

## **Amerisur Resources**

### **Statement on Modern Slavery and Human Trafficking**

#### **Introduction from the Board of Directors**

Amerisur is committed to identify and combat slavery and trafficking in all parts of its business and supply chain. The Company's risk policies and processes seek to identify high risk areas. Training is provided for all employees and on-going review of the relevant Company policies; audit processes and due diligence arrangements are in force. The full disclosure Statement is provided as follows:

Modern slavery is a crime and a violation of fundamental human rights. It takes various forms, such as forced and compulsory labour; servitude and human trafficking, all of which deprive persons of their liberty, to exploit them for personal or commercial gain.

The Company respects internationally recognised human rights as set out in the International Bill of Human Rights. We strive to ensure that we are not complicit in human rights abuses and we work to align our practices with the UN Guiding Principles on Business and Human Rights. Amerisur is committed to continually improve its practices to combat slavery and human trafficking and impede such illegal activities in its operations and related processes, as required by the Modern Slavery Act (2015). The sections that follow outline some of our activities in this regard:

#### **Organisation Structure**

Amerisur Resources is an independent full-cycle oil and gas company focused on Colombia, South America, with production from two fields. In Colombia, the Company is operator and has a 100% working interest in the Platanillo block which includes the Platanillo producing field in the Putumayo basin, and holds a 30% non-operated working interest in the CPO-5 block containing the Mariposa-1 producing well in the Llanos basin. Amerisur's strong position in the Putumayo basin is further strengthened by a cluster of near-term activity assets around the OBA export line.

Amerisur is listed on the AIM market of the London Stock Exchange. The Company's headquarters are located in Wales, Great Britain with operational offices in Bogota, Colombia.

The current management team was appointed during the course of 2007 and has focused on delivering value to shareholders and taking Amerisur through to production. The Company is focused on growing production capacity.

The main activities of its business and supply chains, that carry a risk of slavery and human trafficking, and where the business manages this risk, are performed in the Putumayo basin region of Colombia.

#### **The Workplace**

Amerisur understands that integral to the Company's success is its people and therefore, the recruitment and management of in-country talent is one of its main priorities.

Over 90% of Amerisur's workforce is based in South America. Amerisur provides employment opportunities across a range of operational and administrative job roles fully complying with Colombian legislation, especially with Decree 1668 of 2016, prioritizing the hiring of local labour, which currently significantly exceeds the percentage required by law (30%).

Amerisur is committed to providing equal opportunities through selection and hiring procedures carried out by its Human Resources Department, based on equitable criteria and recognition of ability and merit.

Amerisur has also incorporated mechanisms and issued policies to create the right working environment, which allows its employees to develop both professionally and personally. Said policies are continuously updated and address, amongst other aspects: ethical conduct, human rights, employment, health & safety and diversity. To follow up on and guarantee the compliance of the afore-mentioned policies, Amerisur has appointed an in-house Compliance Officer and an Ethics Committee, which receive and evaluate all concerns or complaints which involve ethical, modern slavery and human trafficking issues. Workers are provided with a complaint channel which

guarantees absolute confidentiality, directly to the chairperson of that committee regarding any situation that may involve ethical, modern slavery and human trafficking issues. Training on these policies is regularly provided to all employees by the Compliance Officer and the Ethical Committee and ongoing review of the relevant Company policies; audit processes and due diligence arrangements are in force. The Company's Human Resources Department also organises several activities through the whole year for the Company's staff to improve their work environment.

### **The Local Communities**

Amerisur is committed to building and maintaining good relationships with the communities within the localities of its operations. The Company focuses on responsible behaviour and risk management.

Areas of activity are in:

- respect for communities' rights, culture and heritage;
- engagement in open dialogue;
- responding and listening to grievances; and
- supporting community development.

The Board has also taken the view that a deep knowledge of Corporate Social Responsibility (CSR) is important to managing risks and has recruited a new Board member with CSR experience to provide oversight on progress in this area.

The Company's policies on ethical conduct, human rights, employment, health & safety and diversity are also applicable to the personnel of contractors and sub-contractors', together with their interaction with local communities. To follow-up on the compliance of the Company's above-mentioned policies,

Amerisur also established a channel to receive directly from the communities their observations and complaints. Such petitions and complaints are received and evaluated, depending on the matter, by the Social Responsibility Area or the Social Responsibility Committee. Situations that may involve modern slavery or human trafficking can also be denounced through this channel, which guarantees confidentiality to the denouncer.

### **Ethical Statement & Code of Conduct**

Amerisur aims to operate responsibly in its everyday business activities and expects its employees to adhere to high ethical standards. The Company places special importance on safety, integrity and transparency, and treats its employees with respect and fairness. Amerisur recognises that employees and how they operate are critical to business success and, in recognition of this, has in place a suite of policies addressing: ethical conduct, human rights, employment, health and safety and diversity.

Integrity and trust are vital to retaining the social license to operate in the area of our work and are based on maintaining good relations with our employees who are over 90% Colombian and the local communities where many of our employees are recruited.

Therefore, our reputation, and our future as a business, depends on everyone in it taking personal responsibility for the conduct of Amerisur's operations.

### **Our Supply Chain**

A potential risk of modern slavery may arise in the procurement of goods and services required for the Company's operations, where there may be an unethical supply chain. This risk is mitigated with detailed supply chain due diligence processes, which include cross checking of restrictive lists, which guarantees that contractors have not been involved in practices related to modern slavery and human trafficking. After completing these detailed checks, our suppliers are chosen by our Supply Chain team primarily in Colombia and they are regularly audited to ensure that their policies and procedures comply with the Modern Slavery and Human Trafficking Act. All of the Company's contracts incorporate the ethical conduct, human rights, employment, health & safety and diversity policies and contemplate contractual clauses to ensure compliance these policies, including appropriate termination clauses.

This ensures that those companies with whom we have a direct contract for the supply of goods and services maintain acceptable standards for their workplace and ways of working, based on a

commitment to respect core labour standards set out below. We revisit and reinforce our expectation to achieve and maintain these standards within their own supply chain on a regular basis.

The Compliance Officer and the Ethical Committee also follow-up the compliance by the contractors and suppliers of the Company's policies. For this purpose, Amerisur also enabled the complaint channel for the contractors to file their concerns and complaints, amongst others, on ethical, modern slavery and human trafficking matters.

The Compliance Officer also organizes regular training activities for its contractors and suppliers in relation with its policies.

### **Labour Standards and Ethical Trading**

Amerisur has been awarded the certification in the international standard SGE 21:2008 Ethical and Socially Responsible Management System by the certifying entity, SGS – Colombia. The SGE21 is the first European standard establishing specific requirements companies must meet to demonstrate an ethical and socially responsible management system with a focus on transparency, integrity and sustainability of social management across operations. Amerisur is one of the only oil and gas companies in Colombia with this certification.

### **Slavery and Human Trafficking Policies**

Amerisur is committed to identifying and combating slavery and trafficking in all parts of its business and supply chain. The Company's risk policies and processes seek to identify high risk areas.

The prevention, detection and reporting of modern slavery and human trafficking in any part of our business or supply chain is the responsibility of all persons working for us or on our behalf in any capacity (including our employees, suppliers, workers, directors, agents, distributors and all third-party business partners).

Management at all levels are responsible for ensuring those reporting to them understand and comply with this policy and are given adequate training on it and the issue of modern slavery and human trafficking in supply chains.

### **Looking ahead**

Amerisur is committed to continual improvement and understanding in identifying and managing risks associated with modern slavery. In 2019, the Company will continue to monitor the effectiveness of its approach to ensure modern slavery and human trafficking is not part of its supply chain.

During 2018, the Company did not identify any issues related to modern slavery and human trafficking.

The Directors and senior management team of Amerisur have overall responsibility for ensuring this statement complies with our legal and ethical obligations, and that all persons working for us or on our behalf comply with it.

This Modern Slavery and Human Trafficking Statement and the information referred to herein has been approved by the Board and signed on its behalf by:

John Wardle, Chief Executive Officer  
19 December 2018