	<b>HUMAN RIGHTS</b>	
<b>CO.P.11 - Corporate</b>	<b>Version</b>	<b>3</b>
	<b>Date</b>	<b>August 28, 2017</b>

All rights reserved. No reproduction, copy or digital transmission of this publication may be made without written permission.

No paragraph of this publication may be reproduced, copied or transmitted digitally without written consent or in accordance with the laws governing Copyrights in the applicable country and based on the legislation in force.

## 1. OBJECTIVE

This document aims to establish the guidelines for the respect and promotion of Human Rights (HR) in all proceedings of Terpel, its stakeholders and its international operations.

## 2. EXTENT

Applies to all Terpel operations in Colombia, including its value chain and international operations where the company has a presence.

## 3. GENERALITIES

Not applicable.

## 4. GUIDELINES


**4.1** Terpel recognizes international labor standards and respects the human rights of its employees, the communities where it operates and all stakeholders.

**4.2** Terpel respects and promotes Human Rights in all the activities carried out, as an extension of the values of the organization.

**4.3** At Terpel we respect, promote, and value diversity, inclusion, and the principle of equal opportunity. We recognize the competitive advantage and opportunities provided by learning from differences. That's why we work to build our workforce and the highest governing body with people from diverse nationalities and ethnic groups, and with different beliefs, gender identities and expressions, and sexual orientations.

### **4.4 The general pillars of Terpel's commitment with HR are:**

1. *Commitment to global issues.*
2. *Neutrality in territories where it is present.*
3. *Respect for the culture and customs of the countries and regions where it has operations and influence.*
4. *Support entities for cooperation on sustainable development and Human Rights topics.*

	<b>HUMAN RIGHTS</b>	
<b>CO.P.11 - Corporate</b>	<b>Version</b>	<b>3</b>
	<b>Date</b>	<b>August 28, 2017</b>

#### **4.5 Within labor practices:**


- Promotion and respect for freedom of association and recognition of unions.
- Prohibition and total rejection of forced labor, child labor and discrimination, especially in employment and occupation.
- Zero tolerance for abusive practices of harassment or punishment.
- Guarantee wages that are fair, competitive and consistent with the law, as well as compliance with working time hours.
- Promotion of a safe and healthy workplace that favors the welfare of its employees.

**4.6** On the other hand, Terpel requires to its suppliers the minimums in Human Rights (Universal Declaration of Human Rights, Global Compact) as well as ethical and environmental standards and does not tolerate breaches thereof.

**4.7** The company respects adjacent communities as well as their specificities and customs in their areas of influence and in all countries where it has operations. In addition, it encourages community cultural rights through social initiatives.

#### **4.8 Environmental practices:**

- Ongoing commitment to the improvement of quality of life in the areas where it operates, by caring for the environment and the implementation of initiatives to mitigate the impact of the production chain.
- The organization makes adequate residue and waste management, and promotes the right to enjoy a clean and healthy environment.
- Terpel is committed to reducing its ecological footprint.

	<b>HUMAN RIGHTS</b>				
	<b>CO.P.11 - Corporate</b>	<table border="1" style="width: 100%;"> <tr> <td style="text-align: center;"><b>Version</b></td> <td style="text-align: center;"><b>3</b></td> </tr> <tr> <td style="text-align: center;"><b>Date</b></td> <td style="text-align: center;"><b>August 28, 2017</b></td> </tr> </table>	<b>Version</b>	<b>3</b>	<b>Date</b>
<b>Version</b>	<b>3</b>				
<b>Date</b>	<b>August 28, 2017</b>				


### Human Rights Structure at Terpel

Fronts addressed:

<b>01. General</b>	<b>02. Labor Practices</b>	<b>03. Relations with suppliers</b>	<b>04. Relations with the community</b>	<b>05. Environment and Society</b>
<ul style="list-style-type: none"> <li>✓ Commitments to global initiatives</li> <li>✓ Neutrality</li> <li>✓ Respect for countries and new places of operation</li> <li>✓ Partnerships for cooperation</li> </ul>	<ul style="list-style-type: none"> <li>✓ Freedom of association</li> <li>✓ No forced labor</li> <li>✓ No child labor</li> <li>✓ No discrimination in employment and occupation</li> </ul>	<ul style="list-style-type: none"> <li>✓ Freedom of association</li> <li>✓ No forced labor</li> <li>✓ No child labor</li> <li>✓ No discrimination in employment and occupation</li> <li>✓ Environment</li> </ul>	<ul style="list-style-type: none"> <li>✓ Respect for the specificities of communities</li> <li>✓ Contribution to cultural rights through social initiatives</li> </ul>	<ul style="list-style-type: none"> <li>✓ Right of society to enjoy a clean and healthy environment</li> </ul>

#### 4.9 Internal control bodies to ensure respect for HR:

- **Code of Conduct:** Is the tool that provides the guidelines for ethical decisions taken by employees of the company, based on corporate culture and values.
- **Compliance and ethics committee:** Created with the purpose of monitoring the compliance of policies and tools to prevent inappropriate behaviors that may interfere with ethics, Human Rights and transparency.
- **Confidential reporting line:** Is a tool managed by a third party, available to employees, customers, suppliers and other stakeholders through a telephone line or web page so that they can inform, report or warn cases involving the violation of standards of conduct, ethics and respect that affect Terpel.
- **Communication:** The company's position on Human Rights is socialized with all stakeholders, in different scenarios. It is the responsibility of the following areas: Human Resources, Internal Communications, Corporate Affairs, Purchasing and suppliers, Internal Control, to publicize the progress, changes or new commitments Terpel has in this area. Also, on an annual basis, in the sustainability report is included the results on Human Rights by the organization.
- **Evaluation:** Results of Human Rights management are evaluated annually in the Sustainability Committee.

	<b>HUMAN RIGHTS</b>	
<b>CO.P.11 - Corporate</b>	<b>Version</b>	<b>3</b>
	<b>Date</b>	<b>August 28, 2017</b>

## 5. HUMAN RIGHTS DUE DILIGENCE AND REMEDIATION

In pursuit of fulfilling our responsibility to respect human rights, we have a due diligence process. It includes the identification, prevention, mitigation, and rendering of accounts in connection with direct or indirect impacts of our operations on human rights and procedures for their remediation.

These exercises are in line with the **main international instruments (Universal Declaration of Human Rights, International Covenant on Civil and Political Rights, International Covenant on Economic, Social, and Cultural Rights, and Fundamental Rights at Work by the International Labour Organization)** and are formulated within the United Nation's framework for business and human rights (Guiding Principles on Business and Human Rights) using the following stages.


### 5.1 Identification and Assessment of Human Rights Risks

We identify and evaluate the nature of any current or potential direct adverse consequences for human rights in which we could be implicated relative to our stakeholders. To do this we use a tool for internal assessment of the main processes of our operation (Purchasing, Internal Control, Service Stations, Environmental Management, Human Resources, Corporate Government, Relations with neighboring communities and local governments, Occupational Health and Safety, and Transportation).


We repeat this assessment cycle every three years for the organization's main processes and businesses, in addition to making an assessment whenever a new business relationship is established or relevant changes are made in the operations (entrance into a new market or launching a new product, among other things).

### 5.2 Prevention and Mitigation of Adverse Consequences for Human Rights


With the goal of preventing and mitigating any adverse consequences for human rights, we make available to our stakeholders diverse mechanisms and channels for reports and denouncements regarding possible human rights violations, with protocols for the processes that are most critical or present the greatest risk in our operation.

	<b>HUMAN RIGHTS</b>	
<b>CO.P.11 - Corporate</b>	<b>Version</b>	<b>3</b>
	<b>Date</b>	<b>August 28, 2017</b>

Reporting Channels	Description of the Channels	Stakeholders targeted by the Channels	Categories that can make Reports
Confidential Whistleblowing Line	<ul style="list-style-type: none"> <li>Any reports made using this line are confidential and are managed by an outside, independent entity.</li> <li>All of the cases are received by the Internal Control Office and are redirected to the corresponding area.</li> <li>A formal investigation is opened for each report. A response is later sent to the person who filed the report, via the same means used to file the report, once the case is resolved and closed.</li> </ul>	Employees	Workplace harassment, unfair salaries, lack of guarantees to ensure equality in terms of programs and benefits.
		Pump Island Attendants	Poor treatment by clients or inappropriate scheduling of shifts.
		Suppliers	Conditions for doing business.
Complaints hotline (petitions, complaints, and claims)	<ul style="list-style-type: none"> <li>This line works as a contact center (a switchboard manned by several staff members) to receive petitions, complaints, and claims from our stakeholders (mainly consumers).</li> <li>A staff person opens a case for each phone call and directs or manages it according to defined protocols and the responsibility tree.</li> <li>The system provides for follow-up according to pre-established times, until the case is resolved and closed.</li> <li>A response is provided using the same means in which the petition, complaint, or claim was made.</li> </ul>	Final consumers	Perception of lack of safety at Service Stations (in terms of unloading, or poorly parked tank trucks).
		Neighboring communities	Offensive odors, excessive noise, possible leaks, and other nonconformities caused by the proximity of plants and Service Stations.
Joint Committee on Occupational Health and Safety	A body made up of the same number of representatives of the employer and of employees, whose functions include studying	Employees	Questions or incidents related to occupational health and safety.

	<b>HUMAN RIGHTS</b>	
<b>CO.P.11 - Corporate</b>	<b>Version</b>	<b>3</b>
	<b>Date</b>	<b>August 28, 2017</b>

	<p>and considering suggestions made by workers in the area of industrial safety, hygiene and medicine, and processing employee claims related to occupational health and safety.</p>		
<p>Coexistence Labor Committee</p>	<ul style="list-style-type: none"> <li>• Made up of employees in charge of receiving and processing complaints filed related to workplace harassment.</li> <li>• Examines each case on a confidential basis, hears the parties involved, and organizes meetings to create arenas for dialogue, promoting mutual commitments and improvement plans developed in consensus.</li> <li>• Depending on the evolution of each case, the committee can send it on to high level management or to the competent authorities, in accordance with the situation.</li> </ul>	<p>Employees</p>	<p>Workplace harassment and situations of discrimination.</p>
<p>Head of Public Affairs and Heads of Plants</p>	<ul style="list-style-type: none"> <li>• The Head of Public Affairs and the Heads of Plants may receive claims from neighboring communities through direct testimony or forms filled out (available at gatehouses and our job sites).</li> <li>• Each Head sends the request to the area responsible and must follow-up until the case is closed.</li> </ul>	<p>Neighboring communities</p>	<p>Odors, noise, leaks, and other environmental contingencies or events that could have an impact on health.</p>
<p>Terpel regional sales forces</p>	<ul style="list-style-type: none"> <li>• The administrators of our Service Station network send their requirements to us,</li> </ul>	<p>Owned, franchised, or affiliated</p>	<p>Customer suggestions (owned, franchised, or affiliated service stations) related to</p>

	<b>HUMAN RIGHTS</b>	
<b>CO.P.11 - Corporate</b>	<b>Version</b>	<b>3</b>
	<b>Date</b>	<b>August 28, 2017</b>

	mainly through the sales force. <ul style="list-style-type: none"> <li>• When they so merit, those requirements are recorded by the Complaints Hotline to generate a case file and follow up on it until it is closed.</li> </ul>	Service Stations.	labor practices, the safety of pump island attendants, and problems with public order.
--	---	-------------------	--

We work to make sure our claim mechanisms are legitimate, accessible, predictable, fair, transparent, compatible with rights, and a continuous source of learning.

In addition, we periodically consult with stakeholders to identify possible violations and to resolve doubts regarding the impacts of our operation.


We define, generate, and execute plans for improvements to strengthen the measures to prevent and mitigate real and potential impacts with higher levels of risk (critical and acceptable). We integrate the results of the most extensive risk management systems and we include the initiatives in the planning of the organization's different areas.

### 5.3 Remediation of Human Rights Consequences

We take responsibility for repairing any adverse consequences we may have caused or contributed to causing.

Our due diligence is based mainly on the principle of prevention. When a claim moves forward, however, and it is determined we have contributed to a human rights violation, we deal with the situation by abiding by the legal regulations in effect, facilitating access by the parties impacted to judicial remedies (as applicable), and offering reparation measures in line with voluntary internal standards – that go beyond the law – with an eye to correcting adverse impacts, avoiding their repetition, and resolving or compensating any impacts on people or the surroundings.

<b>Service Station Safety</b>	
Impact	Prevention and remediation
Safety risks in the area of the service stations caused by explosions or fires with liquids or gases.	Occupational Health and Safety Manual for Service Stations
Safety risks in the area of service stations caused by gas leaks.	
Safety risks to service station visitors generated by collisions.	
<b>Environmental Management</b>	
Impact	Prevention and remediation

	<b>HUMAN RIGHTS</b>	
<b>CO.P.11 - Corporate</b>	<b>Version</b>	<b>3</b>
	<b>Date</b>	<b>August 28, 2017</b>

Fuel leaks and spills at owned, affiliated, or franchise service stations	<ol style="list-style-type: none"> <li>1. Bioremediation.<sup>1</sup></li> <li>2. Policy for Occupational Health, Safety, and Quality, and the Environment</li> <li>3. Environmental Management Manual for Prevention (Control Program for Hydrocarbon Spills and Leaks and Environmental Contingencies).</li> </ol>
Impact on natural resources from fuel spills during transportation.	<ol style="list-style-type: none"> <li>1. Bioremediation</li> <li>2. Policy for Occupational Health, Safety, and Quality, and the Environment</li> <li>3. Environmental Management Manual for Prevention (Control Program for Hydrocarbon Spills and Leaks and Environmental Contingencies).</li> </ol>
Pollution of bodies of water by wastewater discharges from the operation.	Environmental Management Manual for Prevention (Control Program for Discharges).
Impacts on biodiversity caused by cutting down trees to build service stations or impacts on natural resources from spills on the highway.	Compensation according to the regulations.
Progressive increase in CO <sub>2</sub> emissions from the transportation of fuels.	Environmental Management Manual for Prevention (Measuring Carbon Footprint).
<b>Human Resources</b>	
<b>Impact</b>	<b>Prevention and remediation</b>
Situations of workplace harassment.	Coexistence Committee.
Exposure to occupational illness.	<ol style="list-style-type: none"> <li>1. Policy for Occupational Health, Safety, and Quality, and the Environment</li> </ol>
Exposure to work-related accidents.	<ol style="list-style-type: none"> <li>2. Guidelines from the Labor Risk Administrator (ARL).</li> </ol>

#### 5.4 Rendering Accounts


We periodically monitor our human rights performance in the framework of the pillars defined in our Human Rights Policy.

We use diverse channels to communicate, both internally and externally, our work to promote human rights and prevent violations.

Each year we publish our Corporate Sustainability Report, which is also our Communication on Progress (COP) as signatories of the United Nations Global Compact.

<sup>1</sup> Fuel spill cleanup through the addition of fertilizers with nitrates or sulfates to stimulate the production of native or exogenous (introduced) bacteria to thus facilitate the decomposition of the hydrocarbon.



	<b>HUMAN RIGHTS</b>	
<b>CO.P.11 - Corporate</b>	<b>Version</b>	<b>3</b>
	<b>Date</b>	<b>August 28, 2017</b>

## 5. CHANGE CONTROL

Document name	Code	Version	Description of Changes
Position on Human Rights	CO.P.11	3	New guidelines

Prepared:	Reviewed:	Approved:
<b>Name:</b> Tatiana Orjuela Cabrera	<b>Name:</b> Andrea Cheer Leyva	<b>Name:</b> Daniel Perea Villa
<b>Position:</b> Head of Corporate Responsibility	<b>Position:</b> Director of Corporate Affairs	<b>Position:</b> Vice President of Corporate and Legal Affairs