

	HUMAN RIGHTS POLICY	Code: HR-HRP-0
		Version: 2

1. POLICY

1.1. Purpose & Scope

This Policy states the commitment of Parex Resources Inc., its affiliates and subsidiaries (collectively “Parex” or “the Company”), to the respect and promotion of Human Rights with a strong focus on areas commonly identified as likely to be impacted by the oil & gas industry, namely: the environment, local communities, security, labour rights, supply chain, and access to remedy.

Parex is committed to the respect and promotion of Human Rights. The Company’s commitment is based on the Universal Declaration of Human Rights (1948) and the principles set out in the International Labor Organization’s (ILO’s) Fundamental Principles and Rights at Work (1998). By respect, we mean Parex will make reasonable efforts to prevent its activities from causing negative impacts on human rights and, if they occur, will endeavor to mitigate or repair the impact.

This commitment and the derived obligations apply to all Parex’ activities. All of Parex’ directors, officers, employees, consultants, and contractors are expected to comply with this Policy.

1.2. Our Guidelines

- Compliance with laws and regulations within Parex’ operating jurisdictions, particularly those addressing local communities, ethnic groups, security and labour rights. Where laws and regulations do not exist, the Company will rely on this Policy and as necessary on relevant industry standards and best practices.
- Alignment with Parex’ commitment to develop and apply corporate policies, management processes, and sustainability programs. The Company’s operations are developed with integrity and respect the rights of individuals under a model of coexistence, trust and respect to adjacent communities and the general public we interact with. Parex’ commitment to respect human rights is consistent with Parex’ way of doing business as it is reflected in its Code of Conduct and other corporate policies and guidelines.

2. Our Commitments to Human Rights

The United Nations Guiding Principles on Business and Human Rights are a key reference in fulfilling Parex’ commitment to human rights. We are committed to respect internationally recognized Human Rights in the development of all our operations and activities by:

- Conducting business in a manner that respects the rights and dignity of all people, rejecting all forms of discrimination or harassment, and complying with all legal applicable requirements.
- Seeking to secure that all activities are respectful of the rights to life, integrity and personal freedom.



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- Treating everyone equitably irrespective of their religion, race, ethnic or national origin, age, gender, gender identity, gender expression, source of income, sexual orientation, marital or family status, disability, or political affiliation.
- Rejecting and striving to prevent all forms of forced labour, exploitation of children, child labour, modern day slavery, and human trafficking in our activities as well as those carried out by contractors and suppliers.
- Seeking to ensure that both our labour practices and those of our contractors and suppliers respect the rights and freedoms of workers, in accordance with the ILO's resolutions and respecting the rights to freedom of association and collective bargaining.
- Ensuring workers can earn fair wages in safe and healthy workplaces with humane conditions. Conducting operations in compliance with, and requiring contractors and suppliers to comply, with applicable wage, work hours, overtime and benefits laws.
- Compensating employees fairly based on their job, skills and experience, and without regard to religion, race, ethnic or national origin, age, gender, gender identity, gender expression, sexual orientation, marital or family status, disability, or political affiliation.
- Disseminating this Policy among employees, train them periodically and develop specific procedures to guide their activities in accordance with this Policy.
- Endeavoring to protect employees and assets by ensuring safe work environments, and to manage security risks in accordance with industry best practices and standards, such as the Voluntary Principles on Security and Human Rights. This may include the use of government security forces and private security providers, which should be in line with applicable international standards about proportionate use of force and under the principles of efficiency, compliance with applicable laws and respect for Human Rights.
- Promoting respect for cultural and ethnic diversity and for gender equity in both labour relationships and interactions with local communities.
- Respecting the rights of local communities by promoting dialogue through locally acknowledged stakeholders and public offices and by conducting broad consultations to identify and prioritize salient local challenges and needs. This will inform our contribution to socioeconomic development in the areas where we operate.
- Seeking to avoid involuntary resettlements of communities/individuals. When not possible, we will refer to national legislation and if it doesn't exist or it is weak, we will refer to relevant industry standards and best practices.
- Advancing environmental awareness and sustainable strategies for the protection of the environment and the prevention and/or mitigation of negative environmental impacts that may affect the rights of local communities, including their rights to water.
- Valuing and respecting the rights of indigenous peoples and, where they may be affected by our business activities, our approach and actions will follow national legislation and if it doesn't exist, we will refer to relevant industry standards and best practices for consultation and engagement with Indigenous People.
- Striving to embed human rights into environmental and social impact assessments or conduct independent assessments of potential human rights risk and impacts, as appropriate. This will build on relevant industry standards and best practices, including key stakeholder consultation.

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- Establishing operational-level grievance mechanisms for addressing eventual impacts of our activities on the rights of individuals. The existing Parex’ PQR Protocol (Petitions, Complaints and Claims), is such a mechanism. It stands as a channel for reporting, managing and mitigating impacts linked to our operations, including human rights impacts.
- Encouraging the respect of these commitments by disclosing this Policy in all our business relations, including partners, contractors, suppliers, etc., and making it an integral part of their contracts as applicable.

3. Changes to Policy

Subject always to our obligations to comply with applicable law, Parex reserves the right to review, amend or withdraw this Policy at any time.

August 4, 2021

“Imad Mohsen”

Imad Mohsen
President & Chief Executive Officer