guidelines given by the strategic processes and backing their management with the support processes.

**Support Processes:** Its purpose is to support the management of all system processes, to comply with the policies and objectives of the organization.



# 7. LEADERSHIP AND COMMITMENT

The senior management of SIERRACOL ENERGY establishes its commitment to the development and improvement of the Integrated Operational Management System through:

- Assuming responsibility and liability for accountability for the effectiveness of the Integrated Operational Management System.
- Ensuring that the policy and objectives for the SIGO are established and that these are aligned with the context and direction of the organization.
- Ensuring the incorporation of the SIGO requirements.
- Ensuring that the necessary resources for the SIGO are available.
- Communicating the importance of conducting management in accordance with the requirements of the SIGO requirements.
- Ensuring that the SIGO achieves the expected results.
- Leading and supporting people to positively contribute to the effectiveness of SIGO.
- Supporting other relevant management roles to show leadership in the way it applies to its areas of responsibility.
- Ensuring and promoting continuous improvement.
- Protecting workers from retaliation by reporting incidents, hazards, risks and opportunities from the SIGO.
- Ensuring that the organization establishes and implements processes for worker consultation and participation.
- Supporting the establishment and operation of committees for health, safety and environment.



# 8. POLICIES, STANDARDS AND OBJECTIVES

## **Health, Safety & Environment, Risk Management and Social Responsibility Integrated Policy.**

The integrated safety, occupational health, environment, risk management and social responsibility policy (HES-RM-SR) has been established. This policy is communicated to all levels of the organization through induction, re-induction, training and dissemination via various communication channels and is public and available for consultation.

## 8.1. OBJECTIVES OF THE MANAGEMENT SYSTEM

Based on HES RM SR policy, objectives are defined by senior management and communicated to all levels of the organization and stakeholders, when necessary. The annual work plan is determined according to the objectives set, which are reviewed and evaluated once (1) a year and updated if required.



# 9. FUNCTIONS, ROLES, RESPONSIBILITIES AND AUTHORITIES IN THE ORGANIZATION

Roles, responsibilities and authorities of the SIGO are assigned to the different levels of the organization, with the aim of promoting to understand the importance of its contribution to the development and evolution of the system.

These are described in the Roles, Responsibilities and Authorities Matrix, which are accounted for in the individual performance evaluation process performed out monthly for all employees of the company.

SierraCol Energy has a Business Code of Conduct to establish behavioral, ethical and compliance obligations for contractors. The company has also prepared its industrial hygiene and safety regulations, which establish its commitment to comply with applicable legal regulations and list the priority hazards present in its operations. These regulations must be displayed in at least two visible places or electronic media in each of the organization's facilities, and their contents must be communicated to all workers at the time they are hired.

In addition, the following support groups assist in the development of the operation and implementation of activities of the Integrated Operational Management System.

- Joint Committee on Work Health and Safety
- Coexistence Committee
- Emergency Brigades
- Department of Environmental Management — DGA (for its initials in Spanish)

On the other hand, HS Management has appointed a person who is responsible for the design and implementation of the Safety and Health Management System, in compliance with Resolution 0312 of 2019 and Decree 1072 of 2015 of Resolution 0312 of 2019 and Decree 1072 of 2015.



# 10. RISK ASSESSMENT AND CONTROL

Sierracol Energy has established the API754 methodology to assess risks, in order to establish the operational, environmental and social context, where workers, contractors and other stakeholders are involved as the case may be, identifying and documenting hazards, evaluating risks, impacts, threats and other vulnerabilities in order to implement effective controls with the purpose of eliminating or reducing risks, mitigating consequences and facilitating recovery. The risk assessment and control has been captured in the following documents:

- Risks and Opportunities Procedure.
- Risk Management Standard

## 10.1. HAZARD IDENTIFICATION, (OSH) RISK ASSESSMENT

Sierracol Energy uses several bibliographic sources to carry out hazard identification and risk assessment, including the Colombian Technical Guide GTC 45 (second update) and the principles of the NTC ISO 45001:2018 standard. This is a systematic methodology which covers all internal or external routine and non-routine processes and activities, machines and equipment, all workplaces and workers regardless of the way they were hired, and allows to identify to identify hazards and assess risks related to safety and health at work, in order to prioritize them and set all necessary controls, carrying out environmental measurements when required. All levels of the company participate, it is documented in the procedure of the matrix for hazard identification, assessment and risk control and will be updated annually or when a fatal work accident or a catastrophic event takes place or when there are changes in processes, facilities, machinery or equipment.





## 10.2. IDENTIFICATION OF ENVIRONMENTAL ASPECTS AND IMPACTS

SierraCol Energy set up a methodology to identify, assess, update and control all controllable and influential environmental aspects and impacts related to the activities and tasks of projects and/or processes that are developed in the facilities, and work centers nationwide, whether these are direct or indirect, identified in planned or unplanned situations, related to known present, past or projected activities. The methodology can be consulted through the procedure for the identification and evaluation of environmental aspects and impacts.



# 11. ESTABLISHMENT OF LEGAL AND OTHER REQUIREMENTS

The Legal Requirements Procedure was established to define how to identify and update the legal requirements regarding environmental, occupational health and safety and other applicable to the company. The requirements are listed in the Legal and Other Requirements Matrix which is reviewed and updated according to the procedure.

## 11.1. MANAGEMENT OF CHANGE

The process for implementing, maintaining and assessing the impact on the management system that may be caused by internal or external changes including both permanent and temporary changes affecting the organization, assets, operations, stakeholders, plans or procedures, is carried out in accordance with the stipulations of:

- Management of Change Procedure (MOC)

## 11.2. RESOURCE ALLOCATION

### FINANCIAL RESOURCES

There is a system for allocating adequate and sufficient internal and external resources to meet business objectives. For the Integrated Operational Management System the financial and technical resources; the personnel necessary for the design, implementation, review, administration, evaluation and improvement of prevention measures; and the effective management of hazards and risks are assigned and allocated by the planning area. Records and follow-up are managed in the SAP and are reviewed quarterly by the person responsible for each of the disciplines to ensure their execution.





# 12. ORGANIZATION, RESOURCES AND CAPABILITIES

## 12.1. TRAINING

The competency assurance process for selecting, training and conducting regular assessments of qualifications and capability for the tasks are defined in the HSE-RM Training Procedure and in the Social Responsibility Training Matrix. This process seeks to facilitate behaviors, needs and supervisory skills of personnel in order to comply with the specific requirements of the position and the objectives and requirements of the SIGO.

The Occupational Safety and Health (OSH or SST for its initials in Spanish) training program is reviewed at least once a year with the participation of the Joint Committee on Occupational Safety and Health (COPASST for its initials in Spanish) and the organization's senior management to identify improvement actions.

The People, Culture and Services department leads and develops the hiring processes in accordance with applicable laws, rules and regulations. In terms of organizational development, the allocation, career development, retention and succession of the company's human resources are considered.

## 12.2. ACCOUNTABILITY

All associates who have been delegated responsibilities in the Integrated Operational Management System are accountable to report internally on their performance through the Individual Performance Evaluation Process, which is carried out monthly for all employees through the SIGO evaluation platform. Each direct manager establishes and follows up on improvement plans as appropriate.

The head of the SIGO must prepare an accountability report at least once a year to present the management of the HES-RM-SR processes to senior management and subsequently disclose the results in the Sustainability Report.



## 12.3. COMMUNICATION, CONSULTATION AND PARTICIPATION

There is a Participation, Consultation and Awareness Raising procedure that identifies how to carry out the participation among the different levels of the organization and with External Communications that are responsible for disseminating the most relevant aspects of the SIGO.

The process for internal and external communications related to the SIGO is described in the HSE- RM- SR Communications Manual, which establishes the mechanisms for informing employees, contractors and other interested parties of the guidelines in this area.

## AWARENESS

The organization makes sure people in the organization are aware of:

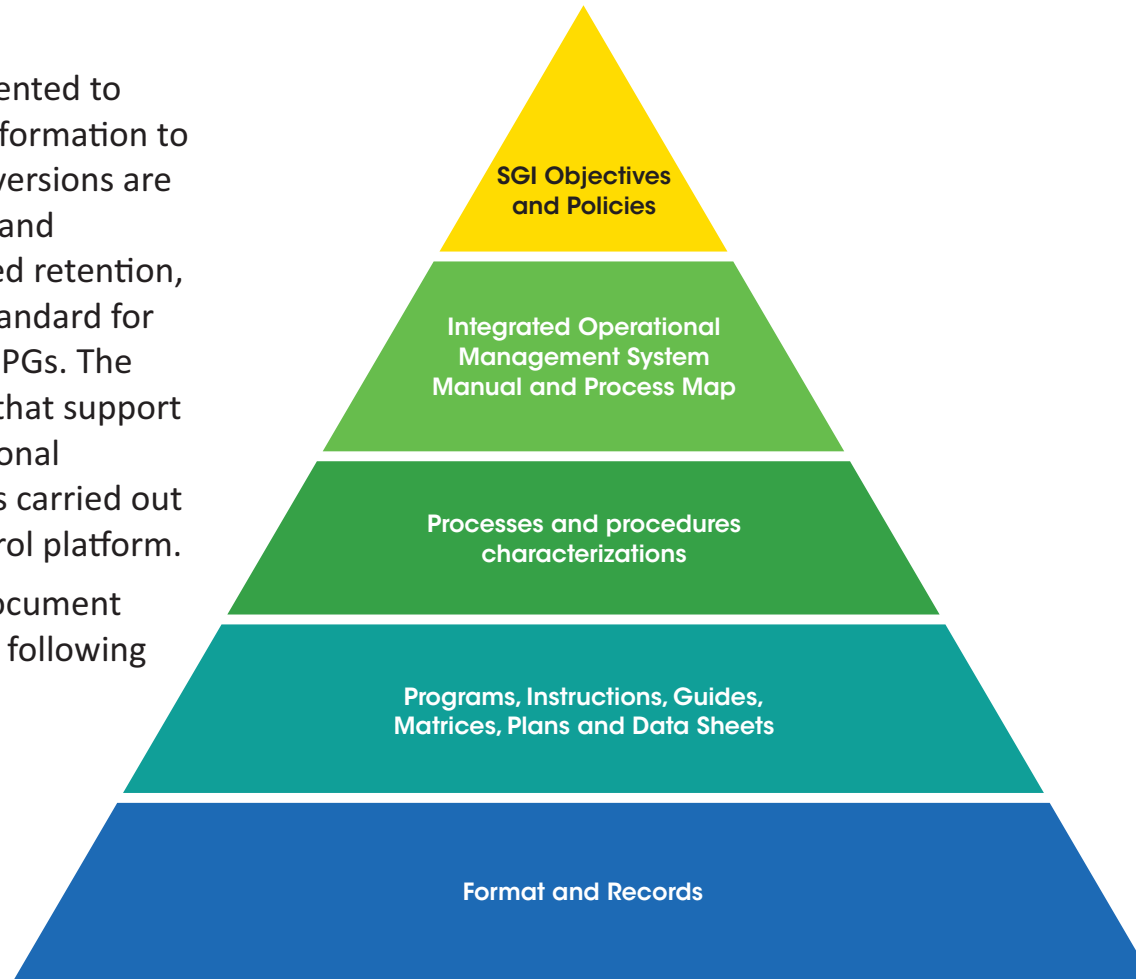
- The HSE-RM-SR Policy.
- Hazards and risks.
- Environmental aspects and impacts.
- HSE-RM-SR performance efficacy.
- Non-compliance with legal requirements or other organizational requirements

The mechanisms for awareness are defined in the HSE-RM-SR Communications Manual, as well as in the HSE-RM training procedure and the SR Training Matrix.



## 12.4. DOCUMENTED INFORMATION

The processes implemented to handle documented information to ensure that the latest versions are approved, identifiable and available, with a defined retention, are described in the Standard for the development of PSPGs. The control of the records that support the Integrated Operational Management System is carried out on the document control platform. The structure of the document system is based on the following levels:



Workers have the right to consult records related to their health and may request them from the health personnel responsible in the company or from the institution providing occupational health and safety services. In any case, the confidentiality of the documents must be guaranteed in accordance with the legal regulations in force. In addition, the records must be kept for a minimum period of twenty years from the time the labor relationship between the worker and the company ceases, in accordance with current Colombian legislation. The responsible for the SIGO will have access to all documents and records, except for confidential information of workers, such as their occupational medical records which are accessible only to the company's occupational health and safety physician.

## 12.5. UNDERSTANDING THE ORGANIZATION AND ITS CONTEXT

To determine the internal and external context of the organization, threats, opportunities, weaknesses and strengths have been identified based on the SWOT matrix, a tool through which we have identified the risks associated with each of the processes to take the necessary actions and avoid their occurrence.

The SWOT analysis consists of two parts: internal and external.

- **Internal:** it is related to the strengths and weaknesses of the organization, aspects over which there is some degree of control.
- **External:** seeks the opportunities offered by the market and the threats that the organization must face in the economic sector where the project activities are carried out.

## 12.6. NEEDS AND EXPECTATIONS

SierraCol Energy defined a methodology for the identification of stakeholder detailing type (internal or external) and defining the needs, expectations, type of requirement, impact, strategies for compliance and the follow-up and review mechanisms in the Stakeholder Needs and Expectations Matrix.





# 12.7. PRODUCTS AND SERVICES PROCUREMENT

## 12.7.1. Acquisitions

The HES- RM- SR requirements for the purchase of products were defined in the company's Procurement and Purchasing Processes, in the corresponding annexes, to ensure that the specifications in this area are identified and evaluated.

Quality Assurance (QA) is performed to ensure compliance with the specifications established for projects related to processes to be conducted by SierraCol Energy personnel and by suppliers and contractors who supply new equipment or replace existing ones. The guidelines are stipulated in the Quality Assurance Guide for the Purchase and Manufacture of Equipment.

## 12.7.2. Contracting

The organization maintains stipulations that ensure compliance with HES- RM- SR standards by suppliers, contractors and subcontractors during the performance of activities under the contract. These stipulations are set out in Annex F- HES Requirements Manual for Contractors and Subcontractors (depending on the work center) and in the Procedure for Evaluation and Performance of Contractors in Social Responsibility.

By strengthening the relationship with the different stakeholders through the Strategic Plan for the Development of Local Suppliers and Contractors, SierraCol Energy contributes to the viability and sustainability of operations and the generation of added value throughout the value chain.



# 13. STAKEHOLDERS AND CLIENTS

Stakeholders that are relevant to the management system including local communities are identified and relationships are established as a comprehensive part of maintaining a responsible business presence throughout the life cycle of an activity. Needs and expectations are also documented and addressed in the Stakeholders Needs and Expectations Matrix.

## 13.1. RM RISK IDENTIFICATION

The method for systematically and consistently identifying and assessing the risks associated with business activities carried out by the organization is found in the Risk Assessment and Response Procedure. This procedure establishes guidelines for maintaining a risk inventory and developing a risk management system in accordance with the requirements of the Risk Management Standard and the Health, Environment, Safety and Social Management System to make decisions regarding those risks.

## 13.2. SR RISK IDENTIFICATION

The process of identifying and analyzing socio-political risks, impacts and monitoring their management to support the fulfillment of corporate objectives and contributing to the company's reputation, staff integrity, protecting assets, eliminating or reducing project cost overruns, among others, is described in the Social Responsibility Risk Management System Procedure.



## 13.3. SR STRATEGIC PLANS

The strategies determined are focused on strengthening the culture of SR at all levels of the organization and towards external stakeholders and to control the identified risks.

- Strategic plan for local contractors and suppliers.
- Strategic plan for social investment.
- Strategic plan of local authorities.
- Strategic plan for prior consultation.
- Strategic plan for social responsibility culture.
- LCI Strategic Plan.
- LLN 39-52 Strategic Plan.

## 13.4. PRIORITY RISK MANAGEMENT PROGRAMS

The risk programs established to achieve occupational safety and health objectives are:

- Process safety program.
- Contractor management program.
- Confined space management program.
- Management program for working at heights.
- Strategic road safety plan program.
- Globally harmonized system program.
- Electrical safety program.
- Aviation safety program.
- Mechanical integrity and maintenance program.
- Industrial hygiene program.
- Planned inspection program.
- Training program.





## 13.5. EPIDEMIOLOGICAL SURVEILLANCE PROGRAMS (PVE - for its initials in Spanish)

It is the continuous and systematic collection, analysis, interpretation and dissemination of data for prevention purposes. Surveillance which includes monitoring the health of workers and the work environment is essential for the planning, implementation and evaluation of occupational health programs.

- Occupational health, preventive and occupational medicine program.
- HSE hearing protection procedure.
- Occupational ergonomics program.
- Bogota occupational ergonomics program.
- Industrial hygiene program.
- Program for the control of blood pathogens exposure.
- Psychosocial program.



## 13.6. ENVIRONMENTAL MANAGEMENT PLAN

To prevent, mitigate, control, compensate and correct possible negative environmental effects or impacts caused in the development of the company's activities, the established controls include Environmental Management Programs (EMP):

- **Biodiversity Environmental Management Program:** promote the conservation of biodiversity in the company's operations by carrying out activities to protect fauna and flora.
- **Environmental Management Program - Compensation and Investment:** comply with the obligations set out in environmental licenses related to 1% compensation and investment programs.
- **Circular Economy Environmental Management Program:** add value to the company through the efficient use of energy, materials and natural resources.
- **Program for Environmental Energy Management and Climate Change:** establish alternatives for the rational use of energy and the management of reduction, adaptation and governance activities to mitigate the effects of climate change on the organization.
- **Environmental Management Program for Integrated Waste Management:** carry out adequate handling of solid and/or liquid waste generated in SierraCol Energy operations ensuring proper handling, collection, transportation and final disposal in accordance with current environmental regulations.
- **Program for the Environmental Management of Water Resources:** prevent pollution, protect water resources and optimize water consumption in the organization.
- **Air Resource Environmental Management Program:** manage emissions and noise in the organization's operations through activities that promote the monitoring, prevention and mitigation of environmental impacts associated with the air component.



## 13.7. WORK PERMITS

The work permit procedure is the instrument through which compliance with safe working practices is ensured by identifying hazards, controlling risks associated with the execution of tasks and identifying preventive measures to protect personnel, facilities, the environment and communities. The HSE Procedure of the work permit system is implemented in the activities operated by the company. Activities not operated by SierraCol Energy must follow the guidelines of the operating partner.

## 13.8. TASK SAFETY ANALYSIS (TSA)

In operations not operated by SierraCol Energy the Task Work Analysis is applied in accordance with the guidelines of the operating partners.



# 14. ASSET DESIGN AND INTEGRITY

There are local or international engineering standards and procedures approved for the design and construction of new facilities or significant modifications to existing ones to address risks and verify compliance throughout their life cycle.

The Process Hazard Review (PHR) procedure provides a systematic and consistent approach to identify, assess and report risks according to requirements to improve safety, operability, maintainability and reliability of new facilities and equipment.

The Engineering and Design Quality Assurance Guide determines the steps to be taken to ensure the quality of engineering designs in such a way as to eliminate or minimize the design changes required during the construction phase. In addition, it ensures that the project is carried out on time and with optimal use of available resources within the estimated budget and that hazards associated with equipment failures or malfunctions in the future operation of the project are minimized.

Additionally, the Quality Assurance Guide for the installation of equipment, tanks and pipes is available to ensure the implementation of a quality control plan during the installation of new equipment, tanks and piping to guarantee that their installation is consistent with the design specifications and/or the manufacturer's instructions.

In the Maintenance Standard, predictive, preventive and corrective maintenance of facilities, equipment and tools are considered ensuring that always operate within the defined limits of operational design. Control is carried out on the SAP AMIX maintenance monitoring and management of change platform. These activities are carried out as often as appropriate according to the level of risk and deviations from the specified criteria used to maintain, replace, test, inspect, calibrate, certify and verify the performance of assets, facilities and equipment.

The facilities, machines or equipment in the different operations, including those related to emergency prevention and attention, are periodically inspected to ensure their availability and proper functioning. In the technical document control (CDT&A) software, these are defined as Inspection Procedures or Standards.





# 15. PLANS



Documented plans and procedures have been established and are consistently reviewed in accordance with legal and other identified requirements, the level of risk defined by the Company and the required risk controls.

- HSE Annual Work Plan

## 15.1. CRITICAL TASK PROCEDURES

After the identification of tasks that are carried out in operations which, due to potential hazards related to them, can trigger events with serious or fatal consequences and require specific controls to ensure their execution in a safe manner, procedures describing the instructions for carrying out each one safely have been established, and these are listed below:

All procedures are disclosed to workers, contractors and other interested parties through communication processes defined by the organization, such as training, talks, among others. They are also available for consultation in the technical document control system CDT&A.

- HSE procedure for entering confined spaces.
- HSE procedure for excavations.
- HSE procedure for hot work.
- HSE electrical safety procedure.
- HSE procedure for working at heights.
- HSE procedure for electrical insulation and equipment labeling.
- HSE procedure for opening process equipment.
- HSE procedure for mechanical lifting of loads.
- HSE procedure for mechanical insulation and equipment labeling.



## 15.2. EMERGENCIES

The organization also has contingency, emergency, crisis and business continuity management plans, in addition to all the required resources with regular tests and drills, including the inclusion of lessons learned.

### 15.2.1. Contingency plans

- Caricare field contingency plan.
- Caricare-Caño Limón pipeline contingency plan.
- Caño Limón field contingency plan.

### 15.2.2. Emergency Management Plan

- Emergency response plan Colón building Bogotá.

### 15.2.3. Emergency Assistance Systems

- Flood Emergency Assistance.
- HSE medical care and first aid manual.
- Medical emergency plan (MEDEVAC).
- LLN — SAE emergency assistance system guide.
- HSE medical assistance and first aid manual Bogota.
- HSE emergency assistance system (SAE) manual.
- HSE Standard for the emergency response system.
- Well control emergency plan - Chipirón TB.

### 15.2.4. Crisis Management Plan CMP

- HSE crisis management plan manual-Spanish.
- HES border crisis emergency plan manual.
- Border crisis emergency plan.

### 15.2.5. Business Continuity Plan

- Business continuity plan.





## 15.3. SOCIAL RESPONSIBILITY

The purpose of the Social Responsibility (SR) Standard is to establish program requirements for the organization, provide the framework for managing social risks, protect and improve the reputation of SierraCol Energy. The SR Standard contains and gives structural guidelines for each of the actions developed by the Social Responsibility department as well as those responsible, taking into account how, where, when and how often the activities will be carried out, subject to continuous improvement in accordance with their practice and applicability.

### 15.3.1 Relationships

Guidelines for maintaining good neighborly relations with the organization's stakeholders have been established:

- Procedure for relationships with stakeholders.
- Prior consultation procedure.
- SAI concern management system procedure.
- Strategic Plan: Llanos Norte, Teca, Cira, Prior Consultation, Local Authorities, Llanos 39 & 52.
- Project socialization procedure.
- Environment management protocol.

### 15.3.2. Social Investment

SierraCol Energy has established procedures for the design and execution of strategies to contribute to the economic and social development of the regions where the company carries out activities as an operator and to generate a relationship of trust, operational feasibility and rapprochement with the community and authorities:

- Social investment procedure.
- Procedure for the approval of voluntary contributions (RFA).
- SR Strategic Plan: Social Investment.

### 15.3.3. Land Management

To acquire in a timely manner the areas required for the development of the projects, the Llanos Land Management Procedure was established, including land negotiation policies, complaints and claims, payment of damages and fence maintenance.





## 15.4. RISK MANAGEMENT

This discipline should provide continuous improvement and assurance of risk management in accordance with the requirements of the SIGO and the integrated policy, for which purpose the following set of guidelines and procedures has been established:

- Risk assessment and response procedure
- Screening hazard review (SHR) procedure.
- Facilities technical information procedure.
- Management of Change (MOC) procedure.
- Procedure for critical maintenance, operations and construction procedures.
- Pre-start-up safety review (PSSR) procedure.
- Process Hazard Review (PHR) procedure.
- Procedure for managing risks associated with the location of portable buildings.
- Air operations procedure.
- Quality Assurance Guide.
- Engineering and Design Quality Assurance Guide.
- Guide to Quality Assurance in Equipment Procurement and Manufacturing.
- Quality Assurance Guide for the installation of equipment, tanks and pipes.



# 16. EXECUTION OF ACTIVITIES

The Integrated Operational Management System establishes work plans to plan activities and ensure their execution and integrity. There is adequate and sufficient supervision to confirm that each activity and/or task is treated in compliance with standards, procedures and that the expected results are achieved.

## 16.1. RECOGNITION

Seeking of feedback on performance, behavior and actions, good performance and positive behaviors are recognized, reinforced and rewarded. SierraCol Energy promotes a culture in which everyone understands their responsibilities to stop and intervene an activity when a risk has not been controlled. *Asegúrate* is a system that has a behavioral observation format, which is available physically and on the HSE intranet or contractor website where workers and contractors can upload the information resulting from their application, or hand it over to HSE managers to be included in the system. Workers and contractors who participate with reports, whether in terms of quantity or quality, are recognized by means of a diploma and on posters.

A biannual committee is held with the managers of contracting companies in which companies are recognized at least once a year in different aspects such as accident rate, indicators, etc.





## 16.2. INCIDENT REPORTING AND INVESTIGATION (work incidents, accidents and occupational diseases)

Work incidents, accidents and occupational diseases (with real and/or potential consequences) are reported, recorded and classified, and investigated to determine the basic and immediate causes (direct/underlying), in accordance with legal provisions and other determined by the organization as considered in the Incident, Reporting and Investigation Standard.



# 17. MONITORING, REPORTING AND LEARNING

To assess the strategies implemented and determine if they have been effective in achieving the objectives of the Integrated Operational Management System, these objectives, goals and results will be monitored on a quarterly basis, with the participation of those responsible for each of the specialties that comprise it, such as occupational safety and health, environment, social responsibility and risk management, a process from which action plans will be established if deviations and opportunities for improvement are identified with respect to their compliance.

## 17.1. INDICADORES

To promote performance and continuous improvement in HSE-RM-SR, system data and indicators are measured and assessed to understand the weaknesses of controls, hindrances and identify opportunities for improvement, which are recorded, analyzed, and monitored, as well as the action plan is established.

For HSE, the indicators technical sheet is available, which establishes the indicator name, calculation method, source of information, interpretation, goal, responsible, record of the results and follow-up established for each one. The main indicators are related to the frequency and severity of accidents, the proportion of fatal accidents, the prevalence and incidence of

work-related illnesses, medical absenteeism and the rate of disabling injuries. Contractors are also monitored and evaluated monthly basis on HSE performance in the activities they perform for the company through the KPIs determined for this purpose.

The Social Responsibility Strategy indicators are based on relationships, engagement, social investment, social responsibility culture and environmental management, identifying the achievements and challenges of each of these pillars, which are monitored monthly.

Regarding risk management indicators, quarterly measurement and follow-ups are performed. They are divided into main indicators, among which are the processes for process hazard review, management of change, compliance with procedures, critical equipment maintenance, and into retrospective indicators that measure the results related to process events or incidents, activations of security systems, compliance with action plans and the training program.

If the goals established within the indicators are not met, an analysis of the causes must be carried out and an improvement plan should be created, identifying opportunities for the system.

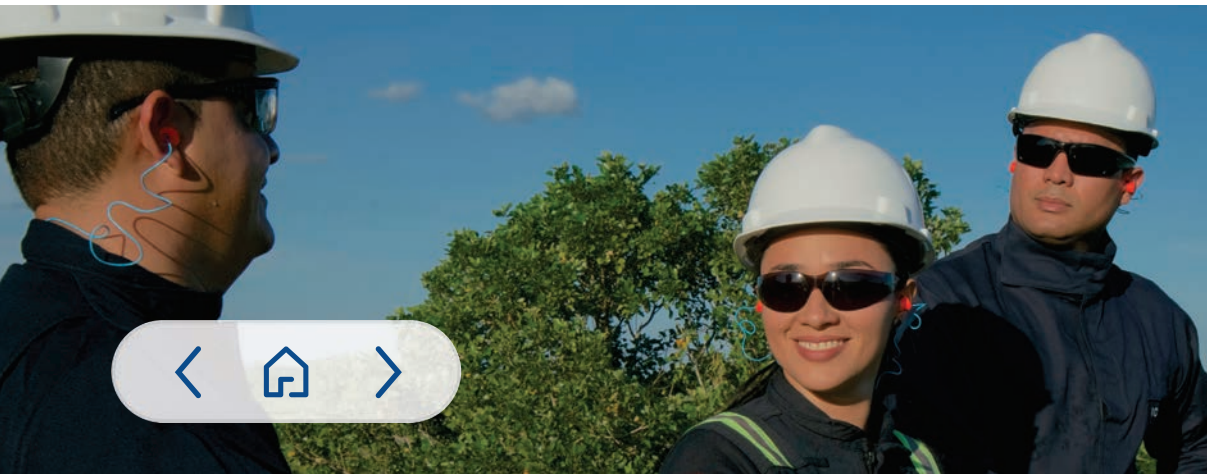




## 17.2. NON-COMPLIANCE, CORRECTIVE, PREVENTIVE AND IMPROVEMENT ACTIONS

The organization defines and implements all necessary preventive and corrective HSE actions based on the results of the supervision and measurement of the efficacy of the management system, the audits and the review performed by senior management, the recording and monitoring of non-conformities, corrective, preventive and improvement actions are performed in the SIGO *Actúa* system.

Regarding the follow-up process for the measurement, analysis and improvement of social responsibility management, there is a procedure for preventive, corrective and improvement actions.



## 17.3. OPPORTUNITIES FOR IMPROVEMENT

The continuous improvement cycle allows the organization to ensure that its processes are properly resourced and managed, and that opportunities for improvement are identified and acted accordingly. The opportunities identified during the design, implementation and maintenance of the Integrated Operational Management System will be analyzed and the measures decided to be addressed and managed will be established considering the objectives, the context of the organization, prevention of occupational accidents, occupational diseases, mitigation of adverse environmental impacts, legal and other requirements, stakeholders among others, these opportunities are documented in the Risks and Opportunities Matrix.

## 17.4. REPORT OF UNSAFE ACTIONS AND CONDITIONS

It is a process through which the worker or contractor reports in writing to the organization about the adverse health or safety conditions that are identified in the workplace. The Near-Miss, Work Stops and Unsafe Conditions Format can be found on the intranet or printed on each of the work fronts, the worker or contractor must fill it out and hand it over to HSE responsible, or it can also be uploaded to the contractors' website. This information will be used as input for closing the findings.

In terms of the system for assistance, management and response to concerns, claims and complaints by the community, the Concerns Management System (SAI for its initials in Spanish) is used, where each request is recorded, to subsequently perform an analysis and define its treatment as established in the procedure for the Concerns Management System.

The organization has a Protocol for Environmental Management, which establishes the general criteria and steps to be followed for the assessment and management of early warnings and de facto proceedings that may affect the company's operations.



## 17.5. LESSONS LEARNED

Through knowledge acquired about the processes and experiences of both internal and external events, SierraCol Energy performs an analysis the causes and establishes safe procedures so that both workers and other stakeholders can prevent similar situations in their activities. These lessons learned are shared as set out in the incident reporting and investigation procedure and communications manual defined by the company.



# 18. ASSURANCE, REVIEW AND IMPROVEMENT

## 18.1. SENIOR MANAGEMENT REVIEW

### 18.1.1 Participants

- President
- HSE-SR Vice President
- Operations Vice President (RM)

### 18.1.2. Information to be considered

- Policies
- Objectives and goals
- Annual work plan
- Resources allocated to the operational management system (Budget)
- Changes (External and internal issues considering stakeholders, legal requirements, risks and opportunities)
- Opportunities generated in previous revisions
- Indicators (Accident Rate, Occupational Illness)
- Result of Internal and External Audits
- Current legal regulations

- Communication and participation of workers and stakeholders
- Priority risk management and epidemiological surveillance programs
- Work absenteeism due to OSH
- Identification of losses (damage to property, machinery, equipment, etc.)
- Results of incidents investigations, accidents at work and occupational diseases
- Environmental performance
- Corrective, preventive actions
- Opportunities for improvement
- Rehabilitation programs

During the first quarter of the following year, the results of the review shall be consolidated into a management review report and/or sustainability report, which must be communicated to all levels of the organization, including COPASST, the head of the OSH-MS, the department leaders and stakeholders who will be part of the definition and implementation of improvement actions where appropriate.





## 18.2. AUDITS

To verify the level of compliance with the Integrated Operational Management System (SIGO), internal and external audits will be carried out, which will be planned, executed and their results will be monitored as determined in the auditing procedure.

The planning of the audits for the Integrated Operational Management System is carried out with the participation of the Joint Committee on Occupational Safety and Health (COPASST, for its initials in Spanish) and in compliance with what is considered in the scope of the Occupational Safety and Health Management System, among others.



# 19. RELATED DOCUMENTS

- 60.400.001 PO Safety, Occupational Health, Environment, Risk Management and Social Responsibility Integrated Policy
- 60.450.033 GU Hazard Identification, Risk Assessment and Control Guide
- 60.410.002 PG Occupational Health, Preventive and Occupational Medicine Program.
- 60.410.007 PG HSE Hearing Loss Prevention Program
- 60.410.016 PG Musculoskeletal Injury Prevention and Ergonomics Program
- 60.410.019 PG Industrial Hygiene Program
- 60.410.005 PG Program for the Control of Blood Pathogens Exposure - Bogota.
- 60.450.030 PR Safe Confined Space Entry Procedure
- 60.450.007 PR Safe Working Procedure for Confined Spaces Critical Task
- 60.450.009 PR Safe Working Procedure for Excavation Critical Task
- 60.450.008 PR Safe Working Procedure for Hot Work Critical Task
- 60.450.003 PR HSE Electrical Safety Procedure
- 60.450.011 PR Safe Working Procedure for Working at Heights Critical Task
- 60.450.004 PR Safe Working Procedure for Electrical Insulation and Equipment Labeling Critical Task
- 60.450.006 PR Safe Working Procedure for Opening Process Equipment Critical Task
- 60.450.010 PR Safe Working Procedure for Mechanical Lifting of Loads and People Critical Task
- 60.450.005 PR Safe Working Procedure for Mechanical Insulation and Equipment Labeling Critical Task
- 60.430.054 PL Caricare Field Contingency Plan
- 60.430.055 PL Caricare-Caño Limón Pipeline Contingency Plan
- 60.430.053 PL Caño Limón Field Contingency Plan
- 60.410.013 PG Medical Evacuation Plan — MEDEVAC
- 60.450.028 PR HSE Medical Assistance and First Aid Manual Bogota.
- 60.430.108 MA HSE Manual. HSE Emergency Assistance System (SAE) manual.
- 60.450,027 PL Emergency Prevention, Preparedness and Response Plan
- 60.430.066 PR Well Control Emergency Response Plan
- 60.430.087 MA HSE Manual. General Border Crisis Emergency Plan
- 60.430.082 PR HSE Manual. Border Crisis Emergency Plan Level 0 to HSE Manual. Border Crisis Emergency Plan Level 4



- 60.450.013 PR HSE Contractor Management Procedure
- 10.400.440 ST Maintenance Standard
- 10.400.450 PR Predictive Maintenance Program
- 10.400.462 PR Preventive Maintenance Program
- 85.050.004 PR Risk Management System Procedure
- 85.050.003 PR Procedure for Relationships with Stakeholders
- 85.050.005 PR Concerns Management System (SAI) Procedure
- 85.050.001 ST Social Responsibility Standard (RS)
- 60.400.300 PR RISK MANAGEMENT STANDARD
- 60.400.301 PR Risk Assessment and Response Procedure
- 60.400.302 PR Screening Hazard Review (SHR)
- 60.400.303 PR Installations Technical Information
- 60.400.304 PR Management of Change
- 60.400.306 PR Critical Operation Procedures
- 60.400.307 PR Pre Start-Up Safety Review (PSSR) Procedure
- 60.400.308 PR Process Hazard Review (PHR) Procedure
- 60.400.310 PR Procedure for Managing Risks Associated with the Location of Portable Buildings
- 60.450.025 PR Aviation Safety Procedure
- 10.400.409 ST QA Standard Quality Assurance for Static Equipment
- 60.410.028 PR Management of Change Procedure
- 60.400.002 PR Procedure for Identifying, Monitoring and Assessing Compliance with HSE Applicable Legal Requirements
- 60.400.004 MA Performance Standards
- 10.400.550 ST Environmental Impact Analysis



