



# CORPORATE RESPONSIBILITY REPORT 2016

GranTierra  
energy inc.





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## About Gran Tierra Energy

Gran Tierra Energy Inc., together with its subsidiaries, is an independent international company engaged in oil and gas acquisition, exploration, development and production. It is strategically focused on onshore oil and gas properties in Colombia and also owns the rights to oil and gas properties in Brazil and Peru. On February 6, 2017, GTE announced it had entered into an agreement to sell its Brazil business.

GTE's Colombian properties represented 87% of its proved reserves at December 31, 2016. The remainder of its proved reserves is attributable to the company's Brazilian properties. For the year ended December 31, 2016, 97% of GTE's revenue and other income were generated in Colombia. Gran Tierra is headquartered in Calgary, Canada, incorporated in Delaware, United States, and traded on the Toronto Stock Exchange and the New York Stock Exchange MKT under the symbol GTE.

## This Report

This, GTE's third corporate responsibility report, covers events and performance data for the year 2016, and the three preceding years when available. Because its operations in Colombia comprise more than 95% of the company's production, the report covers primarily the Colombian operations. Data limitations are explicitly noted with the performance figures.

Included are data for joint ventures for which GTE holds the operating permit or is identified as the operating entity in the contract regardless of financial ownership. The treatment of joint ventures may be addressed differently in Gran Tierra Energy's 2016 Annual Report with respect to financial performance.

Techniques for data measurements and calculations, if not industry standard, are stated with the data. Financial data is in U.S. dollars and environmental data is in metric units. Unless otherwise expressly stated, all reserves and resources values contained in this report have been calculated in compliance with Canadian National Instrument 51-101 - Standards of Disclosure for Oil and Gas Activities and the Canadian Oil and Gas Evaluation Handbook and are based on the company's 2016 year-end estimated reserves as evaluated by the company's independent qualified reserve evaluator McDaniel & Associates Consultants Ltd. in a report with an effective date of December 31, 2016.







# To Our Stakeholders

Gran Tierra successfully completed a transformational year in 2016, the first full year since our senior management team joined the company. We expanded, upgraded and diversified our oil and gas portfolio in Colombia through four strategic acquisitions, while at the same time significantly increasing production from existing assets. In addition to integrating the acquisitions, we restructured the company to focus on the predictable growth opportunities in Colombia and to make our operations more efficient. One result of the progress we made in 2016 was that our fourth quarter production was 34% higher than in the fourth quarter of the previous year.

A key factor in our growth is that when the price of oil fell in 2015, Gran Tierra took advantage of the opportunities this challenging business environment created. The company's four acquisitions, Petroamerica, PetroGranada, PetroLatina and the Santana and Nancy-Burdine-Maxine Blocks which Ecopetrol S.A. offered as part of an asset disposition process, have enabled us to establish a dominant land position in the underexplored and promising Putumayo Basin and a new core area in the prolific Middle Magdalena Basin. This has resulted in a significant increase in Gran Tierra's high quality reserves. We expect this exploration portfolio to be fully funded by cash flowing from our production activities and available capacity or our revolving credit facility, creating a clear path to additional growth over the next five years.

**“Underlying everything Gran Tierra does in Colombia is our commitment to create value for the Colombian people, our employees and our investors through oil and gas exploration and production that is safe, efficient, respectful of human rights and environmentally and socially responsible.”**

We have a simple objective regarding safety: to ensure that no one gets hurt as a consequence of our operations. To achieve this we have systematically assessed risks and implemented proven safety management systems, procedures and tools with the goal of driving accident and incident rates to zero.

Colombia is a country of natural beauty and amazing biodiversity. To protect this unique environment in our areas of operation, we have taken a number of steps beginning with the adoption of internationally accepted oil industry standards for responsible environmental management. In addition to adhering to Colombia's stringent regulatory requirements, we have developed and made public Gran Tierra's Environmental Management Plan (EMP) that sets out specific measures to avoid or limit harmful impacts to the land, water, air and habitats. For example, each year we will voluntarily issue an annual report on greenhouse gas emissions from our operations, which details steps we are taking to minimize those emissions.

Our long term commitment to the environment in Colombia is perhaps best illustrated by the agreement we reached in 2016 with the international NGO Conservation International for Gran Tierra to fund a five-year, \$11 million reforestation project in the Putumayo Department, where some of our operations are located. Under this project, which has been endorsed by both the national and regional governments, a minimum of 1000 hectares of land will be reforested in the first two years. The project will also provide sustainable social and economic benefits for people in the area. See page 26 for more information about this exciting project.

In November 2016 the Colombian government ratified a peace agreement with the country's largest rebel group. We are doing everything we can to support efforts by the national and regional governments to build a prosperous and lasting peace and are pleased that plans call for some of the jobs created by the reforestation project to go to former combatants seeking reintegration into society, as well as to local residents.

As described in this report, local communities are important stakeholders in our operations in Colombia. We are committed to communicating with, and listening to, these communities as we plan activities that may affect them. Our goal is to ensure our work does not adversely impact them and, wherever possible, to create value for communities. To that end, Gran Tierra has designed its employment and procurement procedures to maximize the local content in goods and services purchased by the company and its contractors. In 2016 payments to Colombian suppliers, contractors and other third parties totaled \$161 million.

Driving our growth strategy is our belief that Colombia has much to offer us as investors. Because Colombia is a fiscally and institutionally stable country with significant developed and undeveloped energy resources, we chose to invest more than \$700 million in Colombia over a 15-month period, much of it during the most challenging part of the oil price cycle. We believe our success now and in the years ahead will benefit everyone – the government, the economy in the regions in which we operate and all our stakeholders. Our mission in 2017 is to continue to capitalize on this extraordinary opportunity.

**Gary Guidry**  
President and CEO  
Gran Tierra Energy Inc.



## Approach to Doing Business

Gran Tierra's approach to doing business reflects guidance set out in the Canadian government's publication: "Doing Business the Canadian Way: A Strategy to Advance Corporate Social Responsibility (CSR) in Canada's Extractive Sector Abroad." The strategy clearly demonstrates the Government of Canada's expectation that Canadian companies will promote Canadian values and operate abroad with the highest ethical standards. It also outlines the Government's initiatives to help Canadian companies strengthen their CSR practices and maximize the benefits their investments can provide to those in host countries. The Canadian government expects Canadian companies operating abroad to respect human rights and all applicable laws, and to meet or exceed widely-recognized international standards for responsible business conduct. For those companies working or exploring opportunities in jurisdictions where local laws are not aligned with Canadian values, the Government of Canada encourages them to find ways to reflect Canadian values that also respect local laws.



## Corporate Social Responsibility

Gran Tierra believes a clear and principled approach to social issues, focused on local economic opportunity, will yield sustainable benefits to communities and a stable work environment for the company. This approach is reflected by the company's commitment to:

- Comply with all applicable laws and regulations. Where such standards do not exist GTE will apply sound international standards of the oil and gas industry.
- Respect human rights, including compliance with the Voluntary Principles on Human Rights and Security.
- Be transparent and honest in our business, including compliance with the Extractive Industries Transparency Initiative (EITI) and, starting in 2017, Canada's Extractive Sector Transparency Measures Act (ESTMA).
- Engage in open and frequent communication and consultation with local communities, including maintaining a Community Grievance Program that reflects World Bank criteria.
- Adopt employment and procurement procedures that are designed to maximize the opportunities for local and regional communities to capture the economic benefits associated with our activities.
- Respect the special rights and needs of indigenous peoples and communities potentially affected by Gran Tierra operations.





# GOVERNANCE



# Leadership

Led by Gary Guidry, President and Chief Executive Officer, the Gran Tierra management team joined GTE in 2015 with a mandate to grow the company even as it faces the challenges created by the low oil price environment. Including Gary, the team is made up of 11 executives with decades of global experience in the oil and gas industry. A Professional Engineer (P. Eng.), Gary has more than 35 years of experience developing and maximizing international oil and gas assets.

Gran Tierra’s Board of Directors is composed of Gary and six independent directors, all with extensive energy experience. The Chairman of the Board is Robert Hodgins, a chartered accountant, investor and director with over 30 years of oil and gas industry experience.

# Business Practices

Gran Tierra’s commitment to conducting its business honestly, fairly, transparently and safely is the driving force behind all of the company’s business practices. To ensure that these practices are followed, Gran Tierra has adopted corporate policies that are binding for every employee. Following is a summary of eight of these policies:

**Code of Business Conduct and Ethics** - Gran Tierra is committed to maintaining the highest standards of business conduct and ethics. The company’s Code of Business Conduct and Ethics reflects the business practices and principles of behavior that support this commitment.

**Compliance with Anti Corruption Laws** - No Gran Tierra entity or employee shall offer or pay money or anything of value, directly or indirectly, to any government official in order to secure or retain business or to receive more favorable treatment of any type from any government or government official.

**Corporate Security Policy** - Gran Tierra is committed to the protection of its personnel, assets and reputation. Every person working with Gran Tierra is expected to behave in a manner that promotes sound security practices.

**Health, Safety and Environmental Policy** - Gran Tierra is committed to the efficient and responsible development of hydrocarbon resources to the mutual benefit of the people of the countries where we operate and the employees and investors of the company. GTE believes that oil and gas development can and must be undertaken in a manner that is safe for our employees, our contractors and our neighbors. GTE is committed to ensuring that our operations and activities are protective of human health and the environment.

**Human Rights Policy** - Gran Tierra conducts its operations with integrity, respecting human dignity and the rights of individuals. Gran Tierra’s Human Rights Policy has been written in accordance with the principles in the

United Nations Universal Declaration of Human Rights, the Voluntary Principles on Security and Human Rights and the Conventions of the International Labour Organization.

**Local Procurement Policy** - Gran Tierra is committed to ensuring that all employment and procurement procedures are designed to maximize the opportunities for local and regional communities to capture the economic benefits associated with projects’ activities. GTE aims to maximize both the local content in goods and services purchased directly by a project, as well as in those purchased indirectly by a project’s contractors.

**Transparency** – GTE highly values transparency in all its relationships. To that end, the company shares information about its payments to governments, its procurement policies, its investments in local communities and its relationships with public forces. In 2015 it joined Colombia in their commitment to the Extractive Industries Transparency Initiative (EITI) and its goal of a more transparent extractive industry in the country.

**Whistleblower Policy** - Gran Tierra is committed to providing a workplace conducive to open discussion of its business practices and is committed to complying with the laws and regulations to which we are subject.

# Government Relations and Regulatory Affairs

Gran Tierra’s commitment to create value for the Colombian people and to do so in an honest and environmentally and socially responsible way has helped it establish productive relationships with all levels of government in Colombia. To facilitate cooperation, the company and relevant officials and agencies maintain open lines of communications and meet frequently. This has led to Gran Tierra’s growing direct contributions to the Colombian economy in the form of taxes, royalties, jobs and purchases of local goods and services. GTE has also volunteered to assist the federal government in dealing with several problems associated with the 2016 peace agreement such as de-mining and cleaning up an oil spill caused by guerilla sabotage.

Gran Tierra is committed to complying with all applicable laws and regulations. It works effectively within the Colombian regulatory framework, particularly the National Environmental Licensing Authority (ANLA), to resolve issues and to ensure necessary approvals are received when needed and with appropriate conditions/restrictions. For more information, see Regulatory Compliance on p. 28.





# Human Rights

Gran Tierra’s Corporate Human Rights Policy is based on the principles enshrined in the United Nations Universal Declaration of Human Rights and is consistent with the Voluntary Principles on Security and Human Rights and the Conventions of the International Labour Organization.

We conduct our operations with integrity, respecting human dignity and the rights of individuals. Although primary responsibility for the protection of human rights lies with government, the company promotes and respects these rights through joint actions between society, business and institutions. Through a Human Rights Risk Assessment process, we evaluate how our activities may impact communities. We engage with local communities to understand their human rights concerns and address incidents through dialogue and remedial action, if appropriate. We have established a culturally appropriate, accessible, responsive and transparent grievance mechanism that enables us to identify and address human rights incidents. GTE has an open-door policy for dialogue with communities near its operations and a well-developed process for resolving any complaints. To learn more about the company’s grievance resolution process, see p. 49.

In 2016 Gran Tierra updated its Human Rights Risk Assessment in the Putumayo Department and is conducting an Assessment in the Middle Magdalena Basin in 2017.

There are three main stakeholders when it comes to implementing Gran Tierra’s Corporate Human Rights Policy:

- **Employees and Contractors:** All employees and contractors receive human rights training with managers being trained by an outside expert and a respected NGO, International Alert. Employees are supported by a full-time human rights attorney whose job is to ensure that everything we do complies with the Voluntary Principles on Human Rights. We also encourage our suppliers to treat their employees and communities in ways that respect human rights and are aligned to the spirit of our Human Rights Policy.
- **Private Security Contractors:** Private security contractors are not allowed to carry weapons. GTE’s human rights principles are built into every contract with our private security forces. They receive intensive training which we audit on a regular basis.
- **Public Forces:** GTE maintains a clear understanding with the police and military forces in Colombia that they are expected to respect the company’s human rights policy. In many cases, GTE provides training and resources to improve their human rights performance.

Gran Tierra is participating in several human rights initiatives: an alliance with the Colombia Reintegration Agency to prevent child abuse in Puerto Asís and an alliance with the Antipersonnel Mines office of the Colombian government to support risk prevention training. Land mines placed during the conflict remain a risk GTE faces in Putumayo.



**“In addition to assessing the various risks that confront our business, we must look at how our operations could impact communities. As business people working in this former conflict area, we also have a very important role in the building of peace in this country.”**

**SUSANA LOAIZA**  
*Human Rights and Business Coordinator*

**What are the Voluntary Principles on Security and Human Rights?**

The Voluntary Principles on Security and Human Rights is a multi-stakeholder initiative with government, civil society and company participants. It promotes implementation of a set of principles that guide extractive companies on how to provide security for their operations in a manner that respects human rights.

**What are the Guiding Principles of the United Nations on Business and Human Rights?**

The UN Guiding Principles on Business and Human Rights are the authoritative global standard on business and human rights, unanimously endorsed by the UN Human Rights Council. The 31 principles set expectations of states and companies about how to prevent and address negative impacts on human rights by business.







**OPERATIONS**



# Production

Gran Tierra launched an aggressive plan to accelerate the development of its existing assets in 2016 and completed the strategic acquisition of three Colombian oil companies. A fourth acquisition, involving assets from Ecopetrol, was completed in the second quarter of 2017. As a result, GTE's production increased steadily over the year, with fourth quarter working interest production before royalties averaging 31,031 BOEPD (Barrels of Oil Equivalent per Day), an increase of 34% over the fourth quarter in the previous year. More than 90% of Gran Tierra's oil production was from assets operated by the company.

At year's end the company had interests in 31 blocks in six oil basins in Colombia. It is the operator of all of its core assets – the Costayaco and Moqueta fields in the Putumayo Basin and the Los Angeles and Acordionero fields in Middle Magdalena Basin – which gives it full control over investment and operation decisions in these fields.

In light of low global oil prices, GTE continued to drive down its operating cost structure, renegotiating all contracts and putting them out to bid. The company worked to reduce other operating expenses and in doing so succeeded in cutting the time taken to drill a well by about 40%. With new three-year contracts and operating with increased efficiency, GTE believes its operations will remain lean regardless of the price of oil.



# Exploration

One of Gran Tierra's key operational strategies is engaging in exploration with a high likelihood of success. GTE's acquisition of three companies in Colombia in 2016 allowed it to establish dominant land positions in the underexplored Putumayo Basin and in a new core area in the prolific Middle Magdalena Valley Basin. The acquisitions contributed to substantial increases in the company's reserves, which will be the target of exploration activities. With its large resource base, GTE plans to drill 30 to 35 exploration wells over the next three years, all of which are expected to be funded by cash from operating activities.

2016 INCREASE  
IN GRAN TIERRA'S  
WORKING INTEREST  
RESERVES  
BEFORE ROYALTIES

PROVEN RESERVES: **+51%**

PROVEN AND  
PROBABLE RESERVES: **+91%**

PROVEN, PROBABLE  
& POSSIBLE RESERVES: **+146%**

**“Looking at the assets we have ahead of us to explore, we are excited. There is so much promise, and 2017 is all about delivering on that promise. We have the resource; we have the land rights; we have the cash on hand and experience to execute; and with the peace process underway, we can effectively engage communities and ultimately conduct more development and exploration.”**

**ENRIQUE VILLALOBOS**  
*Vice President, Operations*

**“We are building a record of success in Colombia in a transparent, safe, secure and responsible way. By transforming our portfolio through the acquisition of multiple high quality assets in 2016, we have created a sustainable business model that we expect to be fully funded by cash from operating activities.”**

**RYAN ELLSON**  
*Chief Financial Officer*





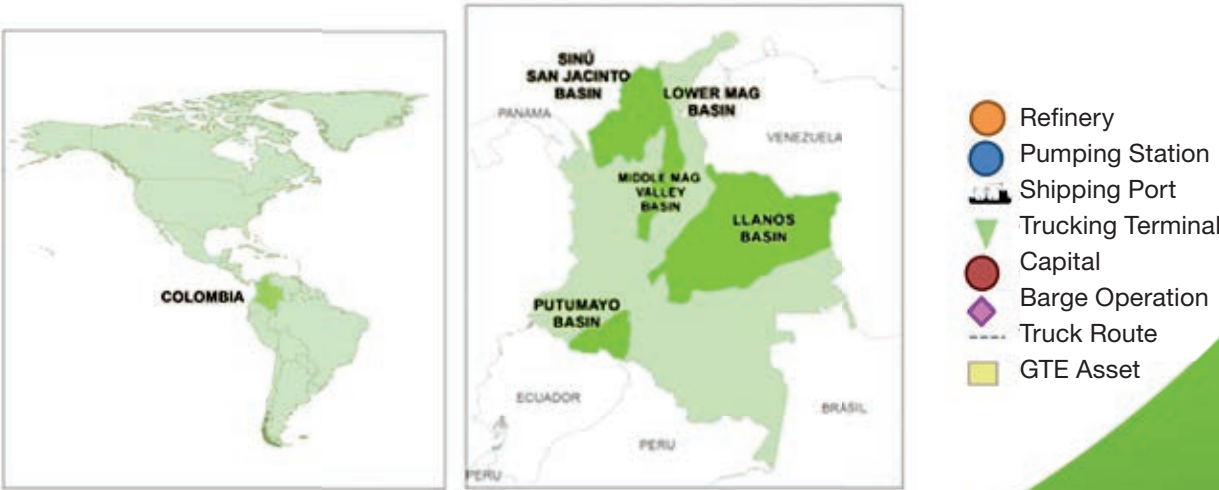
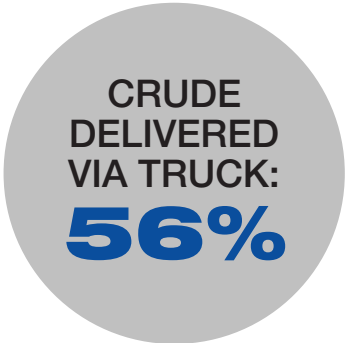
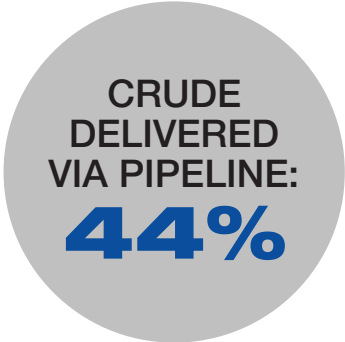


# Oil Transportation

Gran Tierra benefits from two viable options for transporting its crude to ports on the Colombia and Ecuador coast. The oil can be shipped via the Ecuadorian pipeline (OCP) and the main Colombia export pipeline (OTA), each of which have ample pipeline capacity for current and future oil production. The other option is to contract with local transportation companies in Colombia to truck the oil on the national road network to the same ports.

At year end the Middle Magdalena Valley and the Costayaco operations needed 85 tanker trucks per day for the 3-4 day round trip, or a total of approximately 370 trucks. The local transportation companies provide the trucks and secure the necessary permits. GTE provides driver training and requires that the trucks meet all standards, including being less than 10 years old. Drivers must have a minimum of five years of experience in articulated trucks.

## 2016 TRANSPORTATION







# ENVIRONMENTAL STEWARDSHIP



# Our Commitment

Colombia is a beautiful, biodiverse country with a natural heritage that must be protected. Gran Tierra Energy understands that it is a guest in Colombia and that to be a responsible guest, it must meet or exceed both national and international standards in a way that is transparent.

Protecting the environment is a key component of Gran Tierra’s development plans and operations. In addition to meeting regulatory requirements, Gran Tierra will:

- Conduct environmental assessments appropriate to the nature and scope of activities under consideration by GTE.
- Develop and implement an Environmental Management Plan (EMP) that addresses all aspects of environmental protection and sets out specific plans and measures to avoid or limit harmful impacts.
- Ensure that wastes are minimized and disposed of properly.
- Implement an effective spill prevention program and quickly and thoroughly clean up any spills that do occur.
- Track greenhouse gas emissions and take steps to reduce them where economically feasible.
- Ensure consistent and capable environmental expertise and oversight to educate and train employees and contractors to properly implement the EMP.
- Voluntarily support projects and events focused on the protection of environmental resources such as water sources, native wildlife, forests and waste management. See p. 26 for information on one such initiative, the Naturamazonas project.



## Environmental Management Plan

In 2016 Gran Tierra finalized a company-wide Environmental Management Plan (EMP) that addresses how it handles environmental issues arising from its exploration and development projects and other operations. The Plan is based on the environmental performance standards of the World Bank’s International Finance Corporation and reflects best industry practices. It will be amended and updated periodically. In any instances where local laws or regulations differ from the standards contained in the GTE EMP, the company will adhere to the more stringent requirement. The EMP addresses issues like:

- Defining a code of conduct for all workers
- Conserving biodiversity
- Minimizing construction impacts, flaring and water use
- Controlling erosion
- Optimizing road and pipeline routing and construction
- Managing solid and liquid waste including hazardous substances
- Protecting and preserving cultural and archaeological resources

GTE began the rollout of the corporate EMP with internal meetings and training on incorporating it into existing operations. Two sessions were held in Bogota and Putumayo with an introductory meeting in the Acordionero field shortly after it was acquired by GTE.

**“Gran Tierra attaches great importance to minimizing its impact on the environment and voluntarily supporting environmental education, conservation and prevention programs. That is why in 2016 we created, and are currently executing, a rigorous Environmental Management Plan that incorporates a wide range of protection and mitigation measures to safeguard the land, water and air. In 2017 we will be implementing a plan to ensure all our Colombia operations are compliant with the EMP.”**

**ED CALDWELL**  
*Vice President,  
Health, Safety & Environment and  
Corporate Social Responsibility*





# Water

Production of crude oil can be a water intensive process, particularly as water injection is used to increase production volumes. Gran Tierra understands and shares the Colombian people’s desire to protect their country’s rivers, lakes and other water resources. With that in mind, GTE is implementing stringent water protection and remediation policies, many of which exceed regulatory requirements.

## Water Collection

GTE has concentrated its efforts on protecting and preserving water sources that supply the water needs of the different oil fields. In addition to the environmental education processes and efforts to optimize the use of the resource, GTE has developed a program to purchase strategic areas located on the banks of the supply sources of water. This voluntary activity has allowed the company to conserve more than 450 hectares in Putumayo.

A voluntary rainwater collection program at GTE’s Middle Magdalena Valley Basin Camp is an example of the company’s desire to exceed its legal obligations to protect the environment.

While there is enough groundwater to easily supply the camp, collecting rainwater for this is less impactful to the environment than drawing it from underground supplies. For 10 months of the year rain usually falls at the camp three times a week, allowing 90% of its non-drinking water needs to be met by collecting the rainwater in two large tanks during this period, minimizing the use of groundwater. The collected rainwater is then treated using a series of filters and processes to remove impurities before it is ready for use.

## Water Processing and Monitoring

Gran Tierra carefully manages its wastewater, much of which is generated in the form of “produced water.” GTE’s Environmental Management Plan lays out the company’s plan to avoid potential impacts to surface water sources.

Produced water, which was generated as a byproduct of the process of extracting crude from the Los Angeles field in Colombia’s Middle Magdalena Valley, is treated using an all-natural process which relies on microorganisms to remove impurities. Depending on the need, the water is aerated which increases the supply of oxygen, causing the microorganisms to work faster, and allows greater volumes to be processed. Before it can be released, the treated water is regularly tested to ensure that it meets rigorous standards for purity.

Reinjecting produced and domestic wastewater is a practice used in multiple fields operated by GTE. During reinjection, the wastewater is treated to a standard that would allow reintroduction to surface water sources but is instead strategically pumped thousands of meters deep underground, well below subsurface water sources like aquifers, into oil producing formations that supply the company’s wells. In addition to minimizing any impact to water sources, this practice of safely discharging wastewater aids production from existing wells by increasing subsurface pressure. GTE maintains a network of piezometer monitors to ensure there is no impact to the quality of groundwater in the area. In accordance with GTE’s EMP, the company plans to design new projects in a manner to avoid any discharge into surface water courses.

GTE’s Environmental Management Plan requires visual and equipment-assisted inspections (e.g., turbidity monitors), to regularly check the water quality in the receiving rivers and lakes affected by construction activity, such as increased turbidity, smells or color changes. Inspections also include sampling of wastewater discharges and receiving water bodies adjacent to construction sites and construction camps.

# Land

Gran Tierra’s Environmental Management Plan (EMP) states that GTE will minimize the footprint of project activities throughout the operations and that full remediation and reclamation will follow the cessation of operations. The plan also mandates that the company respect land use by local communities and that the company’s daily work activities shall minimize impacts on local land uses.

Other land use measures required by the EMP include:

- Land disturbed during project construction will be returned to its original use as soon as possible.
- Where possible, after wells have been drilled from well pads, the size of the well pad will be reduced to that required for the workover rig. After completion and testing, the land shall be returned to prior use.
- Land clearing will be conducted in a way that limits topsoil disturbances.
- Reclaimed lands will be scarified to address compaction and reduce erosion. Fertilizer and mulch will be added if necessary and in some cases the area may be seeded.

## The Costayaco Forestry Center

Colombian regulations require oil and gas companies to compensate for changes in land use attributable to their activities. According to government guidelines, this compensation can take different forms but often includes the purchase and reforestation of land that may have been deforested by cultivation of illegal crops, cattle ranching or logging.

One way Gran Tierra has complied with these regulations is by purchasing nearly 300 hectares of land in the Putumayo Department for conservation purposes. In 2010 the company



completed planting its first tree plantation on part of this land. That same year, going beyond regulatory requirements, the company created the nearby Costayaco Forestry Center. In addition to what is now over 145 hectares of forest, the Center consists of a number of buildings on the property – offices, training area and a greenhouse – all of which Gran Tierra voluntarily built in 2013 to support research and education programs.

There are 75 tree species in the area around the Center, including many local endangered species. Because of its focus on research, the Center is becoming well known as a leader in Colombia on native species. Research to understand the ecological requirements of the native species is ongoing.

In 2016 and 2017 the Center is emphasizing environmental education. Over 1,500 people from local villages visited in 2016 to learn about the Center and see some of the 160,000 trees it has planted. There is also a study center where students can intern after they finish secondary school.

GTE runs other environmental education programs with local communities which focus on water conservation, wildlife preservation and the importance of forests. Additionally, GTE has donated trees to these communities and encouraged them to engage in voluntary tree planting.

The land around the Center now includes a wildlife corridor that connects two areas that had previously been cut off due to deforestation. This has led to the reappearance of many species of birds and the sighting of wild cats and wild pigs.

Another benefit of the Center is that the recovery of the green coverage and the fact that there is no cattle waste on its land means that local river and groundwater are cleaner.

**“All of us on the Putumayo environmental team come from this area, and we are very proud of the beautiful environment here. So of course, we meet all regulations and fulfill our obligations, but we try to do more than just what is expected of us: to go beyond our legal obligations. This is very important for our approach to environmental management, but this mentality cuts across the company and it is part of our DNA.”**

**DAVID PERAFAN**  
*Environmental Coordinator, Putumayo*



# Waste Management

Gran Tierra’s Waste Management Plan (WMP) recognizes the company’s responsibility to manage wastes properly. Waste is handled independently, according to the type (contaminated, organic, unusable or recyclable), through a process of separation at source.

One of the goals of internal management is always to reduce at the source the different waste generated by the operation and ensure as far as possible that the greatest amount of waste generated be reusable. Two examples of the reuse of waste are:

- In all GTE oil fields organic waste is composted. The compost is then used to fertilize gardens and to stabilize slope areas occupied by a project team.
- Plastic generated by operations is sent to a plastic recycling plant through a cooperative agreement that allows for more than 80% of the plastic to be transformed into products such as plastic wood posts, plastic wood planks, hoses and dustpans.

For waste that cannot be reused or recycled, the company’s overall approach is to utilize capable third party facilities, while minimizing volumes sent to sanitary landfills. It is taking steps to lower the volume of wastes to the extent possible and to recycle or reuse waste in cooperation with local communities when possible.

GTE has established a procedure for selecting waste management companies with the best environmental performance records in the region. This process requires a legal review of the company, internal and external audits and a review of their relationships with the environmental authorities and with the neighbors of their facilities.

## Treating Production Waste Naturally

Bioremediation is the use of microorganisms to consume and break down environmental pollutants into less toxic or non-toxic substances. At the Los Angeles oil field in the Middle Magdalena Valley, Gran Tierra uses bioremediation to help dispose of production waste from the Los Angeles and Acordionero fields.

The waste is in the form of sludge resulting from development and maintenance activity such as cleaning storage tanks, wastewater treatment and anything that has come into contact with oils and certain chemicals. All incoming sludge is tested to determine its chemical characteristics and whether it can be managed using this process. If any of the fluids may damage the treatment process, they are handled differently.

GTE’s biological treatment process uses an excavator to mechanically separate the materials, allowing air to contact more surface area, stimulating bacterial growth and activity. The process, aided by sun and heat, is similar to composting vegetation. After three to four months of bioremediation, the treated sludge is tested to ensure it is safe. It is then re-used as high quality garden soil at the oil field camps, internal roads in oil fields and as landfill filler. Approximately seven cubic meters of waste are treated each month.



# Air

## Minimizing Emissions

Gran Tierra’s environmental policy calls for the company to track its greenhouse gas (GHG) emissions and take steps to reduce them where it can do so cost-effectively.

In 2016, Gran Tierra Energy voluntarily retained Novus Environmental Inc., a respected international expert in the field of air quality, to create a baseline assessment of its greenhouse gas emissions in Colombia. This assessment involved collecting, analyzing and quantifying 2015 air emissions data from GTE’s operations. An updated assessment using 2016 air emissions data will be released later in 2017.

Even before the baseline report’s findings were released, GTE took steps that will result in significantly lower emissions at its facilities. To reduce flaring at three of the company’s operating fields, it developed and is in the process of implementing, plans to convert excess gas to power. The gas, which would have otherwise been flared, will supply generators to power operations at the Costayaco and Moqueta fields. Any excess power generated will be sold back to the local power grid.

In 2016, progress on GTE’s gas to power project resulted in the program generating nearly five megawatts of electricity for its operations in the Putumayo region. The goal of the program is to meet 100% of the power demand of the Moqueta and the Costayaco fields in the near future.

Given that conservation and restoration of tropical forests can play a significant role in offsetting emissions, GTE is sponsoring a five-year, multimillion dollar reforestation project in the Putumayo region of Colombia in partnership with the global NGO, Conservation International and local authorities and communities.



Other initiatives to reduce air emissions, which are not a requirement of the environmental authority of Colombia, include:

- Electrification of the oil fields, which reduces machine noise, waste generation and consumption of fuels such as diesel.
- Purchase of more land than is required by the Colombian environmental authority for natural regeneration processes. These areas have been left in conservation and have now formed a large wooded area that helps mitigate the impact caused by the generation of greenhouse gases. See Costayaco Forestry Center story on p. 23.

## Dust Control

Oil field exploration, development and production activities entail considerable road construction, maintenance and transport activities. Further challenges are encountered in maintaining aggregate roads during heavy rains and controlling dust during drier times. GTE’s monitoring and management measures include:

- Monitoring the levels of dust produced by project-related vehicles and responding to complaints received from local residents or other sources.
- Taking dust control actions such as limiting vehicle speeds, watering roads and worksites and applying longer term dust suppressants.
- Taking particular care in the vicinity of villages or gardens.





# Naturamazonas: A Flagship Environmental Initiative

On September 8, 2016, Gran Tierra entered into an agreement (finalized in January 2017) with the NGO Conservation International to establish a five-year project called Naturamazonas that will advance several key Colombian government environmental objectives, including:

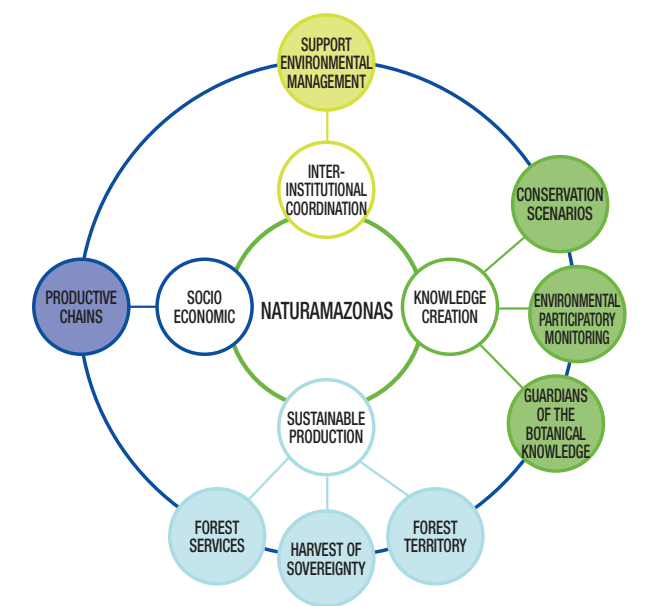
- Support Vision Amazonia, which has the goal of zero net deforestation in Colombian Amazonia by 2020
- Reforest, in the first two years, a minimum of 1000 hectares (2471 acres) illegally cleared by others
- Support the commitments made by Colombia at the 2015 United Nations Climate Change Conference (Paris COP 21)
- Contribute to sustainable social and economic progress and benefits in the region
- Assist with the reintegration of former combatants into society
- Train at least 100 people in tree nursery techniques
- Increase the prosperity and well-being of communities inhabiting strategic regions by helping more than 200 families establish sustainable and productive projects generating food products

Deforestation in the areas targeted by this agreement has been caused by a number of factors: illegal crops, cattle ranching, farming and both legal and illegal extractive industry activities. Also permanent and itinerant populations are settling in the area, resulting in continued encroachment into the forest area.

Gran Tierra will contribute \$11 million to Naturamazonas over the five-year period. The project is being undertaken in close cooperation with the Colombian Ministry of Environment and Sustainability, regional authority Corpoamazonia and local communities in the Putumayo Department.

Naturamazonas aims to generate among the local population a sense of pride about the area that they live in, increased knowledge about its biodiversity and awareness this will render benefits for them. As the communities get involved in Naturamazonas projects, they will have a chance to take care of the area that is part of their territory and will benefit from donations like eco-efficient stoves for cooking that will reduce wood needs by 50% and reduce unhealthy emissions.

The graphic below describes how Naturamazonas will achieve its goals. The inner circle shows the four main components of the project:



The Naturamazonas project demonstrates the company's long-term commitment to responsible resource development as well as Gran Tierra's firm belief that its activities and presence should coincide with a healthy environment and prosperous communities.



**“Gran Tierra’s leadership has in-depth knowledge about environmental issues all over the planet. This project is a voluntary undertaking on the part of the company because of our shared concern about deforestation. I believe this project will not only have a positive impact, but this model will also show how investments from and partnership with other companies and the government can be utilized to effectively address this issue.”**

**ERWIN PALACIOS**  
Project Manager, Caparú Biological Station Director,  
Conservation International, Colombia

# Archaeology and Culturally Significant Sites

It is possible that project activities and land use could take place in areas that have cultural significance such as burial sites, and archaeological, historical and paleontological sites.

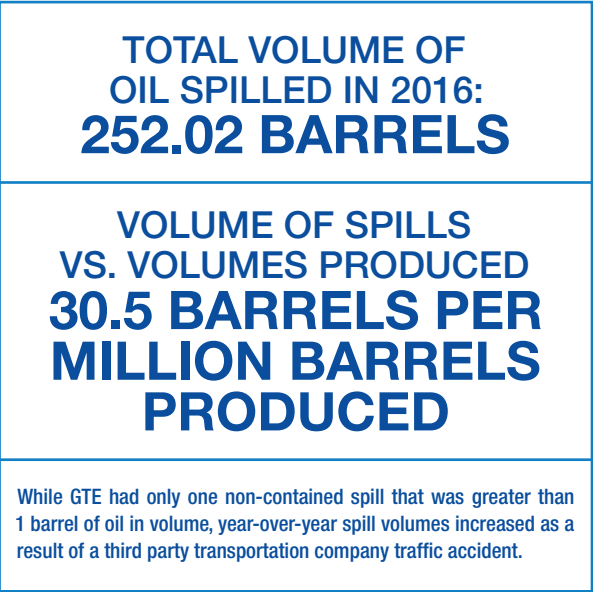
Gran Tierra’s EMP calls for the following measures to be taken:

- Prior to the beginning of earthworks or excavation in any area that has not been disturbed earlier for the development of well pads or roads a preliminary assessment of cultural/archaeological values in the area to be disturbed will be conducted by a qualified specialist.
- If significant sites exist or are suspected, appropriate measures to protect or document these sites and recovery of any artifacts will be implemented.
- In areas of suspected high archaeological value, a local archaeologist will be employed to provide on-site support in identifying chance discoveries and developing an appropriate approach to avoiding or preserving them.
- In addition to conventional “archaeological” type sites, other land to be developed may have local cultural significance. In this situation, consultation with local leaders and elders will be conducted, and the results of this outreach will result in the project development plan preserving culturally significant areas as much as practical.

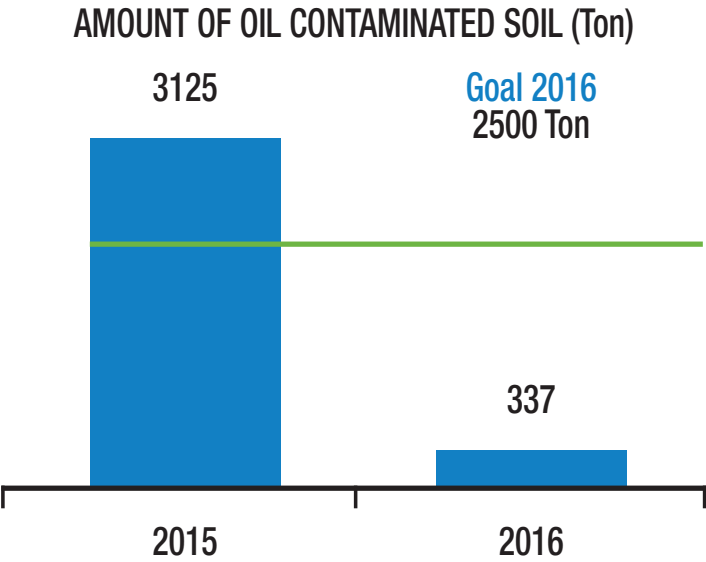
In addition, as a prerequisite to receiving an environmental license, Colombia authorities require developers to prepare a site-specific archaeological management plan.



# Environmental Performance



## Contaminated Soil



Contaminated soil often results from spills of oil on the ground. Remediation practices for these incidents are well developed and 100% remediation is the norm. In 2016, GTE drastically reduced the level of contaminated soil needing remediation. Much of these reductions were due to a 99.7% decrease in waste generated by illicit third-party valves, an activity that frequently occurred throughout Colombia prior to the recently reached peace agreement.



# Licensing

Gran Tierra must obtain licenses and permits from Colombian government agencies. These licenses and permits are subject to numerous requirements, including compliance with the environmental regulations of both national and local governments. This makes licensing a critical aspect of GTE’s business that requires a disciplined, carefully managed approach to get timely approvals to execute its exploration and development plans.



**“In Colombia it is difficult to operate without interacting with sensitive areas. We try to locate new projects in areas with minimum critical ecosystems, and design them from the ground up to have minimal impacts. We employ good communications, perform studies to show Colombian regulators that it is possible to develop in those areas without creating an unacceptable impact. Designing the projects to minimize impact leads to an easier licensing process.”**

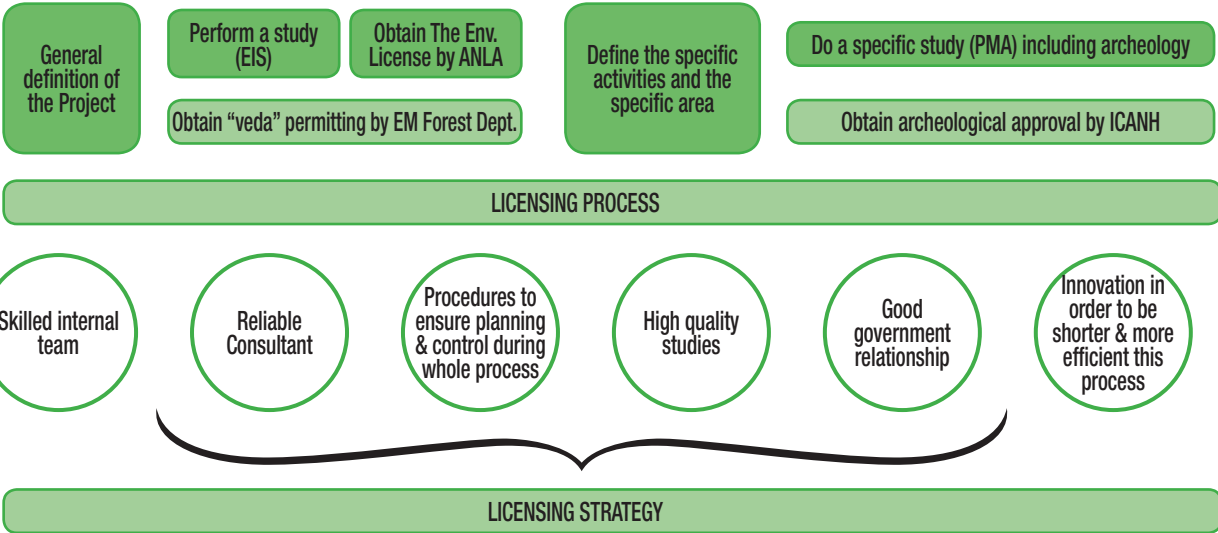
**NILSA GARCIA**  
*Environmental License Manager*

## LICENSING PROCESS

[Source: Q4 HSECSR final Report]

THE ULTIMATE GOAL

Timely,  
Continuous and  
Responsible  
Exploration,  
Exploitation



# Regulatory Compliance

The oil and gas industry in Colombia is subject to stringent laws and regulations pursuant to a number of international conventions and federal and regional policies and legislation. Such regulations relate to environmental impact studies, permissible levels of air and water emissions, oil spills, hazardous waste control, the construction of facilities, recycling requirements and reclamation standards, among others.

ANH (Agencia Nacional de Hidrocarburos - Colombia) is the administrator of the hydrocarbons in the country and is responsible for regulating the Colombian oil and gas industry, including managing all exploration lands. ANLA (Autoridad Nacional de Licencias Ambientales) is the National Environmental Licensing Authority. The Authority is responsible for the environmental licensing and permitting process. Licenses ensure projects or other activities comply with Colombia’s environmental regulations and contribute to environmentally sustainable development of the country. Gran Tierra’s policy is to comply with all laws and regulations.

**NON-COMPLIANCE PERFORMANCE: ZERO REGULATORY NON-COMPLIANCES RESULTING IN FINES.**







# SAFETY AND HEALTH



# Safety Programs

Gran Tierra has a simple objective with regard to safety: ensure that no one gets hurt as a consequence of our operations. To achieve that goal the company will systematically assess risks and take actions to eliminate or reduce areas of safety concern, including:

- Implementing proven safety management systems, procedures and tools with a goal of driving accident and incident rates to zero.
- Working closely with contractors on our sites and insist that they also implement effective safety management processes.
- Setting annual goals for safety performance and we will be held accountable for our performance to Gran Tierra's senior management and to the Board of Directors.



**“From changing reporting practices and evaluating how we can work with contractors to bring their safety practices into alignment with ours, we are looking to change the mentality throughout the organization because our HSE trends should always be improving unless we are at zero incidents and near misses. We want everyone on the team to understand the big picture in terms of safety so they can contribute to improving our performance and help us remove any complacency where it exists.”**

**MILTON GARCIA**  
*Health and Safety Manager*

GTE's safety programs and practices include:

- Implementing emergency management software for newly acquired facilities.
- Psychosocial risk preventive activities such as reducing workplace stress and maintaining a supportive workplace environment.
- Using a risk-based approach to direct resources to address risks where they are the greatest. The approach includes dozens of targeted audits and inspections, “Job Safety Analysis Meeting Reviews” with contractors and safety walkarounds to different work sites.



# Emergency Response Training

In adherence to GTE's Emergency Response plan, the company carries out periodic emergency response training exercises. In 2016 the company conducted 87 tabletop or in-person emergency simulations which assessed the company's preparedness to deal with various emergency scenarios. Similar training activities will be conducted throughout 2017.

# Strengthening GTE's HSE Management System

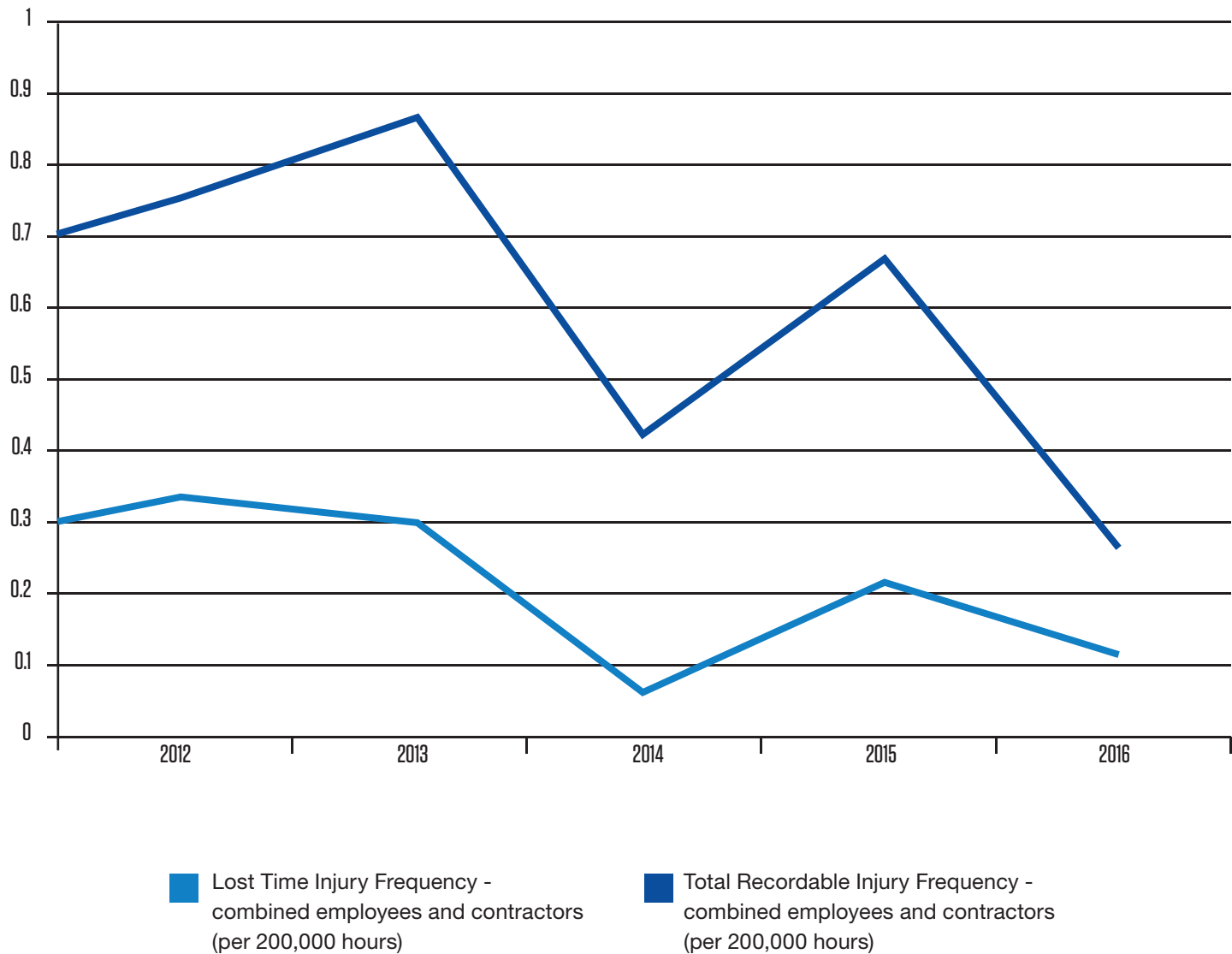
In response to the company goal to improve the way its Health, Safety and Environmental (HSE) policies are implemented in the field, Gran Tierra began making changes in its HSE management system (HSEMS) in 2016. The new system strengthens the company's HSEMS organizational structure, clarifies responsibilities, practices, procedures, processes and resources and improves the ability of corporate and HSE management teams to monitor performance and track policy compliance on a timely basis. This involves important corporate social responsibility issues, such as stakeholder engagement, local employment, land access, environmental monitoring and compliance, local business development, and stakeholder relationships. The pilot phase of this program extends through the first quarter of 2017.

As a result of Gran Tierra's efforts to strengthen its safety systems and programs, the company's 2016 safety record showed a significant improvement over 2015. A decline of more than 50% in the rate of recordable injuries was particularly notable.





# Recordable Injury and Lost Time Injury Rates



Employees and contractors worked a total of 4.6 million hours in 2016. In an effort to continue to improve its HSE performance, GTE develops an annual safety plan. 2017’s plan calls for focusing on reducing spill volumes and LTIR and TRIR rates by emphasizing:

- Hand safety
- Driving safety
- Employee and contractor safety training
- Incident investigation and close out of findings
- Management safety reviews on site

## Contractor Road Accident

Sadly, on June 13, 2016, a 56-year-old Colombian employee of a land transport contractor died in a single vehicle accident when the tanker truck he was driving rolled over on a curve, spilling 207 barrels of Gran Tierra oil from the Pendare field in Colombia. The accident took place in the afternoon on a dry, paved two-lane government highway five kilometers from Vasconia with no reports that visibility was impaired. The contractor, Coltanques, is a large, well-managed trucking company.

Prior to this accident, Gran Tierra had accumulated nearly two million person hours of work companywide without an employee or contractor Lost Time Injury.

Immediately after the accident, the contingency plans of both Coltanques and GTE were activated. Environmental contingency services provider TRAECOL controlled the spill and undertook cleanup, and none of the oil reached nearby water bodies. One hundred and eighty-six barrels were recovered as liquid with the remainder recovered as contaminated soil for reclamation.

Government accident investigators determined there were two root causes for the truck rolling over:

- The vehicle was exceeding the speed limit as it entered a curve on a hill and incorrectly navigated it.
- The truck went down the slope in neutral at high speed, and the brakes failed due to overheating caused by excessive use.

In response to the accident, GTE reinforced its Driver Training Requirement for all contractors. Gran Tierra’s 2017 HSE plan emphasizes safety training for employees and contractors with a special focus on driving safety. The contractor component calls for GTE to conduct HSE audits on critical contractors and to create, and follow up on, action plans resulting from the audits. The driving plan addresses issues such as seat belts, fatigue and alertness, distracted driving, vehicle inspection, coupling and uncoupling, convoy leader and steep grades. The program’s goal is full compliance by all Land Transport Contractors.

Following the accident Gran Tierra President and CEO Gary Guidry made the following statement to company employees:

**“It is easy to say that Gran Tierra has little control over a contractor’s truck carrying our oil. But that is not and will not be our response. If a company is under contract with Gran Tierra, it is our goal to ensure that everything possible is done to ensure safe operations. We will reassess the contractor management aspects of our HSE Management System, and we will ensure that we are working effectively with our contractors so that no one gets hurt.”**

**GARY GUIDRY**  
President and CEO





**COMMUNITY  
ENGAGEMENT**



# Developing Relationships

The company is committed to communicating with local communities as it considers operations or activities that may affect them. GTE’s goal is to ensure the company’s work does not adversely impact communities and, whenever possible, to create opportunities for these important stakeholders in Gran Tierra’s operations in Colombia.

With operations in multiple areas of Colombia, a country with complex national and local dynamics and a diverse population, GTE develops and implements community engagement strategies for each scenario. The strategies take into account socioeconomic and cultural differences and the needs of the local communities near GTE operations in different parts of the country. Although the tactics may vary, the objectives are the same: to develop strong, multifaceted and sustainable relationships with the communities. Each regional strategy is based on international standards.

GTE has seven social investment priorities: education, health and sanitation, infrastructure, productive development, agriculture and sports, community strengthening and institutional strengthening. It seeks social investment projects that have:

- A positive impact on the community
- Sustainability
- Public support
- Possible co-financing

Project selection is done jointly with local leaders and authorities. For legally mandated social investments, approval of the projects by ANH (Agencia Nacional de Hidrocarburos - Colombia) is required.

One of the company’s most important accomplishments in 2016 was to guide local communities to what economists call the “productive sector,” such as agriculture, industry and services, and away from oil activity so that they stop relying on the energy industry for their livelihoods. Not only in Putumayo but also in other areas, people have asked social workers for more growth-producing and job-creating projects. If the oil industry leaves, it is important for people to have the skills and knowledge to sustain themselves.



**“While our core mission is to develop Colombia’s oil resources, understanding the local context in the areas where we operate is critical to our success. We follow a set of strategic principles that guide our relationships with communities, but given that we operate in different areas of Colombia, we adjust our approach to address the context of each region, and in doing so we ensure that we are providing value in the form of jobs and making strategic locally targeted social investments that are responsive to community needs. Our team is constantly looking for opportunities to engage and work with communities.”**

**ADRIAN CORAL**  
*President, Gran Tierra Colombia*



## President of Colombia Petroleum Association on Managing Community Relationships

Francisco Lloreda is the director of the Colombia Petroleum Association (la Asociación Colombiana del Petróleo, or ACP). In an interview he spoke about the importance of managing community relationships carefully and responsibly.

**“The decline in oil prices hit Colombia hard, but sometimes good things happen after a bad thing. The oil crisis woke up a lot of people, and now companies have a more realistic perspective. They have figured out how to be more competitive at these prices. Another important development has been the way many companies have changed their relationships with communities so it is not as transactional. The companies that manage relationships with communities more responsibly do better over the long run. That’s one reason I believe that Gran Tierra has been doing so well.**

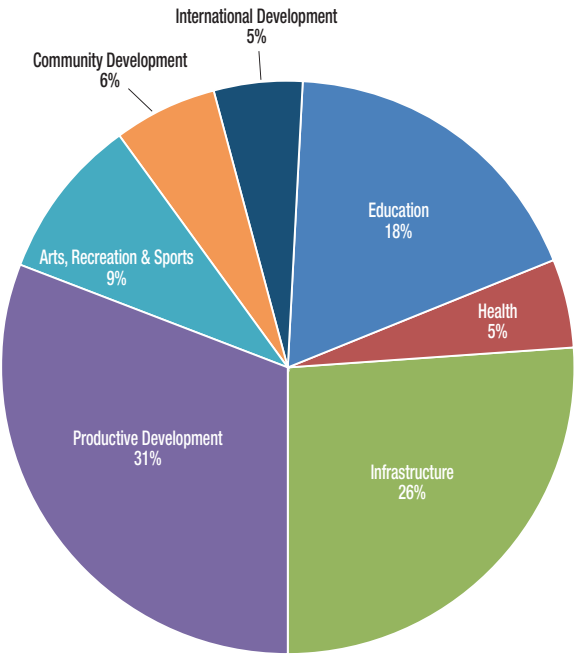
**We have members that have a reputation for being serious and responsible, and GTE is one of those companies. The areas in which they operate are not easy, so they have taken an approach that is well defined, serious and responsible. This is because Gran Tierra understands its environmental and social responsibility, takes a long view of operating in an area and wants to make sustainable contributions to communities. It also wants to make sure that when they leave an area, there is a good impression of how they worked and of the relationships they established with the communities.”**

# Social Investments

The Colombian oil sector has a long history of significant social investments accompanying each development. GTE has funded hundreds of community projects, typically valued in tens of thousands of U.S. dollars each. Moving forward, Gran Tierra believes a clear and principled approach to social issues, focused on local economic opportunities, will yield both sustainable benefits to communities and a stable work environment for the company. Therefore, GTE has begun to move away from making a large number of small social investments and instead intends to focus on a small number of larger efforts that will provide long term sustainable economic and social benefits and do so in a more economically efficient fashion. For an example of this approach, see the Naturamazonas story on p. 26.



## 2016 SOCIAL INVESTMENT





# Supporting Entrepreneurship

Since 2010 Gran Tierra and Ecopetrol have been running a program called *Finding Leaders, Generating Development* in the Middle Magdalena Valley (MMV) to stimulate and support entrepreneurship in 13 communities that are close to GTE’s operations. The program was instituted to help support women who were not able to access energy-related job opportunities in the area as they were mostly given to men. As a result, over the years many of the program participants have been women.

The program is a public/private partnership with SENA (Servicio Nacional de Aprendizaje), a government initiative to develop education in Colombia and foment employment, which provides technical training and seed money when necessary. It provides support and advice to help participants develop and implement business ideas and is available to help with any needed adjustments along the way. In MMV, many of the ideas revolve around community development and are aimed at generating income. Recent ideas have included making bricks, chicken farming, yucca farming, opening an internet café and ice cream making. About 250 people have gone through the training in Morison, a town of 600, close to GTE’s MMV operations.

The program has two phases. The first includes diploma courses and training in leadership, team building and market research. The second includes project formulation and management and technical training while the students learn and practice their crafts. Ongoing support for graduates includes follow-up training, evaluating their progress, and developing better ways to manage their businesses and locating possible partners.

A shoe group in Morison called Calzado Unimor (Unimor Shoe Wear) has made hundreds of pairs of shoes after setting up the business through this program.

Carmen Sorano is the President of the Artesanos de la Llana. When she moved to La Llana, (approximately 20 km away from GTE’s operations) eight years ago, she alone knew the special technique needed to weave traditional hats - a process that can take 4 or 5 days per hat. So, she decided to put her unique skill to use. After completing five diploma courses since 2012, Carmen came up with the idea and structure for running her current business more professionally.



**“I’ve been teaching the others so now we all work on the same products using these techniques. It takes between four and five days to make a hat using this technique.**

**This program was very helpful to us. Previously I was intimidated and never thought I would be able to do a business, but now it is possible to get ahead and have more confidence. We are all earning money now that we have this business – it’s not much but we hope to grow it and earn more in the future.”**

**CARMEN SORANO**  
*President, Artesanos de la Llana*



**“This all started with the company coming here and meeting with the town and talking about the program. Almost 50 people joined at the time. When we were done with our diploma course in 2013, we came up with this idea because we wanted to show that ladies are not only good to work at home but can also help our family’s goals and be entrepreneurs and provide work opportunities. Overall we did about 9 months of training and practice. We want to grow this into a big business. Last year we had some advanced training and had a better product to compete in the market. We want to make shoes for students. Now we are learning how to make handbags and belts and leather goods.”**

**MARLEN PADILLA**  
*Member, Calzado Unimor*





# A Public-Private Partnership Aids Colombia's Rural Development

PROCOMPITE is a unique initiative supported by a partnership between Gran Tierra, the government of Canada and a Canadian NGO, the International Development Cooperation Society (SOCODEVI). The objective of this multi-year project is to promote sustainable economic growth in rural areas of Colombia by strengthening the productive and entrepreneurial abilities of more than 6,000 agricultural producers, both men and women, representing 3,000 families.

PROCOMPITE is being executed by SOCODEVI, which has implemented development projects in 40 countries. In Colombia SOCODEVI has concentrated on helping agricultural producers boost crop yields, lower production costs, improve management of farm assets, develop market links and reduce the risk of negative impacts on the environment. PROCOMPITE also assists cooperative and associative enterprises equip themselves to deal competitively with the demands made by agricultural producers and markets.

In 2015 Gran Tierra decided to provide funding for PROCOMPITE as part of its strategy to support social projects in communities in the vicinity of its energy projects, such as Villagarzón and Mocoa in the Putumayo Department. In this area PROCOMPITE has focused on helping cocoa (chocolate) farmers and cattle breeders.



## Training and Infrastructure Investments Increase Farmer Productivity and Income

Oswaldo Pantoja is both a farmer and the president of the Villagarzón Cacao Growers Association. He grows multiple types of crops, including cacao and a fruit-producing palm called chontaduro. This is a traditional indigenous method of farming for better environmental balance and steadier cash flow. Cacao provides crops constantly, while chontaduro, which is a traditionally grown palm, provides fruit only once per year, causing dips and spikes in supply and demand, limiting the efficacy of chontaduro as a cash crop.

The PROCOMPITE program teaches farmers new techniques to improve production such as soil analysis and also provides infrastructure investments like cacao drying facilities (pictured). This has enabled Oswaldo to optimize his harvest by more accurately utilizing fertilizer and analyzing how the water table levels might affect his crops.

The PROCOMPITE project also focuses on helping the farmers improve the marketing of their crops by forming an association. The Villagarzón Cacao Growers Association now has 44 members from different municipalities from around Villagarzón and Puerto Guzman. The project also led to the construction of a commercialization center where the farmers can sell their crops.



**“Thanks to GTE and SOCODEVI, we have eliminated idle time and are harvesting more volume, selling to larger buyers and increasing our incomes. As farmers, as we increase our production, we will also be generating employment opportunities and teaching people for free the techniques we use now.”**

**Oswaldo Pantoja**  
*President of the Villagarzón Cacao Growers Association*



**“GTE is one of the most committed companies that we’ve worked with in this regard. A lot of lessons were learned from our work with GTE, and we are already seeing improvements in our ability to engage other partners coming out of this project. GTE shared our development goals and aligned well with our approach to development. This includes working with local officials, working with communities without patronizing them, working with the government and not replacing the government.”**

**CORRY VAN GAAL**  
*First Secretary, Canadian Embassy*



# Modernizing Ranching and Product Marketing

Another PROCOMPITE project supported by GTE involves cattle farmers in Villagarzón and surrounding areas. There are about 450 cattle growers in the area, 270 of whom are members of the Villagarzón Cattle Association, and 80 of whom participate in the PROCOMPITE program.

The project has two goals: helping ranchers raise cattle more efficiently and helping them develop and bring to market alternative products that can increase their profitability. This training includes branding, cost analysis and financial accounting as well as new methods of cattle ranching. Modern techniques include live fences, better soil use, paddock division and waste protection.

In their commercialization facility, the ranchers have learned to make new products such as a variety of cheeses and yogurt products from cows' milk. SOCODEVI trains the association's board every two weeks, with each session held at a different ranch. With better data being generated, the association can make more informed decisions leading to increased profitability. The association has begun to generate enough data to see if these new products, which have been received well so far, will be more profitable than the milk used for the cheese and yogurt, or whether they will need to adjust their approach.



**“We have gone through a very difficult period due to the previous violent period. Now we’re starting the process of recovery and getting back to normality. Thanks to the Canadian embassy and GTE, this is the first time we’ve seen a program that has this kind of follow-up and benefits the people directly. SOCODEVI’s personnel and staff have helped us refresh our knowledge and update our techniques. SOCODEVI has personnel who taught us to use techniques that help us be more environmentally friendly – such as planting more trees, using soil more efficiently and increasing our awareness of water issues. Things like these are contributing to increasing productivity.”**

**IVAN HERNANDEZ**  
*President of Villagarzón Cattle Association*

# Developing New Sources of Income in Former Conflict Zones

In recent years Gran Tierra has supported a project in Putumayo to teach farmers how to grow and market black pepper, a high demand crop in Colombia. The goal of the program is to improve local income and food security and create alternative livelihoods for former coca growers. GTE has provided nearly \$200,000 and dedicated three technicians to the Pepper Project, and local communities have contributed supplementary materials and wages for cultivation labor.

In 2016, 162 farmers from the municipalities of Villagarzón, Mocoa and Puerto Guzmán participated in the project, with 300 more on the waiting list. In the first phase, participants spend six months at agricultural schools where they are taught how to use seeds, prevent plant diseases, handle soil and crops, form associations and set goals for production. In the second phase the program helps the farmers work their fields and monitors their progress. As a result of the training the farmers become knowledgeable about plant science, biological and chemical supplies, basic tools, agricultural skills and materials for seeding the ground. In addition to the training provided to all participants, some trainees are selected for an additional training module and for additional equipment after showing themselves to be particularly interested and motivated.

Following planting, it takes two years before the peppers mature and provide income. However, peppers have an advantage over other crops that can be grown in the region because the harvest can be dried and sold when prices are highest, providing a steady income. Another benefit of the project is that this new agricultural crop will strengthen commercial companies in the region, such as Condimentos Putumayo, which has a direct influence on the economy of the municipalities.

At the end of Phase Two in 2016 the program estimates that 58,696 pepper seedlings had been planted in multiple areas of Putumayo. Cumulative production estimated for the year 2019 is 117.3 tons of peppers per year. The program has also strengthened the social fabric in the area with the establishment of a 43-member association of pepper producers in Villagarzón.



**“To be able to share our knowledge with people makes one stronger – I really enjoy it. I want to see people be better off and increasing their resources. It’s not just the families of the growers – everyone gets better off, as the people with increased incomes can go to stores and buy goods, and the quality-of-life can improve. The essence of this program is knowledge – after the farmer has it they can drive their own success after some initial support.”**

**HAROLD MORA**  
*Technician*

**“With help from God and the technicians, in 18 months we will get a strong crop. The market is strong for peppers. It feels very good to be starting to grow a new thing. This is a very good alternative and while this is just the first crop, we hope to plant this for a long time.”**



**FERNANDO**  
*Pepper Farmer*





# Indigenous Development Programs

Colombia’s Constitution grants indigenous communities the right to “Free Prior Informed Consultation” or Consulta Previa (PC) before any project is considered near indigenous land. Gran Tierra undertakes the process, which can take months in collaboration with the Ministry of Interior. It is also the first company to conduct PC for additional work planned at existing fields after development has occurred.

Inga is the indigenous ethnicity in Putumayo with the highest population. According to GTE staff working with the Inga, they were impacted greatly by the armed conflict. Unwilling to submit to the guerillas, they were forced off their land and as a result, they lost a lot of their territory and along with it, many of their cultural customs. Before the conflict there was no government presence where they lived; today, however, the Inga have many laws to protect them.

There are 14 indigenous groups as well as several Afro-Colombian groups near Gran Tierra’s operation areas. GTE manages several programs designed to support indigenous people, including education, home repair and post-secondary school technical training and university tuition. The company has also built four ancestral cultural centers for community meetings and activities in order to strengthen the traditions of the indigenous and Afro-Colombian communities of Orconepul, Alto Orito, Afro Council of Puerto Limon and Martin Luther King.

Activities conducted by GTE to support indigenous and Afro-Colombian groups in Puerto Limón, Villagarzón and Piamonte include support for community-interest projects, cultural celebrations, secondary education and training in Afro-Colombian music for children.



**“Our culture and our customs are key to our identity – food, dress, drink, language. All indigenous cultures worldwide are being influenced by development and languages get lost. We have to start preserving and keeping our customs. And as you lose these traditional things your well-being disappears.**

**Companies think of development as something they can bring, and sometimes, because we have needs, we accept without thinking about how they can also change us in ways we are not prepared for. We understand GTE is not responsible for everything, and the government has a role to play, but we want to keep working with Gran Tierra. The company has good people working for them, and they are responsive and want to get close to our community while it often seems that other companies think we are below them. Between the pre-consultation process, compensation and other programs, GTE has been very helpful. Now we want GTE to come to us and have a better understanding of how we can work even better together for the future.**

**We want to strengthen our life plan and our culture. To us, that is to be rich. So for us, what's important is the quality of the projects, which have to be based on our culture. We are looking for help with strengthening our communities in the education and health sectors, self-governance and values – that's where we want support.”**

**IRMA ALICIA MOJOMBOY JOJOA**  
*Inga Tribe*

Irma Alicia Mojombuy Jojoa belongs to an association called Nukanchipa Atunkunapa Alpa, which means Territory of our Ancestry. She is a leader within her indigenous Inga community called Forest Espanyolais, located close to GTE’s Moqeta facility.

# Transparency and Dialogue with Communities

Communicating with and listening to local communities that may be affected by company activities is a Gran Tierra priority. In 2016 GTE conducted 846 meetings in 12 communities with a total of 17,297 people participating.

## Fam Trip

GTE has several programs that let people see first-hand what the company does to minimize the impact of its operations on the environment. One program is Fam Trip, which involves encouraging families and journalists to visit production sites. This program has proved to be effective in countering myths some people have regarding industry practices, by providing basic information about hydrocarbons, and by providing basic information on how oil operations work. The visitors can take photos, and sometimes there are special programs for children. Some visitors come from areas near current operations and some are from areas where GTE is planning to operate. In 2016 Fam Trip welcomed 240 visitors.



**“The company is not just interested in making its operations viable, but it wants to have a legacy of changing lives and making a difference. When you go into the communities, you feel this difference. The company is very close to the community – it’s really important to see how it trusts people from Putumayo – it makes it possible to feel like we are a big family.”**

**DIANA LORENA FLORIANO**  
*Manager of Relationships, Communications and Sustainability*



# Gran Tierra Te Escucha: An Open Door for the Community

As part of a new program to facilitate two-way communication with people who live in areas where Gran Tierra operates, the company opened four service offices across Colombia in 2016. The program is called “Gran Tierra Te Escucha,” (Gran Tierra Hears You) and is based on the following principles:

- “We are always ready to listen to you so that we can understand your concerns and find the best way to offer you alternatives for your benefit and that of our operations.”
- “We want to be closer to you. Therefore we have different spaces and alternative ways for you to share your ideas with us and discuss them.”
- “Building plans and initiatives based on a combination of your ideas and ours contributes to our overall growth and the creation of sustainable relationships.”

The service offices have an open door policy so that GTE staff can hear from anyone who has questions or concerns. The offices are also places where people can learn useful information about what Gran Tierra is doing to protect the environment and maximize benefits for local communities.

In October an office in the Putumayo Department opened in Villagarzón. On a typical day, this office receives about 10 visitors from different municipalities. In addition to answering questions, the staff receives petitions, complaints and claims from job seekers and addresses concerns and grievances related to issues such as social programs and employment opportunities. Some of the most frequent questions include: Can GTE include more communities in its work participation programs? Can it provide more jobs? Can it help the local Planning Association’s (JAC’s) development issues?



**“Many people have thanked us because this office is here. It’s a place for many people to get close to us and talk to us about their concerns. They also come to us and congratulate us because we are listening to them. Sometimes people don’t have the right information and I try to help everyone and give them the correct information.”**

**LINA MARÍA BARACALDO MORENO**  
*Gran Tierra Social Assistant*

# Handling Petitions, Complaints and Claims

In 2016 Gran Tierra modified its grievance resolution process to reflect its evolving relationships with local communities, especially its effort to build relationships based on mutual understanding and acceptance. The company emphasized to people that GTE is an open door company and that it has adopted a grievance handling procedure that seeks to provide quality, timely, coherent, efficient, systematic and responsible responses that build trust, manage expectations and minimize environmental risks.

Underlying the procedure is Gran Tierra’s philosophy that whether it has delegated an activity or performed it directly, GTE is responsible for how it is carried out. The procedure embodies principles recommended by the World Bank Group and performance criteria that are set forth in the United Nations publication “Guiding Principles on Business and Human Rights.”

People have four in-person and correspondence-based channels they can use to file petitions, complaints and claims. These are screened and go through the documentation center and the coordination center. Everything is coded with a report received in real time at Gran Tierra’s headquarters in Canada. Regular reports are sent to senior management. An Effectiveness Committee meets every month, looking at trends. One database captures all of these interactions, and cases are expected to be investigated between 3 and 12 calendar days from when they were opened, if possible. To ensure that the system continues to improve, internal and external satisfaction surveys and performance statistics are reviewed by management on a regular basis.



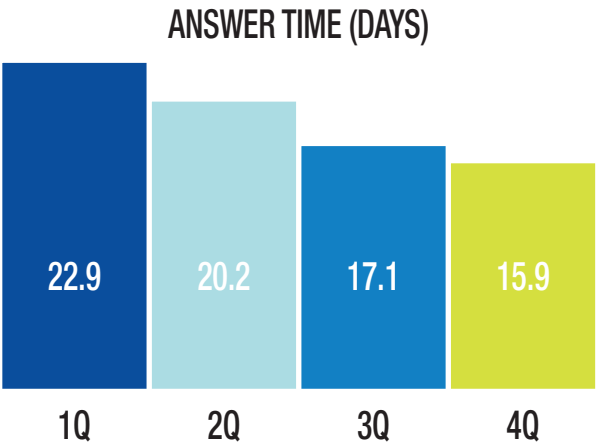
**“There are so many things I love about the work I do, but it’s really all about listening to people and communicating with them. We know communities are some of our most important external stakeholders, and we work hard to make sure they know we are here to listen and be helpful.”**

**LIGIA GONZALEZ**  
*PQR Management coordinator*

The company received 189 grievances in 2016 with 100% of them successfully resolved. The most common types of grievances involve:

- Social Investment
- Environment
- Labor
- Access to Land
- Procurement of Goods and Services
- Damages to Third Parties
- Information Processes with Stakeholders
- Operation Procedures
- Communications / Publications
- Previous Consultation
- Infrastructure

The company achieved a 30% response time reduction between the first and fourth quarter of 2016.



**GTE achieved a 30% response time reduction between first and fourth quarter of 2016.**





# ECONOMIC DEVELOPMENT



# Creating Value for Colombia

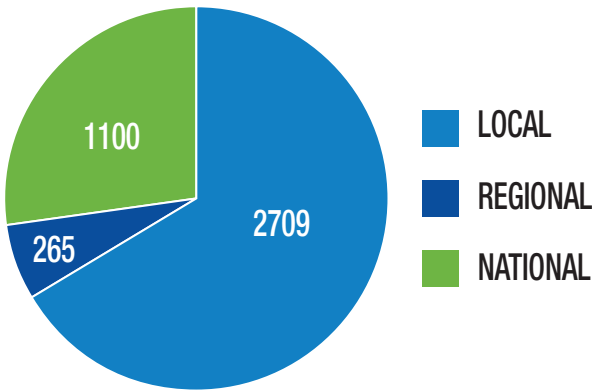
Gran Tierra contributes to local, regional and national economic development in Colombia in multiple ways, including through taxes, royalties, jobs, local procurement of supplies and services, social investments, training and education programs and voluntary social and environmental programs. See p. 56 re: payments to the Colombian government.

Gran Tierra has designed its employment and procurement procedures to try to maximize the opportunities for local and regional communities to capture the economic benefits associated with GTE project activities. This includes the local content in goods and services purchased directly by the project, as well as in those purchased indirectly by a project’s contractors.

## Local Employment

As government regulations mandate that 100% of unskilled personnel and at least 30% of skilled personnel must be local, the company always looks first to hire people from communities closest to its operations. The regulation states that if some positions cannot be filled locally and the employer advertises a job opening, it must do so locally first, then regionally and only then on a national level.

LOCATION OF SKILLED WORKERS



GTE EMPLOYEES	2015 291	2016 281
EMPLOYEE SALARIES AND BENEFITS	2015 \$36,358,000	2016 \$22,013,000
WAGES FROM TEMPORARY LOCAL EMPLOYMENT	2015 \$1,830,000	2016 \$1,907,000
TOTAL NUMBER OF JOBS PROVIDED IN 2016 4074		

“Having grown significantly as a result of the acquisitions, we have a very multifaceted and talented team with combined global experience from small, medium, large and multinational companies. The team here is proud of their work, which is contributing to our company's growth in a low oil price environment. These efforts will continue to pay off in the future in the form of additional production and increased reserves and additional capabilities.”

LUIS GUILLERMO ACOSTA  
Deputy General Manager

# What It’s Like Working for Gran Tierra Energy

By Carlos Augusto García Cordoba



I come from the Huila Department in Southern Colombia, but I’ve lived in the village of Canangucho in Putumayo for 17 years, so I feel that part of me is from here. I am grateful because this land has given me a lot of opportunities. For the past seven years I have been president of Canangucho’s Junta de Action Communal (JAC) or Planning Association. Most villages have one. These groups are made up of citizens who want to plan the growth and direction of their communities and work to obtain resources from public and private institutions. See chart on p. 56 regarding GTE payments to Colombian governments.

I started working for Gran Tierra after the company began drilling in the area. This turned out to be a very good experience because it gave me income and that really helped my family. After two years, the company gave me the opportunity to become a Wastewater Treatment Operator, having trusted me enough to increase my responsibility. During the on-the-job and formal training provided by GTE, I got a lot of experience and knowledge, learning new things every day. It was very useful to be with people who knew so much. After about a year and a half the company believed I had the ability to operate the wastewater plant on my own, and I was promoted.

The village of Canangucho is a very easygoing community. Although it is one of the five villages closest to GTE’s operations in Putumayo, my community isn’t knowledgeable about the oil industry. They have asked me about what I do, and when I tell them about how we do things and about our teamwork approach, they are very surprised because people don’t know very much about this kind of work.

There are approximately 300 families in Canangucho, plus an indigenous group of 200 families who have their own policies, language, identity and land. Canangucho has many needs. Our community has been both demanding and understanding. This is a good balance for us. Communications have improved a lot. The company has always looked for the best way to have the right answer in a very short time.

Since the arrival of Gran Tierra, we’ve had a lot of good social development. The community is very grateful to the company for all the efforts they have put into supporting us and for what has been achieved. We have received a lot of things that were useful to the community such as jobs and support for education and sports. Of course, we always have people who want to work, but sometimes it’s not possible. We feel we are number one in terms of employment opportunities since we are so close to the company’s projects. Gran Tierra is the greatest company in terms of employment. Right now 10 people from our village are working for GTE.





# Local Procurement

Gran Tierra’s policy is to ensure that all employment and procurement procedures are designed to maximize the opportunities for local and regional communities to capture the economic benefits associated with project activities.

- GTE gives preference to suppliers or contractors according to the following hierarchy:
- Suppliers based in or near a project, primarily owned by local people
  - Suppliers based in the host country, primarily employing and owned by nationals
  - Suppliers based outside the host country but primarily employing nationals
  - Others

However, the corporate objective to give priority to local content will not be met in a way that puts GTE’s other critical commitments at risk, such as safe operational practices, the protection of the natural environment and compliance with social and environmental governmental requirements.

## CONTRACTORS SUPPORTING GTE’S COLOMBIA OPERATIONS

	CONTRACTORS	VALUE (USD)
REGIONAL	462	\$29,098,232
NATIONAL	755	\$130,568,097
FOREIGN	9	\$1,868,626
TOTAL	1,226	\$161,534,955

**“GTE operates in areas that historically have had low socioeconomic development. Our approach to supply chain management is to support the areas where we operate. That means finding and supporting local suppliers, forging long term key strategic partnerships with them, thus strengthening our ties with communities. This goes beyond Colombian government requirements regarding local labor. We do this because we believe we can make a positive contribution to the areas where we operate by finding ways to provide opportunities and develop the local economy during the course of doing business. When there are cases where there is opportunity to develop one or more local suppliers, we will do so.”**

**HUGO MOLINA**  
*Contracting Services Manager*

# SOSIP: A Local Business Success Story

Sociedad de Servicios Integrados Petroleros Ltda (SOSIP) is a small, privately owned catering company in Villagarzón in Putumayo that exemplifies how Gran Tierra’s relationship with local subcontractors can generate benefits not only for the company’s owners and employees but also for other businesses.

Founded 17 years ago by two men, one of whom was Arturo Ortego, who worked in a restaurant, SOSIP evolved into a catering business with 15 employees and a number of clients. Now, after providing catering services to Gran Tierra for seven years, SOSIP has grown significantly with 53 people servicing GTE in multiple capacities, including catering. Arturo attributes one of the reasons for his company’s success to the education and training they received about catering best practices and enterprise management in order to meet GTE’s high standards.

SOSIP’s growth has had a significant positive impact on Villagarzón and other local communities. The company hired 100% of its unskilled labor and 99% of its skilled workers from the Villagarzón area. Along with other small companies that GTE is contracting with, such as a transportation company and a landscaping firm, SOSIP is part of a domino effect that impacts the community in that all of these companies buy locally and their employees spend their money in the local economy. In addition to paying salaries and buying goods, SOSIP regularly invests in social projects in the area, such as supporting mothers and children, some of whom are orphans or victims of violence.



**“The impact of GTE on our company has been big and the support provided to us has been unconditional. We were a small company and the fact that we are now working with GTE has opened up new opportunities for us to get to know people from different companies who invited us to participate in their tender process. As a result, we were able to open up new markets and continue to grow.”**

**ARTURO ORTEGA**  
*Founder, SOSIP*





# Support for FARC Peace Agreement

For over 40 years, the Colombian government has been engaged in a conflict with two main Marxist guerrilla groups: the FARC and the ELN. Significant violence took place in the Putumayo Department, where some of Gran Tierra's operations are located. On September 26, 2016, the Colombian government and the FARC signed a peace agreement, and on November 30, 2016, the Peace Agreement was ratified by Colombia's government.

Gran Tierra's President and CEO, Gary Guidry, is emphatic about how the company should respond to finalization of the peace agreement: "Our job is to support the government in its efforts to make it a lasting peace."

As a result, the company has:

- Worked closely with the Ministry of Defense regarding demining priorities in Putumayo
- Advised Conservation International to consider hiring some former combatants for GTE's Naturamazonas project
- Voluntarily entered into an agreement with the government to clean up a sizeable "orphan oil spill" caused by FARC sabotage in Putumayo
- Participated in multilateral initiatives with the Canadian Embassy and others to replace coca crops that helped fund the FARC with legitimate agricultural crops



# Transparency

Gran Tierra, as a contributor to government revenues, is committed to disclosing its contributions and signed an agreement to this effect in October 2015. GTE disclosed contributions, in terms of taxes and royalties, for the fiscal year 2013, and they are included in the Colombia EITI report.

In addition, starting in 2017 GTE will be complying with Canada's Extractive Sector Transparency Measures Act (ESTMA). The Act requires extractive entities active in Canada to publicly disclose annually payments made to all governments in Canada and abroad. GTE's first ESTMA report is due to be filed on May 30, 2017.

## OVER THE PAST THREE YEARS, GTE HAS MADE THE FOLLOWING PAYMENTS TO COLOMBIA'S NATIONAL & LOCAL GOVERNMENTS:

*Taxes, royalties & fees (million \$)*



# President of Colombia's National Hydrocarbons Agency Sees a Bright Future for the Energy Industry

Orlando Velandia is president of the Agencia Nacional de Hidrocarburos, Colombia's National Hydrocarbons Agency. In an interview he spoke about the future of the energy industry:



**"With the oil price drop, we've had to quickly adapt and adjust to the new low price environment. And to maintain high production levels we have had to increase reserves. We have done that by making exploration terms more flexible to provide the companies more time and by submitting a new set of rules for allocating areas for exploration. The government has also adopted a number of tax measures to stimulate investment."**

**"It's important to mention the peace agreement – this is a fundamental development for the future of the oil industry. Companies like Gran Tierra know how difficult it has been to work in the field. Oil and gas are often in areas where the conflict was most intense and impacted development. This new framework will make it easier for oil and gas development and growth. Companies will be able to explore new basins that were not as easy to access."**

**"Environmental licensing and social licensing are two issues we are focusing on. Companies recognize the territorial strategy work we've done. We have been working with them to understand the situation they are facing, including how to avoid issues and how to develop social dialogue and social processes. If we are able to solve a 50-year-old conflict through dialogue, we should be able to work through issues with communities through dialogue."**

**"The future is bright. There are a number of midsize companies that have been able to acquire a great deal of experience in Colombia. These companies will be able not only to stay in the market, but they will be able to flourish. One of these companies is GTE, which made very great efforts to maintain their exploration levels despite whatever difficulties they may have had in the region. We greatly value this decision that the company made. When I am asked which companies have the brightest future, I say this with sincerity: Gran Tierra is one of them."**







# **PERFORMANCE DATA**





## PERFORMANCE SUMMARY

Indicator	Units	2014	2015	2016
<b>ENVIRONMENT</b>				
Total Number of Spill Incidents	count	116	58	86
Contained Discharges	count	100	51	66
Environmental Incidents	count	14	6	7
Oil or Chemical Spills < 1 bbl	count	2	1	11
Oil or Chemical Spills > 1 bbl	count	0	0	2
Volume of Spills	m³	83.7	31.0	40
Water Withdrawal	m³	1,333,195	1,285,698	1,071,297
Water from Rivers and Creeks	m³	1,330,622	1,274,550	1,057,244
Water from Municipal Sources	m³	2,158	10,689	5,526
Water from Trucks	m³	415	459	919
Water Discharged	m³	1,128,558	1,041,572	149,252
Other Water-related Measures				
Produced Water	m³	1,722,161	1,812,310	1,539,942
Water Injected into Active Wells¹	m³	1,257,911	1,894,535	2,461,987
Regulatory Compliance				
Number of Inspections by Authorities	count	19	17	6
Number of Findings and Non-compliances	count	79	314	19
Number of Findings that Resulted in Fines or Non-monetary Sanctions	count	2	2	0
Total Waste	kg	461,183	679,232	527,261
Hazardous Waste (as defined in the country)	kg	645,976	644,019	319,036
Non-hazardous Waste	kg	457,354	287,330	208,225
<b>SAFETY</b>				
Employee and Contractor Safety				
Lost Time Injury Frequency – Combined		0.12	0.24	0.13
Recordable Injury Frequency – Combined		0.64	0.75	0.26
Recordable Injury Frequency – Employees	count per 200,000 exposure hours	0.42	0.54	0.00
Recordable Injury Frequency – Contractors		0.66	0.81	0.31
Lost time Injury Frequency – Employees		0.00	0.00	0.00
Lost time Injury Frequency – Contractors		0.13	0.31	0.10
Fatalities – Employees	count	0	0	0
Fatalities – Contractors	count	0	0	1
Hours Worked	hours	14,802,438	5,049,839	4,558,133
Public Safety and Emergency Preparedness				
Safety Inspections Conducted¹	count	3,662	1,878	1,329
Number of Emergency Simulations (tabletop and in-person)	count	244	74	87

### Notes:

1. These numbers have been restated since the publication of our 2014 Report.



## PERFORMANCE SUMMARY

Indicator	Units	2014	2015	2016
<b>HUMAN RESOURCES</b>				
Total Number of Employees	count	477	291	404
Female	count	139	89	219
Male	count	338	202	185
Employees in each Country				
Colombia	count	295	192	281
Canada	count	52	49	76
Brazil	count	42	22	22
Peru	count	88	28	25
Employees Covered by Collective Bargaining Agreements	percent	0	0	0
Rate of New Employee Hires	percent	14	n/a	n/a
Voluntary Turnover Rate	percent	6	n/a	n/a
Total Number of Hours of Training in the Year (Colombia only)	hours	4,138	823	808
Average Hours of Training per Year per Employee (Colombia Only)	hours/person	14.0	4.3	6
Female	hours/person	15.5	4.2	6
Male	hours/person	13.5	4.3	6
<b>ECONOMY</b>				
Economic Value Generated and Distributed				
Revenues (Includes Royalties)	thousands of \$	740,436	336,513	862,187
Payments to Suppliers, Contractors and Other Third Parties	thousands of \$	505,452	381,717	329,895
Payments to Governments (Taxes, Royalties)	thousands of \$	282,510	102,324	101,500
Payments to Employees (Salaries and Benefits)	thousands of \$	60,132	36,358	22,013
Investment in Communities	thousands of \$	5,326	3,498	2,828
Payments to Providers of Capital (Debt, Interest, Dividends)	thousands of \$	0	0	0
Social Investment	millions of \$	5.3	3.5	2.8
Temporary Local Employment	contracts	5,341	1,830	1,907
Colombia	contracts	2,845	1,830	1,907
Spending on Suppliers (only Colombia)	millions of \$	616.4	419.9	161.5
Regional	millions of \$	32.9	27.9	29
Country	millions of \$	580.9	390.1	130.5
International	millions of \$	2.7	1.9	1.8
<b>COMMUNITIES AND HUMAN RIGHTS</b>				
Total Number of Grievances	count	232	128	189
Resolved	count	176	127	189
In Progress	count	56	1	0
Grievances by Type/Subject				
Labour Practices	count	66	74	111
Environmental Impacts	count	9	8	8
Procurement of Goods and Services	count	85	36	48
Land Access	count	8	2	2
Human Rights	count	0	0	0
Other Causes (Impacts on Third Parties, Infrastructure)	count	64	8	20

n/a: not available



# Board of Directors and Executive Team

## DIRECTORS

**GARY S. GUIDRY**  
*President and  
Chief Executive Officer*

**ROBERT HODGINS**  
*Non-Executive Chairman*

**PETER DEY**  
*Independent*

**EVAN HAZELL**  
*Independent*

**RONALD W. ROYAL**  
*Independent*

**DAVID SMITH**  
*Independent*

**BROOKE WADE**  
*Independent*

## MANAGEMENT

**GARY S. GUIDRY**  
*President and Chief Executive Officer*

**RYAN ELLSON**  
*Chief Financial Officer*

**JIM EVANS**  
*Vice President, Corporate Services*

**DAVID HARDY**  
*Vice President Legal, General Counsel*

**ALAN JOHNSON**  
*Vice President, Asset Management*

**LAWRENCE WEST**  
*Vice President, Exploration*

**ED CALDWELL**  
*Vice President, Health,  
Safety & Environment  
& Corporate Social Responsibility*

**SUSAN MAWDSLEY**  
*Vice President,  
Finance & Corporate Controller*

**GLEN MAH**  
*Vice President, Business Development*

**RODGER TRIMBLE**  
*Vice President, Investor Relations*

**ADRIAN CORAL**  
*President, Gran Tierra Energy Colombia*

**RONALD EGUSQUIZA**  
*Interim Country Manager, Peru*



## Forward Looking Information Advisory

This presentation contains forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and financial outlook and forward-looking information within the meaning of applicable Canadian securities laws (collectively, "forward-looking statements"). Such forward-looking statements include, but are not limited to, statements about: our ability to grow in both the near and the long term, our corporate strategy including our business plans, initiatives and objectives, new areas of operation, supplier development, environmental stewardship matters, safety matters, local development matters and human rights matters. Statements respecting reserves, contingent resources, and prospective resources are forward-looking statements as they involve the implied assessment, based on estimates and assumptions, that the reserves, contingent resources, and prospective resources described exist in the quantities predicted or estimated and can be profitably produced in the future.

The forward-looking statements contained in this presentation are based on certain assumptions made by Gran Tierra based on management's experience and perception of historical trends, current conditions, anticipated future development and other factors believed to be appropriate. Such statements are subject to a number of assumptions, risks and uncertainties, many of which are beyond Gran Tierra's control, which may cause actual results to differ materially from those implied or expressed by the forward-looking statements. These include the factors discussed or referenced under the heading "Part I. Item 1A. Risk Factors" in Gran Tierra's 2015 Annual Report on Form 10-K, under the heading "Part II. Item 1A. Risk Factors" in Gran Tierra's Quarterly Reports on Form 10-Q and in the other reports and filings with the Securities and Exchange Commission.

All forward-looking statements speak only as of the date on which such statements are made, and Gran Tierra undertakes no obligation to correct or update any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law. Gran Tierra's forward-looking statements are expressly qualified in their entirety by this cautionary statement.

For questions or comments, please contact [responsibility@grantierra.com](mailto:responsibility@grantierra.com)





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