



# 2020 Sustainability Report

*Creating long-term value  
and delivering on our  
Environmental, Social and  
Governance commitments*





**Gran Tierra Energy is committed to providing meaningful opportunities for economic growth, community development and local content development, prioritizing local goods and services, and investing in social and environmental projects.**

**Our Beyond Compliance Policy means that, wherever there are significant opportunities that benefit the environment or communities, Gran Tierra voluntarily goes beyond what is legally required to protect the environment and provide social benefits because it is the right thing to do.**

Many of GTE's stakeholders attach importance to the company's approach to managing the Environmental, Social and Governance factors that are material to the business. Throughout this report, data, stories and images show how addressing these factors responsibly is a fundamental part of GTE's corporate values. The company will also release its first Sustainable Accounting Standards Board (SASB) specific annex in 2021.

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## About Gran Tierra Energy Inc.

Gran Tierra Energy Inc. (GTE) is an international exploration and production company focused on hydrocarbon development in proven, under-explored conventional basins which have access to established infrastructure and competitive fiscal regimes. The Gran Tierra team has a proven track record in developing technically difficult reservoirs, enhanced oil recovery and operating in remote locations in demanding jurisdictions. We aim to have a meaningful and sustainable impact through social investments within the communities near our operations. Our “Beyond Compliance Policy” focuses on our commitments to environmental, social and governance excellence. GTE is headquartered in Calgary, Canada, incorporated in Delaware, United States, and traded on the NYSE American, the London Stock Exchange and the Toronto Stock Exchange under the ticker symbols GTE.





# To Our Stakeholders

**Gary Guidry**, *President and CEO, Gran Tierra Energy*

Gran Tierra Energy has been moving at a rapid pace over the last five years, integrating multiple acquisitions into our organization, building a portfolio of high-quality assets and strengthening our team. The dual economic and public health crises of 2020 created critical challenges around the world and presented a stress test for our entire industry. We responded by evaluating our operation across the board and making important decisions for the future of the company. As a result, we are now an even better, safer and more efficient organization that is well positioned to withstand challenging operating and market conditions. The talent and dedication of our workforce and the trust we have built with local, regional and national stakeholders were all crucial contributors to our ability to move forward through a difficult year.

*“We are now an even better, safer and more efficient organization that is well positioned to withstand challenging operating and market conditions.”*

As soon as the extent of the COVID-19 pandemic became clear, our foremost concerns were protecting the health and safety of our workers and the communities where they live, while continuing to operate and achieve Environmental, Social and Governance (ESG) excellence.

Our operations require significant movement of people, equipment and product through two countries, presenting additional challenges during the pandemic. We quickly added an epidemiologist to our medical team, developed a rigorous and comprehensive set of health protocols and used widespread training and testing to protect our workforce and neighbouring communities. We also donated humanitarian aid and personal protective equipment, and shared information with health authorities to help keep local populations safe and updated about COVID-19. This added focus on health advanced our long-term improvements in safety culture across the company and resulted in our safest year ever, with zero Lost Time Injuries (LTIs) recorded.

This year, our sustainability guiding principle of going Beyond Compliance was still a top priority for our team which was focused on maximizing the company’s environmental and social contributions even during challenging times with health issues limiting some resources. This ethos has become a fundamental part of our culture and business strategy, and is a source of great pride across the company.

Key to producing and exporting crude without interruption was the trust our team has built through years of respectful and transparent engagement with communities.

We are following a similar approach as we start activities in Ecuador. For public health reasons we paused several of our in-person social investment programs, but we found new ways throughout the year to engage meaningfully with communities around economic, health and human rights issues. We also continued to make progress on our signature programs strengthening the cacao sector, reforestation and conservation of the rainforest, removing anti-personnel mines and protecting vulnerable children, all of which support Colombia's efforts to enshrine lasting territorial peace.

We are focused not only on being an excellent partner to communities, but also on leaving a permanent legacy of environmental protection in the regions where we work. All of our environmental efforts are guided by this total life-cycle perspective in which we strive to minimize our impacts on water, land and air. We powered more of our operations by using natural gas produced from our fields than in previous years, reducing the need to purchase diesel or draw electricity from the local grid. These efforts have increased the efficiency of our operations and reduced flaring of excess gas.

Our team is deeply committed to addressing pressing environmental challenges in Colombia. We go Beyond Compliance to align our regulatory commitments and voluntary initiatives with the government's broad environmental strategy, increasing the long-term protection of the country's natural resources.

*NaturAmazonas*, GTE's flagship voluntary program to reduce deforestation in Colombia's Amazonia region, home to one of the most biodiverse and sensitive ecosystems in the world, is on pace to exceed

its original objectives. The USD \$13 million, eight-year program, conducted in partnership with NGO Conservation International, will restore millions of trees and thousands of hectares of depleted forest, while also addressing the human and socioeconomic causes of deforestation in the area. In 2020 alone, the project added multiple forestry centres, including the newly opened Sacha Wasi nursery, in which millions of seedlings will grow each year. The project will sequester approximately 8.7 million tonnes of CO<sub>2</sub> over its lifetime.

*"We are focused not only on being an excellent partner to communities, but also on leaving a permanent legacy of environmental protection in the regions where we work."*

Gran Tierra Energy created over USD \$295 million in economic value for Colombia during 2020, much of which was directed towards Putumayo and the Middle Magdalena Valley through our contractors, vendors and staff. Thousands of jobs were maintained at a time when a great deal of the local, national and global economy had come to a near standstill. We are appreciative of the Colombian and Ecuadorian governments for their support during a critical period. We are exceedingly thankful to our local community partners for their continued trust and collaboration, and to our entire team in the office and the field, who have performed commendably under difficult conditions.

We are excited to keep building for tomorrow by creating long-term value and delivering on our Environmental, Social and Governance commitments today.

# 2020 Highlights

## Awards & Recognition



Gran Tierra Energy received the **Gender Equality Award** from Colombia's Ministry of Mining and Energy, National Hydrocarbons Agency (ANH) and National Mining Agency (NMA) for its program *Empowering Women in the Oil & Gas Industry*.



The company's program *NaturAmazonas* won **first place in the Fauna category** at the *Latin America Green Awards* for its support of Amazon's *Honey*, *NaturAmazonas*' beekeeping and pollination program which supports reforestation.



The Society of Petroleum Engineers (SPE) Colombia presented GTE with its **Machín de Oro Award 2020** for its community-based initiatives.



## Sustainable Development Goals

Many of GTE's core business activities and voluntary investments contribute to the United Nations Sustainable Development Goals (SDG). On the facing page, and throughout this report, we indicate the most relevant SDGs to which Gran Tierra makes significant contributions.<sup>1</sup>



<sup>1</sup> Gran Tierra's strategy is in full support of the Sustainable Development Goals (SDGs). Within this report they are referenced to outline the company's ESG initiatives. Gran Tierra Energy has also been measuring social impact contributions to SDGs and relevant KPIs as an ongoing monitoring and evaluation activity in 2021.

3 GOOD HEALTH AND WELL-BEING



## Good health and well-being

**12,607**

tests for COVID-19 were conducted

**15,000**

people benefited from donations of food baskets and medical items in Colombia and Ecuador

**356**

children from vulnerable populations participated in a sports-centred program to build resilience against substance abuse and militia recruitment

5 GENDER EQUALITY



## Gender equality

**39%**

increase in the number of women in GTE's workforce between 2018 and 2020

**38%**

of GTE's direct employees are women

**50%**

of the beneficiaries of GTE's Social Investment programs are women

6 CLEAN WATER AND SANITATION



## Clean water and sanitation

**25**

hectares of illegal third-party oil spills have been remediated to date

15 LIFE ON LAND



## Life on land

**47%**

expansion of the Costayaco Forestry Centre which serves as an important plant and wildlife corridor

8 DECENT WORK AND ECONOMIC GROWTH



## Decent work and economic growth

**\$299 million**

USD in economic value was generated and distributed in Colombia and Ecuador

**7**

million work hours of employment were created

**Zero**

Lost Time Injuries were recorded

13 CLIMATE ACTION



## Climate action

**~8.7 million**

tonnes of CO<sub>2</sub> will be sequestered over the lifetime of the voluntary environmental project *NaturAmazonas*

**1.3 billion**

standard cubic feet (scf) of natural gas have been converted and used for power instead of flaring

16 PEACE, JUSTICE AND STRONG INSTITUTIONS



## Peace, justice and strong institutions

**Hundreds**

of farmers have benefited from multiple programs to strengthen the cacao sector

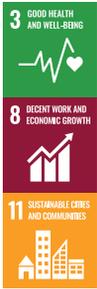
**\$5.6 billion**

COP invested in Colombia's Territorially Focused Development Programs (PDET)

**7,752**

additional hectares cleared of dangerous legacy artifacts remaining from decades of conflict

Monetary units are expressed in Colombian pesos (COP) and United States Dollars (USD) based on the prevailing exchange rate at the time of calculation throughout the report.



# Health & Safety

## Safest Year in Company History

As the extent of the COVID-19 pandemic became clear, GTE’s foremost concern was to protect the health and safety of its employees, their families and the communities near its operations. Even before the Colombian government ordered a nationwide shutdown in March, Gran Tierra took decisive actions to protect its workforce and to support health authorities by helping keep local populations safe. By quickly adding an epidemiologist to the medical team, developing and implementing rigorous health protocols, sharing information and making humanitarian donations to local communities, the company was able to help manage this critical situation and operate without interruption. GTE’s quick response was recognized by local and national authorities including the Ministry of Mining and Energy.

Against this backdrop, 2020 was also the safest year in company history, recording zero Lost Time Injuries (LTIs) during the calendar year. This is the result of GTE’s multi-year efforts to improve safety culture, communication and integration across the company.

## Highlights

In 2020, GTE:



**Achieved its safest year ever**, despite increased operational and pandemic-related health and safety risks



**Recorded zero Lost Time Injuries**



Conducted **12,607 tests** for COVID-19



**Moved more than +6,000 people through its operations** without impacting workforce or public health



*“Over the last year we’ve invested and learned a lot about how to manage COVID-19. As an industry leader, we knew we could make significant contributions to helping people understand the disease and how to mitigate it.”*

**Dr. Liliana Mejia**, Occupational Physician



## Adding to Local Testing Capacity

Widespread testing is significant in controlling the spread of COVID-19. GTE conducted 12,607 COVID-19 tests in 2020, adding to the testing regimes conducted by public health facilities in nearby communities.

## Meeting a Unique Health Challenge

The crude oil industry requires a significant workforce, much of which must be onsite at production and transportation facilities. GTE implemented four primary coordinated health controls for all employees and contractors to mitigate COVID-19 health and safety risks:

- 1 **Risk controls** such as expanding rapid testing capacity and strict hygiene protocols for people, infrastructure and equipment.
- 2 **Quarantines** in dedicated hotels and camps for field staff before entering operations areas.
- 3 **Medical controls** including a system for workers to immediately report potential symptoms, daily temperature and medical checks, and onsite doctors and lab analysts.
- 4 **Social support** for public health efforts within local communities, including sharing information with local authorities, and donations of food, water and medical supplies, all of which had become scarce from strained supply chains.

**The results are clear:** GTE effectively controlled COVID-19 despite moving thousands of workers across its operations. This enabled uninterrupted production for GTE and its crude shipments without impacting community health. GTE shared its approach in detail with other operators and health authorities.

# Safety Performance

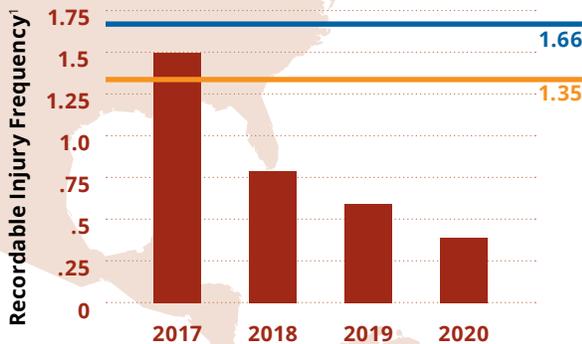
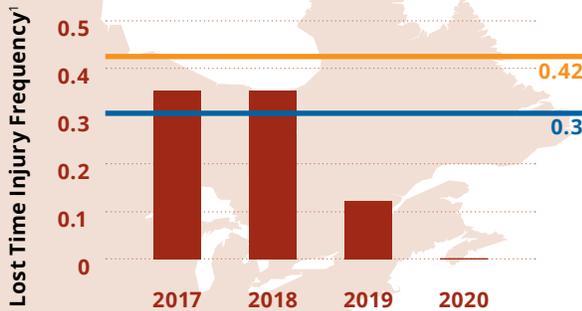
Years of experience, innovation and hard work to improve safety systems, tools and culture culminated in 2020 becoming the safest year in company history with zero Lost Time Injuries, while recording only three incidents that required medical treatment. This record is based on long-term, steady improvement in company-wide safety performance and was achieved despite an increase in higher-risk shutdown and startup activities related to commodity prices and the pandemic. GTE's Total Recordable Injury Frequency (TRIF) has also been steadily decreasing for years.



*“Achieving the safest year in our history is largely due to the company leadership, the commitment of everyone in the organization, and integration with the operations team, which has allowed our health and safety team to contribute their support, knowledge and experience. It is our responsibility to ensure that all employees return safely home, to their families, every single day. A goal of zero continues to be our target.”*

**Diego Perez-Claramunt**, Vice President, Health Safety and Environment (HSE) & Corporate Social Responsibility (CSR)

## 2020 Lost Time Injuries: Zero



North America  
2019 average<sup>2</sup>

Latin America  
2019 average<sup>2</sup>

1 Injuries per million work hours. Includes direct employees and contractors.  
2 International Association of Oil and Gas Producers (IOGP) 2019 data.



# 15 million

work hours have been completed without a Lost Time Injury

*(continued from previous page)*

The company's LTI frequency of 0.00 was well below both the most recent industry averages of 0.42 for Latin America and 0.30 for North American exploration and production companies, as reported by the International Association of Oil and Gas Producers, and was in the top percentile in any region globally. Several factors contributed to GTE's record setting safety performance.

**Culture:** Placing a high value on safety comes from the very top of the company, is integrated into all company functions and effectively communicated to all employees.

**Continuity & Improvement:** *Misión Vida*, GTE's overarching Health and Safety plan, standardizes safety protocols across the organization and outlines a comprehensive system of training, risk management,

emergency response, event reporting and investigation. This framework has been in place for four years providing a consistent pathway towards safety improvement and performance. In 2020, the company also conducted a thorough review of all of its Standard Operating Procedures.

**Education & Accountability:** The company's safety culture is expanded to GTE's contractors and vendors which receive support to set expectations and help them meet safety objectives. Monthly contractor safety meetings provide a forum to discuss safety issues, share best practices and recognize outstanding safety performance among peers to foster a culture of pride and accountability with vendors.



# Misión Vida Program: Constantly Innovating

Despite having recorded zero LTIs, and GTE's baseline having improved to industry-leading levels, the battle to keep workers safe is never over. The *Misión Vida* program helps GTE identify high impact areas and design tools and programs to improve them, all while changing hearts and minds about safety.



**Emergency Response Training** includes weekly training, drills and refresher courses for first responders.



**The Hand Injury Prevention Program (HIP)** has reduced hand injuries by 80% compared to 2019. During 2020, GTE had one recordable hand injury that required medical treatment over 7-million-person work hours. HIP uses virtual reality training and an analysis of first-person video footage of real-life work activities to improve hand safety procedures and reduce the possibility of accidents.



**Golden Rules** is a safety-based virtual reality video game created by GTE to simulate potentially hazardous situations. All field operations workers are required to complete the training modules as part of their safety induction.



**Safe Driving Program** mandates that everyone driving for the company attend multiple courses covering defensive and preventative driving techniques for every foreseeable road situation.



**The "Getting Performance Standard" (GPS) Room** dedicates a central surveillance team to remotely monitor all operations with potential safety risks. When operators identify potential hazards, they can immediately call their on-site colleagues to inform them and discuss the situation.



## Online Permit to Work System

A new online Permit to Work System implemented in 2020 was the latest innovation to help the company and its contractors manage safety protocols. The System ensures work is conducted efficiently and, most importantly, safely, specifying the task to be performed, foreseeable hazards and the safety measures required to mitigate risks. Checklists ensure that no control mechanism is bypassed or missed ensuring proactive safety measures for front line workers.

GTE's online system improves tracking and transparency of contractor safety performance, establishing a unified information set across all companies and contractors.

*“Our safety culture is based on the opportunity to grow personally and professionally, to mentor the next person and ultimately to improve the operation.”*

Aldemar Gonzalez, Drilling Superintendent

## The Wide-Ranging Benefits of a Strong Safety Culture

GTE’s HSE cultural growth over the past five years has been a factor in increased local hiring, greater efficiency and improved relationships with stakeholders.

- **Increased percentage of local workers** – As workers from nearby areas, many of whom are new to the oil industry, begin to adopt the company’s HSE standards, they assume work roles of increasing responsibility, which allows the company to increase opportunities for local employment.
- **More efficient operations** – A strong HSE culture reduces downtime, improves efficiency and drives institutional learning. Thousands of workers at all levels identify risks and improve standard operating procedures, creating a safer work environment and reducing the time needed to carry out activities.
- **More satisfied stakeholders** – Government, financial and community stakeholders are seeing more efficient operations with less risk to health, safety and the environment.

**75%** GTE **reduced the time required** to drill new wells **by more than 75%** over several years.

**90%** Staffing on GTE’s drilling rigs went from **90% national workers to 90% local workers** in just four years.





# Economic Development

The company's swift and significant health, safety and organizational response to the dual economic and public health challenges during the first quarter of 2020 played a major role in generating nearly USD \$300 million for Colombia and Ecuador through royalties, taxes, salaries, goods and services purchased from contractors and local vendors in Putumayo and the Middle Magdalena Valley.

The resilience of GTE's business was essential during this critical time when so much of the Colombian and global economy was shutting down due to the COVID-19 pandemic. The national government deemed the oil and gas industry to be a "strategic sector" and worked with the company to ensure operational continuity so the industry could contribute economically throughout the ongoing crisis.

This continuity was also made possible by the company's ongoing productive relationships with communities near its Colombian operations.



*"Over the past 14 years GTE has developed a high-quality and low-decline asset base that has tremendous growth potential and currently generates significant cash flow, employment, royalties, taxes and other advantages for Colombia. We maintain a long-term view of our commitments and are focused on our sustainable contributions to local communities that will continue to flow from our operations for decades to come."*

**Ryan Ellson**, Chief Financial Officer and Executive Vice President, Finance

## Highlights

In 2020, GTE:



**Generated nearly USD \$300 million** in economic value for Colombia and Ecuador



**Created 3,697 job opportunities**, more than 92% of which were for local workers



**38% of GTE's direct employees are women**



**Invested USD \$40 million** directly into local economies



# Zero Days Suspended Due to COVID-19

## Operations

Leading up to 2020, GTE had accomplished its multiyear goal of consolidating a number of assets in underexplored and underdeveloped areas in Colombia's Putumayo and Middle Magdalena Valley basins and had also expanded its portfolio through exploration. This strategy resulted in significant resource potential for the benefit of all company stakeholders.

GTE responded to the dramatic shift in crude oil prices and constraints imposed by the COVID-19 pandemic by rapidly optimizing its asset base and cost structure. This has ensured short-term business continuity and positioned the company for long-term sustainability regardless of future economic conditions.

As crude prices stabilized, GTE resumed development and preventative maintenance activities across its operations, including ongoing well workover operations and the restart of development drilling at the Acordionero field. The company also restarted workover operations at Costayaco and is planning new development drilling in that field to support Colombia's sustainable reactivation plans to create jobs and increase GDP in 2021.

### 2020 Production Highlights



Total Proved Reserves of Oil and Gas (MMBOE)	79
Total Proved Plus Probable Reserves of Oil and Gas (MMBOE)	133
Total Proved Plus Probable Plus Possible Reserves of Oil and Gas (MMBOE)	174
Total Company Average (BOEPD)	22,624
Development Wells Drilled	7
Exploratory Wells Drilled	0
Total Wells Drilled	7

# Economic Impact

GTE's operational and financial stability helped ensure minimal disruption to communities during a difficult year. Contracts for local vendors and salaries for local workers injected capital into local economies and created opportunities as these funds circulated throughout the community for secondary and tertiary goods and services.

GTE's impact on Colombia and Ecuador extends beyond jobs and direct capital through a business culture that delivers long-term benefits for the people and environment in the areas where the company operates.

## GTE's Economic Impact in Colombia and Ecuador in 2020\*

**\$299M**

Economic Value Generated and Distributed\*\*

**\$181M**

Payments to Suppliers, Contractors and Other Third Parties

**\$53M**

Payments to Governments (Taxes, Royalties)

**\$19M**

Payments to Employees (Salaries and Benefits)

**\$4M**

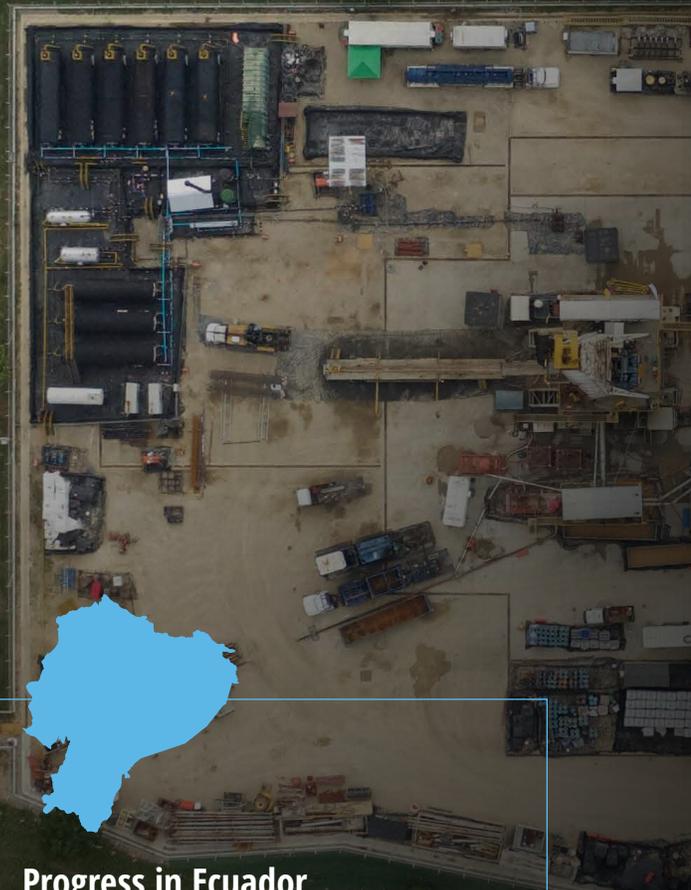
Investment in Communities

**\$2M**

Social Investment

\*Units in millions of dollars (USD)

\*\*Total includes all Capex, Opex, G&A, Acquisitions, Taxes and Royalties in 2020.



## Progress in Ecuador

GTE continued to lay groundwork in Ecuador to commence exploration and development in the Sucumbios region by continuing stakeholder relations activities, conducting workshops with government agencies, providing humanitarian aid to affected regions and advancing its applications for environmental licenses. GTE was one of a small number of international companies operating in Ecuador to be invited by the Canadian government to participate in the Extractive Industries Transparency Initiative, a global standard for the good governance of oil, gas and mineral resources.



## Transporting Crude While Keeping Communities Safe

One of GTE's major successes in 2020 was shipping crude without interruption or impact on public health. This required a comprehensive strategy covering the entire country including the complexities of crossing the border between Colombia's southern Putumayo Department and Ecuador.

Special loading procedures eliminated contact between drivers and operations personnel. Drivers, who take weekly COVID-19 tests and remain in quarantine at selected hotels with fully implemented COVID-19 protocols, stop only at specially dedicated restaurants to ensure they are isolated from the communities they travel through. Truck cabs are disinfected regularly between handoffs, and checkpoints were established to make sure procedures are followed.

The company's social, security and logistics teams designed everything needed to implement this action plan and build confidence with driver unions, local communities, national ministries and border authorities in both countries. While this plan was comprehensive, it would not have been possible to implement without trust from all of GTE's stakeholders that the company would meet its commitments and be transparent about health and safety concerns.



*"Everyone worked together to accomplish this. The truck drivers understood the increased precautions implemented were critical to their business and everyone's safety. Community leaders understood our protocols would keep them safe and that they could apply them to other types of shipments that they were receiving, such as food and beverage products."*

**Uriel Torres**, Logistics Director

## Tax Revenues Directly Developing Local Territories

Works for Taxes (WFT) is a program created by the Colombian government that allows GTE to use up to 50% of its income tax contributions to directly develop and implement local projects that improve livelihoods, support economic development and help stabilize territories most affected by poverty and the previous armed conflict. WFT is also an important component of Colombia's Territorially Focused Development Programs (PDETs) following the 2016 peace agreement signed between the FARC-EP guerrilla movement and the Colombian government. The PDETs are a vital tool for rural development and lasting territorial peace that empowers local communities to decide how funds should be invested in their territories.

Through WFT, Gran Tierra Energy is developing four projects targeting improvements of road infrastructure, education and housing in the Putumayo municipalities which experience high rates of poverty and food insecurity. Total investment for the first four projects will be over COP \$10 billion. In 2020, GTE completed construction on sanitary units for families in Villagarzón, installing toilets, showers, sinks and laundry areas.

Planned projects include the provision of cafeteria supplies for educational centres in the municipalities of Orito and Puerto Caicedo and upgrading roads between the towns of Puerto Vega and Campo Alegre near Puerto Asís.



### Helping Communities Develop Their Projects

Through its alliance with the Colombian Territory Renewal Agency (ART), GTE has also helped Mayors' offices and other local authorities to put together project proposals – a major step to support municipalities' access to government funding available from royalties paid from companies like Gran Tierra. Nine out of 15 projects already have been structured and presented to the government for funding.



Isabel Caicedo and her family are beneficiaries of the Works for Taxes Program that was implemented for families living in Villagarzón. They received a sanitary unit that included a shower, toilet, sink and washing station.



*“Works for Taxes is an effective mechanism for transforming oil revenues into local development opportunities for communities, and it aligns perfectly with our municipal development plan. It’s only through this program that local communities receive national revenues to address local priorities, build a sustainable economy and a better country by strengthening the regions. As the major business in our area, GTE is a strategic ally in this effort.”*

**Jose Andres López Muños,**  
Mayor of Villagarzón



**Invested over USD \$11.5M since 2018 to PDETs in Colombia**

**Projects developed within the PDET Pillars include:**

- **Infrastructure and Land Use**
- **Rural Health**
- **Rural Education**
- **Housing, Drinking Water and Basic Rural Sanitation**
- **Economic Reactivation and Agricultural Production**
- **Reconciliation, Coexistence and Peacebuilding**

# Job Creation & Workforce Development

GTE's efforts to protect health and safety and to increase efficiency allowed the company to continue contributing to national, regional and local economies while preserving thousands of local jobs. These jobs became even more important to the local and national economies as the COVID-19 situation led the country to shut down, with businesses closed and workers seeing their livelihoods and communities severely impacted by drastic reductions in economic activity.

While workforce levels decreased during the first three financial quarters of the year, job opportunities began to increase again in the fourth quarter when the company resumed development and well maintenance activities as commodity prices stabilized.

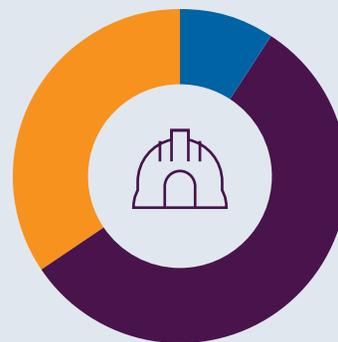
Colombian law requires at least 30% of qualified skilled workers be local. As a result of GTE's training, certification, mentorship and workforce development programs, the company nearly tripled this level.



*"The gift that GTE can give to employees is the support to help them grow their capabilities. The best part of my job is providing opportunities for employees to participate in training, good mentorship and coaching."*

**Sebastien Morin**, Vice President, Global Drilling & Completions

## GTE's 2020 Workforce



TOTAL: **3,697**

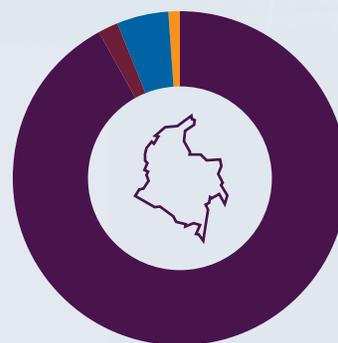
## Skilled Labour

Middle Magdalena Valley  
**88%** local skilled workers

Putumayo  
**85%** local skilled workers

**100%** of unskilled labour is local

## Regional Labour Breakdown



**93%** Local

**2%** Regional

**5%** National

**<1%** Expatriate

*“Gran Tierra has created many opportunities and changed many lives here in La Banca. Schools, parks and houses have all improved, and there are more people going to college now.”*

**Carolina Aguas**, Social Leader and Security Guard, GTE, Middle Magdalena Valley

## ***GTE Te Enseña: Upskilling Employees***

An integral part of GTE’s culture is centred around coaching and mentoring employees to help them grow within their roles so that they can advance in the company. *GTE Te Enseña* (Learn with Gran Tierra) evolved out of independent training sessions across several departments and increased the transfer of internal knowledge throughout the company to help other employees further develop their skills.

Virtual training sessions were led by employees and allowed dozens of people from around the company to attend the lessons simultaneously during the pandemic. In addition to promoting individual growth, the program fostered interdepartmental connections between employees, many of whom were working remotely. In 2021, planned courses will include more technical training and soft skills coaching.

In total, 837 participants engaged in nearly 3,000 hours of training in Colombia, Ecuador and Canada.

*“We tend to be the major operator in the areas where we work and therefore do not have an existing labour force to rely on. In order to increase local capacity, we’ve spent years implementing training programs and apprenticeships, while working closely with the social, labour and supply chain teams. Through this important work we have been able to strengthen the available and qualified workforce over time.”*

**Christian Gomez**, Manager, Major Capital Projects



### **Certifications for Aspiring Electricians**

In its effort to strengthen the workforce in San Martín, GTE began an electrician certification program with Colombian training institute SENA. The training builds technical skills to increase access to job opportunities in oil and gas and other industries. Without enough locally certified workers, many skilled positions, such as commercial-grade electricians, would have previously been filled with workers from other areas in the country. At the end of 2020, 20 students were training to become electricians through this program, which is offered free of charge.



## Prioritizing Gender Diversity

Over the past several years, GTE has increased its focus on hiring women and encouraging them to participate in job opportunities and advancement through a program entitled *Empowering Women in the Oil & Gas Industry*. Colombia's Ministry of Mining and Energy, National Hydrocarbons Agency (ANH) and National Mining Agency (NMA) recently recognized the importance of this program, presenting GTE with the Gender Equality Award.

GTE's program is also aligned with Colombia's National Development Plan's "Women's Equity Pact" and international guidelines such as the United Nations Sustainable Development Goals for Gender Equality.

### GTE's program for gender diversity is based on four pillars:

- 1 Guidelines to prevent gender discrimination in selection and recruitment by contractors
- 2 Incentives to promote the recruitment of women throughout the supply chain
- 3 Training to increase the competitiveness of female employees and candidates
- 4 Guarantees of fair working conditions including schedules and salaries

The program creates a framework for contractors and subcontractors to encourage gender diversity within their operations and across the industry.

### Results

Women make up **38%** of GTE's direct employees.



**+300**

Over **300 women** took part in GTE's certification training.

**↑ 39%**

The number of women on GTE's workforce increased **by 39%** between 2018 and 2020.

**↑ 33%**

Over the last year, the **percentage of women** working for GTE's contractors and subcontractors increased **33%**.

Women made up **nearly 40%** of locally based job candidates that participated in GTE's skills and certification training.





## PERSPECTIVE: Sadith Armenta Rodriguez

Sadith Armenta Rodriguez is a Junior Human Resources Professional working with the 25-person team running the company's workover rig in the Middle Magdalena Valley. Formerly the mayor of the nearby town of San Martín, Sadith also previously participated in GTE's Women's Empowerment program.

*"I had two dreams in my life: one was to become a public official and the second was to work for Gran Tierra. In San Martín, people believe that working with GTE can really improve their quality of life.*

*A mix of formal training programs and informal mentorship at this company has helped me grow personally and professionally, gain confidence and expand my responsibilities over time.*

*The company's training programs have also had a big impact in the community, helping local people access jobs and grow with the company. It's very common for companies to not accept people without experience in the industry, but GTE will hire and train people, and this approach is very much appreciated within the community.*

*Years ago, before I was with GTE, we would see all the women with their uniforms working in the field at GTE. It had a strong impact and we wanted to do the same thing. The industry is now changing its culture with respect to women, but the changes are even more evident within this company, which actively looks to provide labour and development opportunities for women.*

*Seeing women in critical positions is motivational and I feel proud to work at a company that gives us important responsibilities. My experience here has exceeded expectations, and sometimes it really does feel like I am living a dream."*

Photos were captured prior to the COVID-19 pandemic and do not include personal protective equipment associated with GTE's health and safety protocols.



# Supply Chain Development

In addition to jobs and employee development, providing opportunities for local businesses to participate and grow with GTE's operations is a fundamental company value.

GTE continued to inject liquidity into the Colombian economy by investing in goods and services provided by contractors, many of which are based in the regions and communities where the company operates. These communities benefit from a multiplier factor as the investments circulate beyond GTE's direct supply chain and through all sectors of their economies.

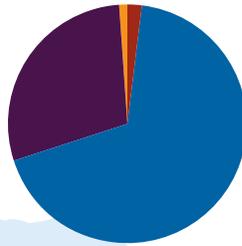
*“As citizens of Putumayo we’re grateful and proud to have a company like GTE in our territory. Last year was difficult for us but GTE has built a relationship of trust and transparency and its people have always been there for us. Other businesses know they can automatically trust a company that contracts with GTE, which is very important for growth in the region.”*

**Flavio Sandoval**, Legal Representative and Founder, VillaExpress, a ground transportation company based in Villagarzón

## Purchasing of Local Goods and Services

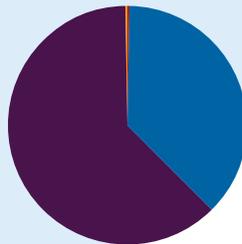
### Local Companies Hired

Cauca	2
Putumayo	68
Middle Magdalena Valley	29
Yopal	1
<b>TOTAL</b>	<b>100</b>



### Purchases of Local Goods & Services (COP)

Cauca	\$484 million
Putumayo	\$49 billion
Middle Magdalena Valley	\$82 billion
Yopal	\$252 million
<b>TOTAL</b>	<b>\$132 billion</b>



## ***Key Partners:*** **Supporting Local Vendors During COVID-19**

In 2020, GTE continued building its *Key Partners* program to further strengthen and diversify its local suppliers. The program has led to significant growth in the capabilities and competitiveness of its vendors and is comprised of five strategic areas: educational development/skills training, relationship building, supply chain connections, operational excellence and economic growth.

GTE is using its *Key Partners* program as a tool to support local companies during the COVID-19 crisis by:

- Continuing to provide business education during the crisis through virtual development courses offered to local companies in Putumayo and the Middle Magdalena Valley. Topics are specifically tailored to the current situation suppliers are facing, and include finance, taxes and management. Gran Tierra also offered an educational development program on commercial and project management in partnership with the Bogotá Chamber of Commerce. Representatives of 69 local suppliers participated.
- Providing information about reducing COVID-19 risks through virtual training sessions.
- Mitigating supply chain risks and streamlining the procurement process by creating a database of over 1,100 local companies that can bid on contracts. The company requires national contractors to give preference to local suppliers. Vendors can go through a prequalification process which confirms eligibility and helps them increase their skills.
- Helping local vendors recover close to USD \$800,000 in overdue bills from their principal clients.



**\$1,794,982**

In Puerto Limón, a remote community in Putumayo, **70 contracts** were signed with local small businesses in 2020, worth a total of **USD \$1,794,982**



# Environmental Stewardship

GTE brings a total-life-cycle perspective to its operations, with the goal of leaving a legacy of environmental protection. By strategically aligning its regulatory commitments and voluntary initiatives with the Colombian government’s environmental protection and climate adaptation strategy, GTE more effectively mitigates its environmental impacts and maximizes its contribution to protecting the country’s air, land and water. GTE’s voluntary environmental efforts are often linked with economic development because sustainably protecting sensitive natural resources must also be in the interest of local inhabitants and communities.



In 2010, GTE incorporated a forestry centre which, under its stewardship, has grown into a substantial forest and habitat near the company’s Costayaco facilities. The centre is currently being integrated into the *NaturAmazonas* network, but will continue to be managed by GTE.

## 2020 accomplishments:

- Expanded **47%** to a total area of **314.5 hectares** of forest
- Number of seedlings produced: **22,585**
- Number of species of trees: **71**
- Number of species of wildlife documented: **11, including large felines and rare species**

## Highlights

In 2020, GTE:



Surpassed **838,740 trees planted** and **1,624 hectares of land conserved, preserved or reforested** through its environmental projects



Collected more than **400 samples of ground and surface water**, all of which **tested negative** for the presence of hydrocarbons



Produced nearly **1 million seedlings** of shade and productive trees



Exceeded **1.3 billion standard cubic feet (scf) of gas used for power** instead of being flared



*“We were originally planning to work with 5 municipalities, but after receiving requests to participate from 200 municipalities, we increased our efforts. While we couldn’t accommodate everyone, this revealed an important change in mentality and opens up possibilities to build even more connective corridors throughout the region.”*

Fabio Arjona, Vice President, Conservation International, Colombian Program

# NaturAmazonas

NaturAmazonas, GTE's flagship voluntary environmental program in partnership with the non-profit Conservation International, continued to exceed its original objectives. The project is focused on combating deforestation in Colombia's Amazonia region where the Amazon rainforest connects with the foothills of the Andes mountain range, home to one of the most sensitive and biodiverse ecosystems in the world. Gran Tierra will have contributed USD \$13 million to NaturAmazonas over its eight-year lifecycle. The project is being implemented in close cooperation with the Colombian Ministry of Environment and Sustainability, regional authority Corpoamazonia and local communities in the Putumayo Department. NaturAmazonas also makes a significant contribution towards the 2030 emissions reduction and carbon sequestration targets established by the national government and the Ministry of Mines and Energy.

NaturAmazonas has encouraged a cultural shift towards sustainability and fostered knowledge growth, conservation and technical training.



## NaturAmazonas' accomplishments:



### Nurseries

- Opened Sacha Wasi, the program's third forestry centre
- Incorporated GTE's Costayaco Forestry Centre and Corpoamazonia's Centro Experimental Amazónico into the Agroforestry Station Network
- Produced nearly 1 million seedlings of shade and productive trees
- Built capacity to produce up to several million seedlings every year



### Restoration

- Restored a total of 708 hectares of forest in Putumayo, Cauca and Caquetá
- Planted 72 species of trees
- Will sequester ~8.7 million tonnes of CO<sub>2</sub> through reforestation and conservation over the project's lifetime
  - » Equivalent to the emissions from 215 billion passenger miles driven or the energy use of 10 million homes for one year



### Guardians of Botanical Knowledge

- Hired 132 local people who collected 28,000 samples of flora
- Catalogued 1,400 species
- Discovered 11 new species in Colombia, three of which are new to science
- Created Colombia's only ethno-botanical herbal collection housed at the Putumayo Institute of Technology



### Amazon's Honey

- Supports reforestation and protects botanical health through increased bee pollination
- Converts the resulting honey into a sustainable commercial commodity for nearly 500 local farmers
- Won first place at the 2020 Latin America Green Awards in the "Fauna" category



### Sustainable Food Projects

- Provides farmers access to a successful living without turning forests into fields
- Promotes the combination of forest and agronomic species of plants to improve soil sustainability, conserve water, optimize and diversify productivity
- 720 hectares of cacao, banana and rice crops have been added to the agroforestry system to date
- 264 family farms in 22 villages were built and are now operational



### Sovereign Harvesting

- Helped 300 participants strengthen their families' capacity for food production by teaching agro-ecological techniques for native plants

# The Chawar Project – Using Technology to Protect the Environment

The Chawar Project, completed in 2019 in partnership with Colombia’s Alexander von Humboldt Biological Resources Research Institute, is a powerful tool that helps GTE make decisions that reduce the social and environmental impacts of well exploration and development projects.

Chawar incorporates a wide range of data sets into a powerful technology platform that allows GTE to minimize its footprint, design smarter environmental mitigation and compensation strategies, reduce forest fragmentation and protect environmentally significant areas.

Chawar was immediately applied to the Environmental Impact Assessment for the Cumplidor North development project, which requires a licence to operate in an environmentally important and biodiverse region connecting the Andes mountain range to the Amazon rainforest. The Chawar project is constantly evolving and will become a more powerful tool. It can also map out the company’s voluntary environmental investments to maximize their benefit to specific areas as well as broader regions.



*“Connecting different projects can significantly increase their combined and lasting impact. This is important to us because our goal is not just to comply*

*with regulations, but to be understood as a company that leaves no long-term impact and helps the regional and national environmental protection agencies achieve their objectives.”*

**Olga Lucia Casañas Suarez, Leader, Forestry Compensation**



## Perspective from Corpoamazonia

Corpoamazonia is the presiding regional environmental authority that oversees environmental management in Colombia’s Amazonia region.

*“GTE is a strategic ally in protecting the biodiversity of Amazonia. The company’s support has been critical in helping us achieve many of our goals. For two years, we have focused on a broad strategy of forestry control, management and restoration, for which NaturAmazonas has been the best project we could ever have. It is making a really positive impact on flora and fauna in strategically important places, but also for the lives of the people in local communities who will make this process sustainable.*

*The company’s ability to connect its legal requirements and voluntary commitments with our general strategy at Corpoamazonia has made a big impact in the area. It’s excellent to see that other local companies are beginning to follow GTE’s lead in connecting compensation with conservation.*

*GTE’s Costayaco Forestry Centre, feline and Chawar projects are great examples of this strategic alignment. All the studies for the feline project were carried out because of a compensation requirement, but the work is being done through a conservation approach and will connect with other efforts that contribute to the conservation corridors. The results have been marvellous - we’ve seen an amazing reemergence of species once again using these corridors.”*

**Sidalý Ortega, Deputy Director, Corpoamazonia**



## Wild Feline Conservation in Putumayo

Deforestation has shrunk habitats for wild cats in southern Colombia leading to cycles of predatory behaviour, destruction of livestock and retaliatory hunting, negatively impacting the environment and the economy. GTE's efforts to counteract the wide-scale deforestation of Colombian Amazonia are also aimed at protecting and increasing the habitat areas of these beautiful animals. The company is implementing a two-year project which will begin to address this issue by:

- Assessing the current state of wild felines in Putumayo
- Designing and implementing strategies to manage feline activity in the area
- Identifying which regions will be most effective for feline conservation

At GTE's Costayaco Forestry Centre trees and wildlife species flourishing in the region have attracted large felines that have been routinely captured on hidden cameras installed to identify and track them to keep them safe and protected.



# Energy Efficiency Program Targets Emissions Reductions

A major priority for the company has been to reduce the flaring of excess gas produced from its wells by converting it to power operations instead.

One of the challenges with GTE's more remote fields is the lack of access to municipal power sources, meaning diesel must be used instead to power operations. However, the majority of the projects initiated by GTE have available gas from its own operations.

GTE has successfully converted major production facilities at Costayaco and Acordionero to run on gas produced in its fields, and the company made significant strides in 2020 to expand the effort to additional fields such as Cohembi, Los Angeles, Mono Araña and Vonu.

*"We are looking for every available opportunity to harness the gas found in our fields to reduce our environmental impact, reduce GHG emissions, increase energy efficiency and save money."*

**Steve Smithinsky**, Vice President  
of Production Operations



## +134 million kWh

generated to power its operations in 2020



## 1.3 billion scf

of gas has now been used for  
**power** instead of being flared



## 85% decrease

in **diesel fuel consumption** thanks to  
the gas-to-power project at Acordionero

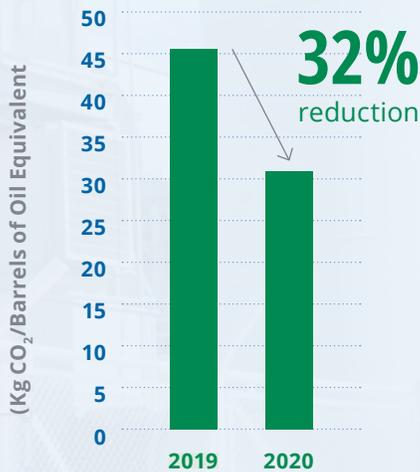


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## GHG Emissions



## Carbon Intensity



Decreasing diesel consumption and using produced gas for power has both economic and environmental benefits:

- Reduces the need to purchase diesel
- Reduces flaring
- Reduces direct air emissions by 28% compared to diesel
- Eliminates emissions and impact from transportation of diesel
- Eliminates emissions associated with refining the diesel fuel

Technological advances in compact compressors has further minimized greenhouse gas emissions, generating power from gas at almost any scale.

By year end 2021, nearly all of the gas produced at Acordionero will be used for power.

Furthermore, throughout 2021 the company has made it a priority to utilize all available solution gas for process optimization and gas to power projects in all fields across its portfolio.

## Oil Spill Response and Pipeline Integrity

When automatic alerts detected a small leak in the pipeline running under the Caqueta River before midnight on June 21, field and pipeline operations at Moqueta were immediately stopped as GTE's Oil Spill Response team rapidly deployed dozens of vehicles, boats and workers from nearby control points to investigate, contain and remediate the area. The pipeline transports crude from GTE's Moqueta wells to the production facility at Costayaco and runs about 1.5 kilometres upstream from the nearest town of Puerto Limón.

The company alerted nearby communities within the hour and staff met with social leaders immediately to explain the situation. The company worked closely with local and national authorities and regulatory agencies to coordinate the extensive emergency response activities. GTE remediated all environmental impacts, leaving no residual crude on land or water. Repeated water monitoring tests along with six separate inspections conducted by regulators have confirmed no lasting impact on fauna, flora, natural resources or infrastructure.



# Social Investment

Engaging with communities is one of the company’s most important activities as a long-term ally. The trust that GTE’s team has built through years of meaningful engagement in Colombia has been an important factor in the company’s success. This trust will continue to be earned by adhering to responsible business practices and understanding that communities are important stakeholders.

The pandemic presented new challenges, interfering with face-to-face interactions and many of the company’s social investment and community engagement programs were paused to protect public health. GTE’s social teams innovated to discover new ways to stay connected and support communities on critical issues they faced.

## Highlights

In 2020, GTE:



**Implemented social programs** that benefited +30,400 people



**Invested COP \$8.4 billion** into Economic Development, Well-being and Livelihood Preservation and Social Infrastructure projects



Continued multiple **projects to strengthen the local and regional cacao value chain** in Putumayo



**Made humanitarian aid donations** in Colombia and Ecuador

## AgroEmprende Achievements

 **13,000 kg** of cacao produced

 **286** families participated

 **2,000** contracted and family jobs created



*“With AgroEmprende’s support, we received 1,700 seedlings, improved quality and got better prices selling directly to our local association. Cacao is an opportunity to avoid going back to illicit crops and we envision ourselves as part of a self-sustaining industry that will pay for the education of our grandchildren.”*

**Marcolino Caicedo**, cacao farmer, Puerto Asís



## Cacao Program Supports Peace and Economic Development

GTE has developed multiple programs that support the Colombian government's strategy for sustainable territorial peace by focusing on local and regional development of the cacao sector. These programs build the capacity of farmers to cultivate economically viable alternatives to illicit crops.

### AgroEmprende

*AgroEmprende*, a partnership between GTE, Ecopetrol and the government of Canada, is implemented by the Canadian NGO SOCODEVI, and focused on teaching agricultural environmental practices and strengthening the cacao value chain.

The program continued in 2020 towards its goal of engaging four hundred families growing cacao in Putumayo in the municipalities of Mocoa, Villagarzón, Puerto Guzmán, Puerto Caicedo and Puerto Asís. Nearly 13,000 kilograms of cacao were produced and sold during the year. By the end of 2020, the second year of the program's six-year slated term, 286 families had participated, creating approximately 2,000 contracted and family jobs. GTE's contribution to this program is over COP \$5 billion.

*AgroEmprende* also establishes and strengthens local farmer associations that can collectively sell their cacao to buyers at a higher and more stable price.

In December 2020, beneficiary Marcolino Caicedo, earned second place in the first "Gold Cacao Competition" held in Putumayo. The competition selects the highest quality cacao in the department in order to promote Colombian cacao in international markets.

## Delivering Humanitarian Aid in Colombia and Ecuador

At the onset of the COVID-19 crisis, GTE's employees took it upon themselves to organize donations to help families-in-need, along with providing personal protective equipment and medical supplies to local authorities. The drive raised COP \$46,280,000 which was then matched by the company.

GTE also supported the most vulnerable by delivering thousands of medical items and food baskets to communities in Putumayo, the Middle Magdalena Valley and Sucumbíos in Ecuador to help them address COVID-19 and the financial crisis.

The food hampers, sourced from local providers, could feed a family of four for approximately two weeks. The hampers contained nutritional goods including rice, milk, meats, pastas, grains, eggs and beans, along with basic hygiene supplies.



**Machín de Oro Award**

The Society of Petroleum Engineers (SPE) Colombia presented GTE with the Machín de Oro Award for its community-based initiatives in 2020.

 **2,236**

**food baskets** and thousands of medical supply items were donated to local communities in Colombia and Ecuador, **benefiting over 15,000 people**

 **\$151,859**

in company and employee **humanitarian contributions were made**



# Community Mentorship Program

GTE partnered with the Society of Petroleum Engineers of Colombia (SPE) to conduct a community mentorship program to develop leadership and soft skills for 18 students and social leaders between October and December. The all-virtual program paired the mentees, 83% of whom were women, one-on-one with GTE employee mentors based on shared interests and experience. The mentees learned skills based on an existing curriculum which allowed them to strengthen their leadership abilities, gain a deeper understanding of industry practices, grow confidence and work through specific issues they faced in work and life. Many of the mentee-mentor relationships continued after the 3-month program concluded, and the program will be offered again in 2021.

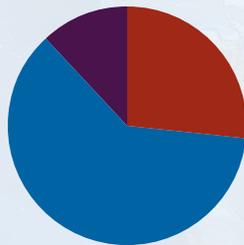
## Maintaining Channels for Constructive Engagement

Trust, transparency and respect are important pillars of the company's approach to social engagement. GTE maintains multiple channels to implement its Grievance Management System to manage petitions, questions, complaints or claims (commonly known as PQRs). Increased numbers of PQRs are considered a positive indicator of open engagement. However, in 2020 the number of PQRs decreased because of the temporary closure of the company's community-based Te Escucha offices due to COVID-19. GTE plans to re-open the offices as soon as public health allows.

### PQRs

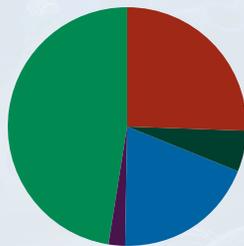
#### Channels for receiving PQRs

Office:	243
Email:	557
Designated Employees:	107
Mailbox:	0
<b>TOTAL</b>	<b>907</b>



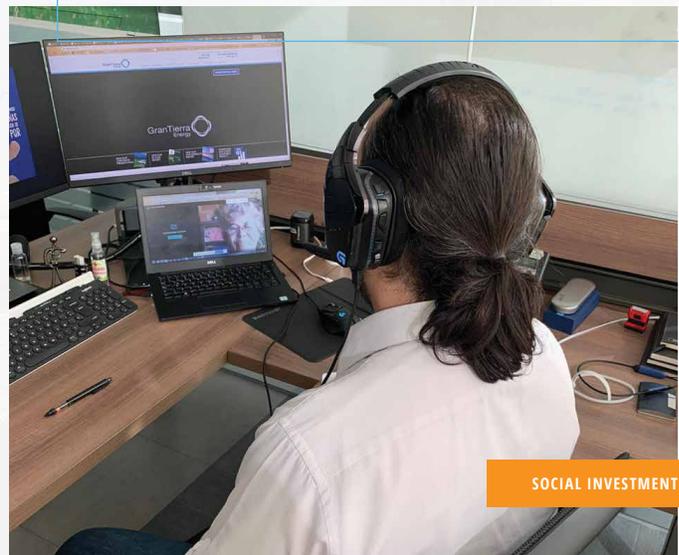
#### PQR topics

Labour practices:	204
Environmental:	52
Contracting goods & services:	183
Land access:	20
Other causes:	448
Human Rights:	0
<b>TOTAL</b>	<b>907</b>



*“The mentorship program allowed us to connect and exchange knowledge with local, young professionals. It was a great way for us to learn from the community and better understand their needs.”*

**Manuel Buitrago**, President and Country Manager, Colombia





# Human Rights

Gran Tierra Energy is committed to respecting the rights of employees, contractors, suppliers and the communities near its operations. Gran Tierra’s *Corporate Policy on Business and Human Rights and Code of Business Conduct and Ethics* are in accordance with the United Nations Guiding Principles on Business and Human Rights, United Nations Voluntary Principles on Security and Human Rights, International Convention of the Labour Organization Declaration on fundamental principles and rights at work, and International Human Rights Law.

Gran Tierra does not tolerate any action against or intimidation of people who exercise their fundamental and legal rights. The company’s Human Rights commitments are reinforced through regular training and integrated into its practices and policies, including a *Code of Business Conduct and Ethics* for all employees and contractors.

## Highlights

In 2020, GTE:



**Provided Human Rights workshops** for nearly 300 employees



**Continued work with Human Rights leader *Shift*** to understand and analyze Human Rights risks



**Created economic opportunities for ex-combatants** in support of Colombia’s ongoing peace process

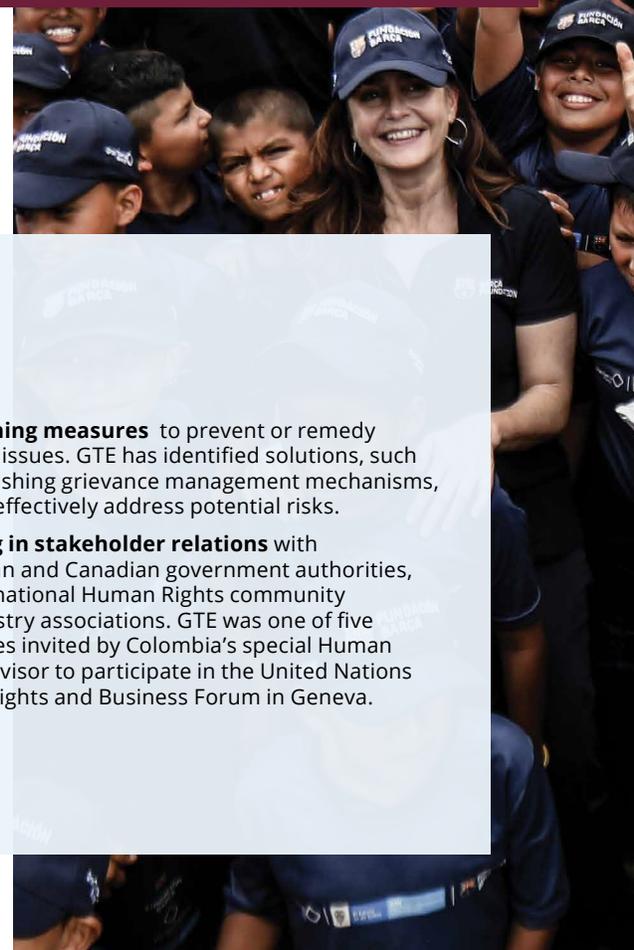


**Removed, to date, 285 anti-personnel explosive devices** and certified 7,752 hectares as clear from dangerous legacy artifacts remaining from decades of conflict

## A Holistic Approach to Human Rights

Respect for fundamental rights is an essential pillar of GTE’s vision and mission. GTE advances its Human Rights related objectives by:

- 1 Integrating Human Rights** into its business culture using regular training, surveys and other tools to communicate corporate policy to its employees, contractors and local vendors. The company has partnered with another major Colombian operator, Ecopetrol, to address Human Rights issues in the areas where the companies operate. In 2020, 295 employees took part in Human Rights workshops.
- 2 Conducting due diligence** to understand the Human Rights factors that are material to the company. GTE has put in place the highest quality non-technical risk identification process, by renowned experts *Shift*, as well as an implementation plan for its recommendations.
- 3 Establishing measures** to prevent or remedy potential issues. GTE has identified solutions, such as establishing grievance management mechanisms, that can effectively address potential risks.
- 4 Engaging in stakeholder relations** with Colombian and Canadian government authorities, the international Human Rights community and industry associations. GTE was one of five companies invited by Colombia’s special Human Rights advisor to participate in the United Nations Human Rights and Business Forum in Geneva.





## Preventing Child Recruitment through Sport

Gran Tierra, the FC Barcelona Foundation and Colombia's Agency for Reincorporation and Normalization (ARN), continued their strategic alliance to increase resilience in vulnerable children and reduce their susceptibility to two important Human Rights concerns in the area: substance abuse and militia recruitment.

The project, *Sports as a Guarantee for Human Rights*, has benefited 356 girls and boys from several neighbourhoods in Puerto Asís with ages ranging from six to sixteen-years-old. The participants include vulnerable populations, children living in poverty and descendants of Afro-Indigenous minorities.

Financed by GTE, the program is implemented by the Youth Violence Prevention Program of the Barça Foundation and uses football as a unifying tool for children to learn about conflict resolution, prosocial behaviour development and other important life skills. Expected long-term outcomes include stronger, more stable communities, greater education attainment, increased employment and positive health indicators.

In 2021, the project will expand into Villagarzón in the department of Putumayo, and San Martín in the department of Cesar.



Photos were captured prior to the COVID-19 pandemic and do not include personal protective equipment associated with GTE's health and safety protocols.

## Advancing Prior Consultation During the Pandemic

One of the most important mechanisms for mitigating potential Human Rights issues in Colombia is called Prior Consultation, a formal process to ensure that officially recognized ethnic groups are adequately informed and consulted about activities which could impact them and their fundamental rights. In 2020, GTE was the first oil and gas producer in Colombia to receive permission to reactivate a Prior Consultation after all were halted due to COVID-19. To accomplish this, GTE relied on its strong relationships and trust with the community, strict health protocols and coordination with the relevant institutions.

GTE and the Cabildo Tordua Kidua, from the Embera Chamí ethnic group, a small Indigenous community near Puerto Asís in Putumayo, had begun a Prior Consultation before it was paused due to the arrival of COVID-19 in Colombia. To restart the process, GTE and the 28-member community agreed on rigorous health and spiritual protocols to protect all participants.

During the Prior Consultation, GTE learned what the community goals and vision for development were, and was able to address concerns about possible disruptions to sacred burial grounds, medicinal gardens and water sources. Working together, the parties designed environmental, social and cultural management measures to address potential issues. The parties also agreed on infrastructure, conservation and development projects that would benefit the community.

Industry and government authorities closely observed the process to determine long-term feasibility and best practices for future Prior Consultations.





*“The Prior Consultation process is important to us because of our concerns about preserving our way of life and protecting our sacred areas and spirits. We’re grateful for all the effort the company has put in place to protect the community.”*

**Edgas Aizama**, Governor,  
Cabildo Tordua Kidua, of the  
Embera Chamí ethnic group



## Demining Southern Putumayo

One of the most significant Human Rights threats throughout Colombia is the prevalence of anti-personnel mines and other explosive devices that are an unfortunate legacy of the decades-long conflict in the country.

To address this risk in southern Putumayo where the company undertakes exploration and development activities, GTE launched a Humanitarian Demining Pilot Project in 2019. The project is conducted under the standards of the Ottawa Convention on the Prohibition of Anti-personnel Mines and is being implemented by the Colombian Campaign Against Mines (ContraMinas), an accredited international organization assigned by Colombia's High Commissioner for Peace.

Significant progress was made in 2020, with 7,752 additional hectares of land investigated and declared free of contamination. To date, 285 anti-personnel mines, improvised explosive devices and unexploded munitions have been discovered and cleared.

Thousands of men and women from the area have been hired to support this wide-ranging effort which includes remediating crude spills, also resulting from the conflict. The work is carried out in coordination with local authorities and community leaders. Nearly 3,000 residents of nearby towns have also attended mine risk education workshops provided through this project.

GTE's goal is to certify Puerto Asís free of mines, removing a major legacy threat to public safety in the area.



### 2020 Camina Award

Gran Tierra Energy, the Colombian Campaign Against Mines, the Belgian and Canadian Embassies and Reconciliation Colombia recognized the Association of Antipersonnel Mine Survivors Fighting for Dignity and Peace (ASODIGPAZ) with the 2020 Camina Award for the organization's work on mine risk education, and psychosocial and legal support of survivors.



*“It is important to highlight the will of the Hotel Samarii Resort and Gran Tierra Energy to build peace. They are companies that believe in the reincorporation process; they believe in second opportunities that can change the lives of our ex-combatant population.”*

**Carlos Agamez Signal**, Coordinator, Agency for Reincorporation and Normalization (ARN), Putumayo Territorial Group

## **Creating Opportunities for Ex-Combatants to Reintegrate**

Every week, 100 kilograms of red tilapia are delivered to the Hotel Samarii Resort, by Commucom, a cooperative of 90 ex-combatants who are participating in Colombia's reintegration process. The commercial agreement resulted from GTE helping to incorporate this cooperative into its supply chain, providing it with the opportunity to supply its fish to the hotel's restaurant serving the company's workers in Villagarzón, Putumayo. GTE is supporting the Colombian government's peace-building efforts through initiatives like this one, in partnership with the Agency for Reincorporation and Normalization (ARN), an entity that is helping transition ex-combatants to a new way of living within Colombian society.

# Governance

Gran Tierra is committed to conducting its business honestly, fairly and safely, and has outlined these principles in a comprehensive set of corporate policies which are binding for all employees. The company carries out regular training to inform employees and contractors about all relevant policies and ensure compliance.

*To view our comprehensive policies visit our website at [www.grantierra.com/governance](http://www.grantierra.com/governance).*



## Governance Highlights



**Anonymous whistleblower reporting program**



**Engaged Board of Directors** with majority voting standard



**Certification of code of conduct** by 100% of employees



**Commitment to ethical conduct and compliance**



**Promoting diversity:** Out of 322 employees, 38% are women vs. the industry average of 22%



Formal nominating **committee to review and recommend director nominees**



**Human Rights awareness and training** for employees



**Annual "Say on Pay" voting**

## Board of Directors

**12.5%**

female representation

**87.5%**

independent members

**21**

The Board met formally 21 times in 2020



## Independent chair



## The HSE Board Committee

The Health, Safety and Environment Committee assists the Board in overseeing the development, monitoring and effective implementation of systems, programs and initiatives to promote the management of health, safety and security at Gran Tierra and to address environmental, safety and operational risks.

## Transparency



**Annually discloses payments** to governments (ESTMA)

## Compensation aligned with shareholder's interests

**83.5%**

**voted in favour of 'Say on Pay'** at the company's 2020 annual meeting

# Performance Data

INDICATOR	UNITS	2018	2019	2020
<b>ECONOMY</b>				
Economic Value Generated and Distributed <sup>1</sup>	millions of \$	791.1	872.5	299.2
Payments to Suppliers, Contractors and Other Third Parties	millions of \$	468.4	623.2	181.2
Payments to Governments (Taxes, Royalties)	millions of \$	192.9	152.6	53.0
Payments to Employees (Salaries and Benefits)	millions of \$	24.7	22.7	18.9
Investment in Communities	millions of \$	9.1	8.8	4.1
Payments to Providers of Capital (Debt, Interest, Dividends)	millions of \$	0.0	0.0	0.0
Social Investment	millions of \$	2.4	3.7	1.9
Temporary Local Employment	contracts	5,086	6,669	3,697
Spending on Suppliers (Colombia Only)	millions of \$	314.7	583.3	175.8
Regional	millions of \$	44.0	103.2	30.6
Country	millions of \$	248.2	476.9	142.5
International	millions of \$	22.4	3.2	2.7
<b>HUMAN RESOURCES</b>				
Total Number of Employees	count	334	362	322
Female	count	126	134	121
Male	count	208	228	201
Employees in Each Country				
Colombia	count	240	258	226
Canada	count	94	104	95
Ecuador	count	N/A	0	1
Employees Covered by Collective Bargaining Agreements	%	0	0	0
Rate of New Employee Hires	%	38	17	2.5
Voluntary Turnover Rates	%	11	5	3.4
Total Number of Hours of Training in the Year (Colombia Only)	hours	10,229	14,167	1,851
Average Hours of Training per Year per Employee (Colombia Only)	hours/person	43	55	8
Female	hours/person	43	69	77
Male	hours/person	42	46	53
Average Age of Employees (Colombia)	years	38	40	41
Average Age of Employees (Canada)	years	45	45	45
<b>SAFETY</b>				
Employee and Contractor Safety				
Lost Time Injury Frequency – Combined		0.07	0.02	0
Recordable Injury Frequency – Combined	count per	0.16	0.12	0.08
Recordable Injury Frequency – Employees	200,000	0	0	0
Recordable Injury Frequency – Contractors	exposure hours	0.16	0.13	0.08
Lost Time Injury Frequency – Employees		0	0	0
Lost Time Injury Frequency – Contractors		0.07	0.03	0.08
Fatalities – Employees	count	0	0	0
Fatalities – Contractors	count	0	1	0
Hours Worked	hours	10,974,872	16,738,737	7,729,973
Public Safety and Emergency Preparedness				
Safety Inspections Conducted	count	2,950	3,850	2,888
Number of Emergency Simulations (Tabletop and In-Person)	count	295	450	250

All monetary values are in USD. Figures may differ slightly due to rounding.

1 Total includes all Capex, Opex, G&A, Acquisitions, Taxes and Royalties in 2020.

2 Includes the volumes from incident discharges and contained discharges.

3 No untreated wastewater is discharged.

4 Calculations are made under Operational Control Boundary.

INDICATOR	UNITS	2018	2019	2020
<b>ENVIRONMENT</b>				
Total Number of Spill Incidents	count	137	194	75
Contained Discharges	count	116	172	70
Environmental Incidents	count	6	11	3
Oil or Chemical Spills < 1 bbl	count	15	9	1
Oil or Chemical Spills > 1 bbl	count	0	2	1
Volume of Spills <sup>2</sup>	m <sup>3</sup>	9	17.70	18.88
Percentage of Spills Recovered	%	100	100	100
Aggregate Quantity of Significant or Reportable Spills	m <sup>3</sup>	0.41	0.59	8
Water Withdrawal	m <sup>3</sup>	954,246	880,472	751,859
Water from Rivers and Creeks	m <sup>3</sup>	827,638	672,527	612,725
Water Purchased from Third Parties	m <sup>3</sup>	46,890	168,993	115,023
Water from Wells	m <sup>3</sup>	79,718	38,952	24,111
Water Discharged <sup>3</sup>	m <sup>3</sup>	948,791	784,683	280,119
Other Water-Related Measures				
Produced Water	m <sup>3</sup>	3,465,984	6,512,851	3,551,392
Water Injected into Active Wells	m <sup>3</sup>	3,445,921	5,593,373	3,899,183
Non-Enterprise Water Consumption (Head Office)	m <sup>3</sup>	3,271	3,452	1,412
Total Water Consumed	m <sup>3</sup>	5,454	95,789	471,740
Total GHG Emissions (CO <sub>2</sub> E) <sup>4</sup>	tonnes	590,240	690,748	284,186
Scope 1	tonnes	590,240	550,506	221,232
Scope 2	tonnes	Not Available	140,241	62,954
Regulatory Compliance				
Number of Inspections by Authorities	count	46	60	37
Number of Findings and Non-Compliances	count	24	19	24
Number of Findings that Resulted in Fines or Non-Monetary Sanctions	count	0	0	0
Incidents of Non-Compliance with Water Quality or Quantity Permits, Standards, or Regulations	count	0	0	0
Total Waste	kg	732,929	1,343,738	1,184,947
Hazardous Waste (as defined in the Country)	kg	482,270	918,428	237,645
Non-Hazardous Waste	kg	250,659	425,309	947,301
Non-Hazardous Waste Include Percentage of Waste Recycled	%	31	25	76
Non-Hazardous Waste Include Percentage of Waste Incinerated	%	21	0	0
Non-Hazardous Waste Include Percentage of Waste Landfilled	%	48	75	24
Energy Derived from Renewable and Non-Renewable Sources	kws	100,272,371	214,966,670	158,959,432
Energy Purchased	kws	7,429,134	24,364,400	19,546,078
Total Electrical Power	kws	107,701,505	239,331,070	178,505,510
Percentage of Consumed Energy from the Grid	%	20	10	11
<b>COMMUNITIES AND HUMAN RIGHTS</b>				
Total Number of Grievances	count	382	133	217
Resolved	count	374	124	213
In Progress	count	8	9	4
Grievances by Type/Subject				
Labour Practices	count	149	48	75
Environmental Impacts	count	10	10	1
Procurement of Goods and Services	count	140	47	95
Land Access	count	45	2	5
Human Rights	count	0	0	0
Other Causes (Impacts on Third Parties, Infrastructure)	count	38	26	41
Total Number of Active Prior Consultations	count	38	24	4
Total Number of Prior Consultations Concluded	count	30	8	0
Number of Ethnic Communities Consulted	count	38	24	4

# Senior Management & Board of Directors

## Directors

**Gary S. Guidry**

*President and Chief Executive Officer*

**Robert Hodgins**

*Independent Non-Executive Chairman*

**Peter Dey**

*Independent*

**Evan Hazell**

*Independent*

**Ronald Royal**

*Independent*

**Sondra Scott**

*Independent*

**David Smith**

*Independent*

**Brooke Wade**

*Independent*

## Executive Management

**Gary S. Guidry**

*President and Chief Executive Officer*

**Ryan Ellson**

*Chief Financial Officer and Executive  
Vice President, Finance*

**Diego Perez-Claramunt**

*Vice President, Health Safety and  
Environment (HSE) & Corporate  
Social Responsibility (CSR)*

**Phillip Abraham**

*Vice President, Legal and  
Business Development*

**Muyiwa Akinyosoye**

*Vice President, Major Capital Projects*

**Jim Evans**

*Vice President, Corporate Services*



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## **Sebastien Morin**

*Vice President, Global Drilling  
& Completions*

## **Rodger Trimble**

*Vice President, Investor Relations*

## **Lawrence West**

*Vice President, Exploration*

## **Rob Will**

*Vice President, Asset Management*



## **Colombia Management**

### **Manuel Buitrago**

*President and Country Manager*

### **Chris Metcalfe**

*Vice President, Finance*

### **Steve Smithinsky**

*Vice President, Production Operations*



## **Ecuador Management**

### **Enrique Villalobos**

*President and Country Manager*

### **Glen Mah**

*Vice President, Exploration*

### **Pedro Zutara**

*Vice President, Finance*





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