

# 2023

Sustainability Report





2024 Senior Management Team

GRI 2-9

**Orlando Cabrales**  
Chief Executive Officer (CEO)

**René Burgos**  
Chief Financial Officer (CFO)

**Alejandra Bonilla**  
General Counsel and Secretary

**Iván Arévalo**  
Vice President of Operations

**Renata Campagnaro**  
Vice President of Marketing, Logistics, and Business Sustainability

**Víctor Vega**  
Vice President of Exploration and Reservoir Management

**Xavier García**  
Director of Human Talent

**Andrés Palacios**  
Director of HSEQ

**Andrés Sarmiento**  
Director of Sustainability and Corporate Affairs

**Ana Lucía Goyes**  
Chief Compliance Officer

2023  
Sustainability Report

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# About this report

GRI 2-3

The 2023 Sustainability Report describes the approach implemented by Frontera Energy Corporation<sup>1</sup> for managing sustainability matters and provides an overview of the main metrics, projects and achievements regarding environmental matters for the period from January 1 to December 31, 2023, unless otherwise stated.

It includes all assets operated by Frontera as of December 31, 2023, unless otherwise stated. It includes data on Frontera's operations and Finances in Canada, Colombia, Ecuador, and Guyana. It is specified when data is broken down by country.

All the amounts are expressed in United States dollars (USD), unless otherwise stated. The average exchange rate used for 2023 was COP **4,325** per USD.

For more information on Frontera, please visit <https://www.fronteraenergy.ca/reports-presentations/> and review the presentations and other reports disclosed by the Company.

<sup>1</sup> Frontera Energy Corporation, hereinafter Frontera Energy, Frontera or the Company, including, when the context so requires, its subsidiaries and affiliates.

## Standards and frames of reference

GRI 2-3

This report has been prepared in accordance with the standards issued by the Sustainability Accounting Standards Board (SASB) for the Oil and Gas Sector, and following the recommendations stated in the IFRS. The Global Reporting Initiative standard (2021 GRI) for the Oil and Gas Sector. Where necessary, reference has also been made to Sustainable Development Goals (SDGs), Task Force on Climate-Related Financial Disclosures (TCFD), the Carbon Disclosure Project (CDP), S&P Global's Corporate Sustainability Assessment (CSA), the Greenhouse Gas (GHG) Protocol, the UN Global Compact's Ten Universal Principles, the World Economic Forum's recommendations, IPIECA and the UN Guiding and Voluntary Principles on Security and Human Rights.

In addition to this report, more information about our commitment to sustainability and related initiatives is available in our website and on the SEDAR+ profile. [www.sedarplus.ca](http://www.sedarplus.ca).

We recommend to review the standards disclosure indexes for 2023 in <https://www.fronteraenergy.ca/sustainability-reports/>.

## Assurance

GRI 2-5

This report has been reviewed by an internal committee made up of senior managers from relevant disciplines and business units with the purpose of assuring the integrity of the financial information, the internal control process and the risks of the Company prior to its approval by the Board of Directors. In this case, sustainability-related data has not been checked by any external auditing entity; and for financial topics included on pages 54 to 55 of this report, Ernst & Young LLP has provided limited assurance on these financial data reported in Frontera Energy Corp's 2023 reports.

We recommend to review the legal advisories included on page 60.

## Matters related to the report

GRI 2-3




Email: [ir@fronteraenergy.ca](mailto:ir@fronteraenergy.ca).

## Whistleblowing

Frontera Energy has enabled various ethics-related reporting channels for its employees and other stakeholders.

You may contact the Company with any concerns, complaints or questions using the following methods:

### Phone Numbers

-  **Canada:** 1- 855-815-2385
-  **Colombia:** 01-800-911-0010 or 01-800-911-0011. At the prompt dial 855-815-2385
-  **Peru:** 0-800-50-000 or 0-800-50-288. At the prompt dial 855-815-2385

### Web Site

[www.fronteraenergy.ethicspoint.com](http://www.fronteraenergy.ethicspoint.com)





# Corporate Profile: Frontera Energy Corporation

GRI

2-1

SASB

EM-EP-000.C / EM-EP-000.A



01





Frontera Energy is a Canadian public company driven by a passion for exploring, developing, producing, transporting, storing, and selling oil and natural gas in South America, including related investments in both upstream and midstream facilities.

Frontera’s shares trade on the Toronto Stock Exchange (TSX) in Canada under the ticker symbol “FEC”.

At Frontera, we strive to operate with excellence and are committed to creating short-, mid-, and long-term value for our investors, employees, the communities in which we operate and other stakeholders we interact with, through the responsible environmental, social, and corporate governance matters.

Our values inspire our decisions, and our resources leverage projects that promote and strengthen our higher purpose of “Building a sustainable future.”

In 2023, our mid-term sustainability strategy was updated and now revolves around three key macro goals. These goals form the basis for our commitments and actions, which are detailed below:

1. To be an environmentally friendly and energy efficient company, maximizing the use of resources and waste in our activity.
2. To respect human rights and improve the economic and social well-being of our stakeholders.
3. To promote Company growth and competitiveness by managing strategic risk with sustainability and responsible business criteria.

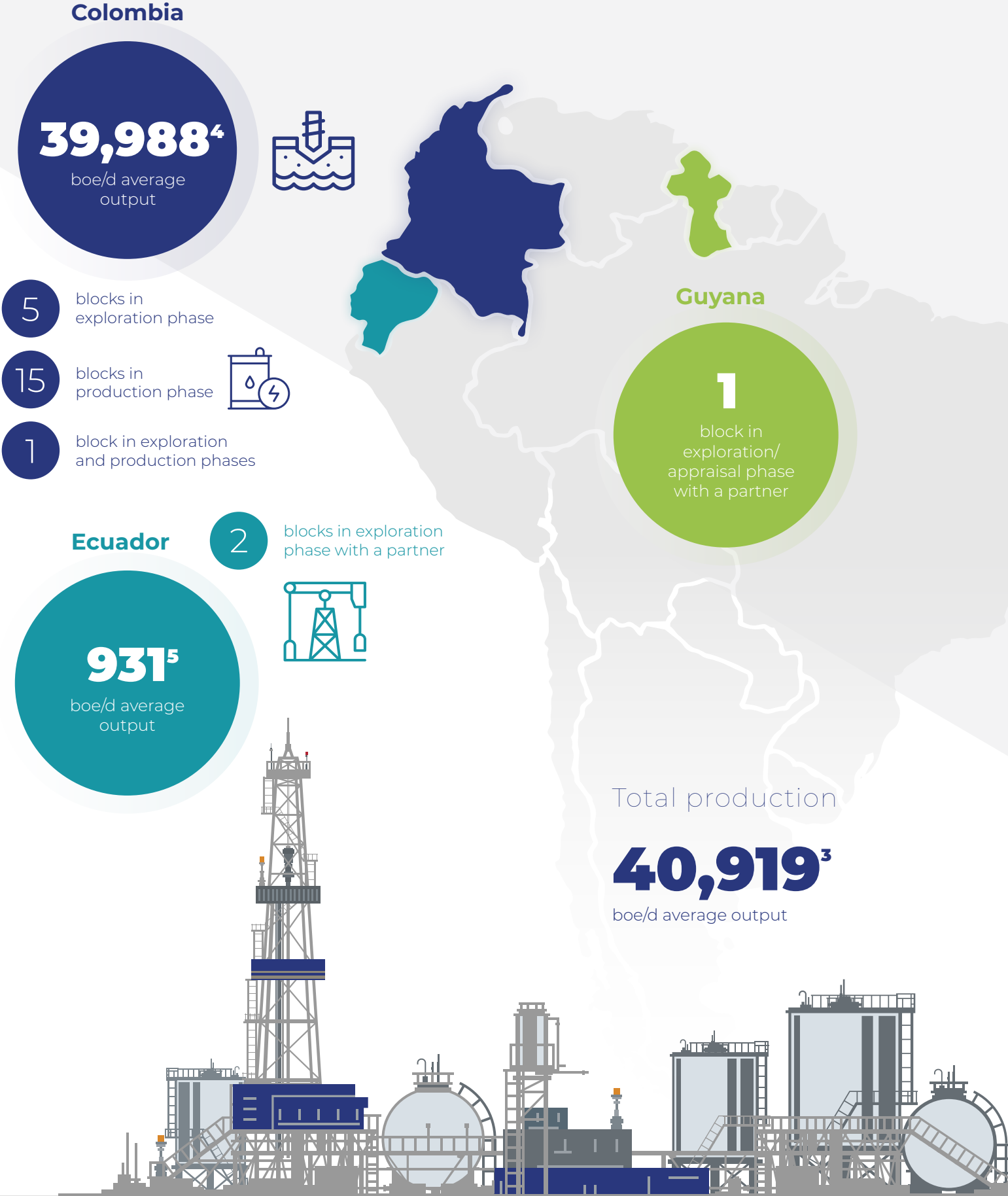
We work hard to achieve high production levels, strong cash flows, increased asset value, continuous operational improvements, cost efficiencies, and the creation of growth opportunities through the expansion of our exploration portfolio by reviewing our strategy on an ongoing basis and by effectively meeting the market fluctuations and the needs of our operations in an agile, comprehensive and responsible way.

## Our operations

GRI 2-2/2-6

We have a diversified asset portfolio, composed of 24 blocks in exploration and production in Colombia, Ecuador, and Guyana, as well as pipelines and port facilities<sup>2</sup> in Colombia.

2. Sociedad Portuaria Puerto Bahia, a subsidiary of Frontera Energy Corp.  
 3. Including 23,359 bbl/d of heavy crude oil, 14,856 bbl/d of light and medium crude oil, 6,042 mcf/d of conventional natural gas, and 1,644 boe/d of natural gas liquids.  
 4. Including 23,359 bbl/d of heavy crude oil, 13,925 bbl/d of light and medium crude oil, 6,042 mcf/d of conventional natural gas, and 1,644 boe/d of natural gas liquids.  
 5. Including 931 bbl/d of light and medium crude oil.



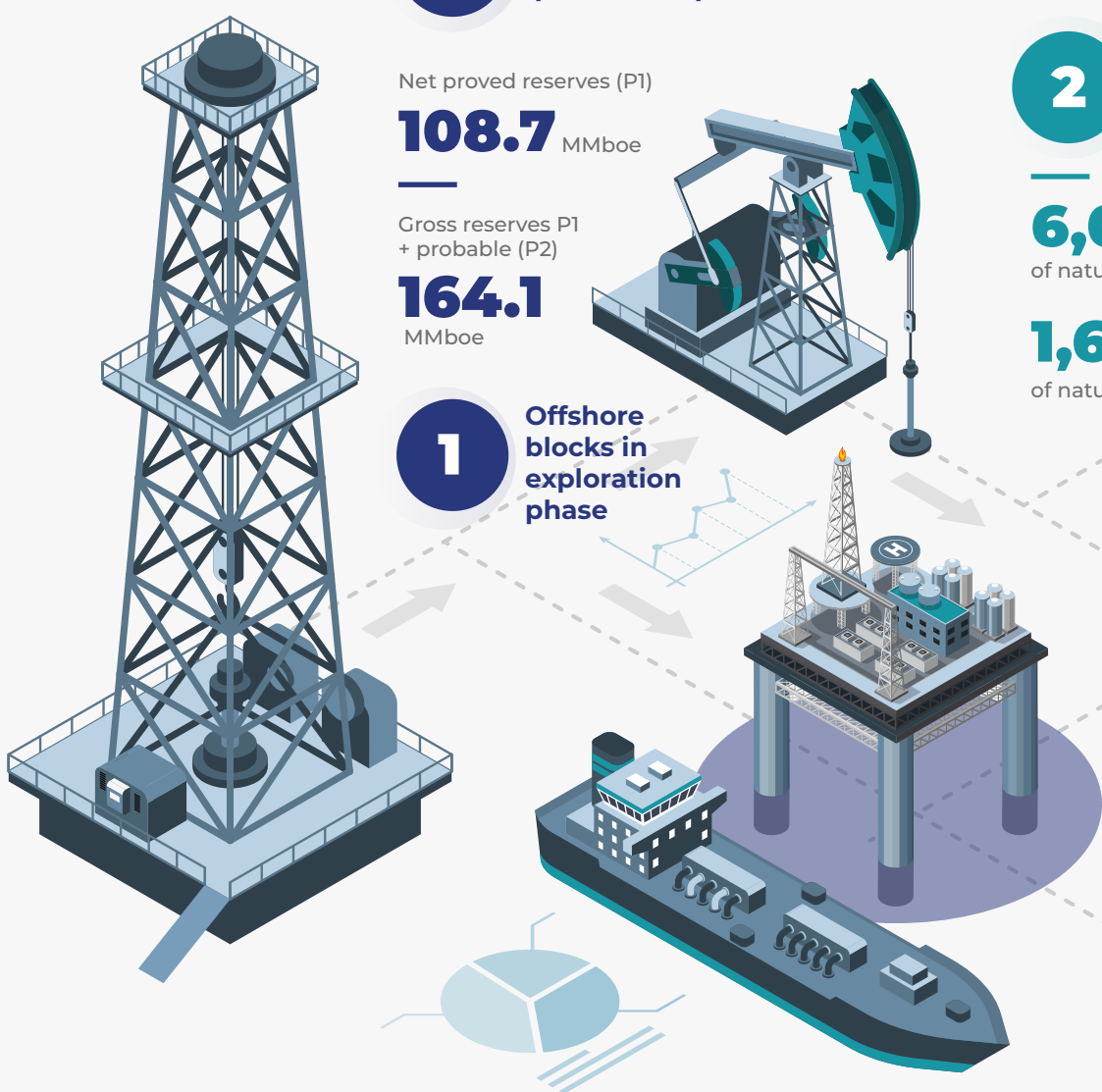


# Our value chain

SASB EM-EP-000.A / EM-EP-000.B /  
EM-EP-000.C / EM-MD-000.A

GRI 2-6

## UPSTREAM Exploration



**8** Onshore blocks in exploration phase

**1** Onshore blocks in exploration & production phase

Net proved reserves (P1)  
**108.7** MMboe

Gross reserves P1 + probable (P2)  
**164.1** MMboe

**1** Offshore blocks in exploration phase

## OUTPUT: ONSHORE

**15** Crude oil blocks production phase

**38,215** bbl/d of crude oil production

**2** Gas blocks in production phase

**6,042** mcf/d of natural gas and

**1,644** boe/d of natural gas liquids

## MIDSTREAM Transportation and marketing

Tanker **12,400,000** bbls of crude oil

**9,100,000** bbls of fluids transported

Pipeline  
Pipeline capacity  
ODL: **63,000 bbl/d**  
Ocesa: **30,000 bbl/d**  
OGD: **40,000 bbl/d**  
OAM: **5,450 bbl/d**  
ODC: **2,360 bbl/d**

**1.0** Domestic market crude oil sales

**0.4** Natural gas and gas liquids sales

**13.7** Port Crude oil exports

- Coveñas Terminal (Colombia)
- Sociedad Portuaria Puerto Bahía Terminal (Colombia)
- Esmeraldas Terminal (Ecuador)



## Recognitions

At Frontera Energy Corp, we have managed to position ourselves as a company that takes on challenges and commitments in pursuit of continuous improvement and the fulfilment of corporate goals that positively impact on our stakeholders and the environment. In 2023, we participated in different scenarios for exchanging knowledge and good practices, receiving a series of recognitions from entities specialized . These allow us be a benchmark in he market, and propitiate for the development and revitalization of alliances that allow the achievement of joint results, improving our business ecosystem by fulfilling our higher purpose of building a sustainable future.

### WORLD'S MOST ETHICAL COMPANIES

We were recognized as one of the World's Most Ethical Companies by Ethisphere for three years in a row.



### BLOOMBERG

We were included in Bloomberg's 2023 Gender Equality Index.



### HONORIS LÍDER

We have been recognized with the "Honoris Líder" award by the Colombian Safety Council, highlighting our occupational health and safety, and environmental protection management.



In addition, we have been recognized "Good Road Safety Practices" award, from the Colombian Safety Council.

## In 2023, we participated in different scenarios for exchanging knowledge and good practises.

### GENDER EQUALITY

Our "Mobilizing Woman" program was awarded in the "Gender Equality" category during the #HechosDeSostenibilidad forum of the Colombian Oil and Gas Association (Asociación Colombiana de Petróleo y Gas, ACP)



### MOBILIZING WOMAN

Our "Mobilizing Woman" program was the winner in the "Women" category at the GRI infra Awards of GRI Club Infrastructure.



### GC POWERLIST: COLOMBIA 2023

Legal 500 included our General Counsel, Alejandra Bonilla in the "GC Powerlist: Colombia 2023." This list recognizes vice presidents of legal affairs who have been instrumental in driving their companies forward in an innovative way.



### VLASTIMILA DVORAKOVA RECOGNITION

Our Vice President of Exploration and Development of Deposits, Victor Vega, was awarded the Vlastimila Dvorakova recognition by the American Association of Petroleum Geologists (AAPG) for his service as international ambassador.



### BRONZE SEAL ON GOOD BUSINESS PRACTISES IN ROAD SAFETY

Pegaso, our technological tool implemented to assure that vehicles are safe and drivers are trained and competent contributing to the compliance with traffic regulations for road safety, was awarded the 2023 Bronze Seal on Good Business Practises in Road Safety by the Office of the Secretary of Mobility of the Mayor's Office of Bogotá.



### OUR NON-CONTROLLED SUBSIDIARY, OLEODUCTO DE LOS LLANOS ORIENTALES (ODL):



- 1 It was recognized as one of the best places to work in Colombia, in the Great Place to Work Colombia ranking for 2023.
- 2 ODL secured the sixth position in sustainability leadership within the large enterprise category in the 2023 sustainability ranking by the Bogotá Chamber of Commerce. This demonstrates their commitment to sustainable practices and excellence in management.
- 3 Award at Ecopetrol Excellence Awards, within the Midstream category, an award for their Efficient Operational Schemes initiative.

### SPE WIN AWARDS

At the SPE WIN Awards, our Vice President of Trade, Logistics and Business Sustainability, Renata Campagnaro, was recognized for her leadership and a lifetime of service in the industry. In addition, our Director of Heavy Assets, Jose Manuel Guzman, won in the "Leadership" category; our Manager of Drilling Contracts, Durley Johana Solano, won in the "Oil and Gas in Latam and the Caribbean" category, and Oscar Ovalle, who works in the Project Performance area, won in the "Young Professional" category.



## Ratings

We strengthened our market positioning by providing our stakeholders with useful information for ratings and rankings of greater relevance.

Our rating is an A.



We kept the C on ISS ESG corporate rating.



We obtained a 35.3 ESG rating.



We obtained a B- rating in the climate questionnaire.



We obtained a B rating in the Issuer Default Rating (IDR) on long-term foreign and local currency non-compliance rating.



We also confirmed the B/RR4 rating for our Unsecured Notes due in 2028. The rating outlook is stable.

We obtained a B+ rating in the Issuer Default Rating (IDR) on long-term foreign and local currency non-compliance rating.



We also confirmed the B+ rating for our Unsecured Notes due in 2028. The rating outlook is stable.



# Message from Our CEO

Orlando Cabrales Segovia

GRI

2-1/ 2-2/ 2-3/ 2-4



02





At Frontera Energy, we know that we are responsible for helping ensure a sustainable future for tomorrow's generations. We are convinced that responsible management and strong performance are not only complementary but mutually reinforcing. This is why we are focused on harmonizing business objectives with our environmental and social goals through projects that contribute to the well-being of territories and our stakeholders.

Therefore, we strive everyday to leave a positive footprint and fulfill our commitment to be a force that contributes to the sustainable development of the regions where we operate, while increasing competitiveness, encouraging innovation and promoting economic growth, so that our presence means well-being for fields' nearby population.

### Building a sustainable future

Since 2021, we have taken a decisive step in advancing our sustainability strategy: placing environmental, social and corporate governance objectives at the center of the operation, now considering them as important as business objectives.

Thus, over the past two years, we have embarked on an important path towards building a sustainable future. We have taken actions that contribute to reducing the impact of our carbon footprint and environmental impact, ensuring the well-being of all our stakeholders, and conducting our business under the highest standards of ethics and excellence.

### Evidence of this is the accomplishment of 108% of our sustainability goals by 2023.

On the environmental side, In 2023, we realized our dream of completing the construction of Ikotia, which in the Sikuani language means rays of sunshine, our first solar park, located in the CPE-6 field and which began to deliver energy in December. Its purpose is to prevent the emission of 8,275 tons of CO<sub>2</sub> per year.

In this sense, we also continue to implement our water management system for agricultural reuse (Sistema de Aprovechamiento de Agua para Reúso Agrícola - SAARA) project, which responds to the great challenge of finding appropriate ways of using of subsoil water extracted from the wells at the time of hydrocarbon production. SAARA receives the production water from Frontera's Quifa field and process it for agricultural irrigation.

SAARA is a circular economy initiative with high environmental impact, which combines Frontera's innovation and environmental responsibility with the protection and use of resources, technology, commitment and the efforts of coordinated work between the hydrocarbon and agricultural industries and sanitation infrastructure.

Another important milestone in 2023 was our adherence to the "One Trillion Trees" (1t.org) movement launched by the World Economic Forum in Davos, Switzerland, in January 2020, with the global goal of conserving, restoring and planting one trillion trees by 2030. Our commitment is to preserve and restore 2,500 hectares of biological corridors by 2027, equivalent to approximately 2.6 million trees.

In addition, National Natural Parks declared the Serranía de Manacacías (Meta Department - Colombia) as the 61st protected area in the country in 2023. We feel proud of having helped to make it true with the purchase of more than 1,000 hectares that were contributed to this area where biodiversity is cared for and ecosystems are preserved.

On the social front, we emphasize our commitment to caring for life, which is why we strive every day to ensure health and safety in all our operations. As a result, in 2023 we managed to improve our recordable incident rate once again, obtaining the best in the Company's history: 0.47 compared to 0.82 in 2022, as a result of teamwork and dedication to promoting a culture of prevention.

Another important achievement was the increase in purchases of local goods and services through direct contracting in our areas of influence. Our goal for 2023 was \$55 million, and we reached \$73.3 million in purchases, far exceeding the target. This means that *our operations have actively stimulated the local economy, fostering employment opportunities and supporting community development through local enterprises and entrepreneurship.*

One of the flagship features of our sustainability strategy is gender equality, which is why we carry out our "Mobilizing Woman" program in Colombia including initiatives such as "Grow with Frontera" to train women from Puerto Gaitán as technicians in operation, and to encourage women's participation in positions traditionally held by men within the sector. In 2023, we were thrilled to have the first group of women

graduates, and we can proudly say that 15 of them are already working in the sector.

In this sense, the construction of the Ikotia solar park was also gender-focused, since mostly female personnel was hired for the design and assembly of solar panels, reaching 60% of the workforce.

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**On the social front, we emphasize our commitment to caring for life, which is why we strive every day to ensure health and safety in all our operations.**







We will continue to focus on consolidating the social initiatives that will allow female participation such as the “Mobilizing Woman” program.

companies in the world by the Ethisphere Institute. We have also been certified by Great Place to Work Institute as one of the best places to work for the third time.

These recognitions are not just ours, it is through working together with our contractors, suppliers, partners, employees and communities that we can make a difference together. With them, we will continue to build a sustainable future.

### 2028 Vision

Having set a 5-year strategy we ratify our commitment to consolidating long term projects that impact positively our stakeholders, the way we engage and the footprint we want to leave in the development of our business.

For 2024, the Company has outlined specific actions aiming to realize its overall 2028 strategy. We will continue to focus on consolidating the social initiatives that will allow female participation such as the “Mobilizing Woman” program. We will focus on promoting human rights, and we will work closer to our value chain in this regard. We

will continue to invest in SAARA as a model for water management in production and to promote the circular economy as a tool for the development of our operating model. In addition, we are committed to efficient waste disposal to reduce our environmental impact.

Towards 2028 the company has set important goals in the environmental, social and governance scopes. On the Environmental front, the company has established an Emission Reduction Plan for 2030, will keep implementing strategies for water and waste management based on circular economic initiatives and will fulfill It.org pledge plan.

On the Social and Governance scopes, our main priorities remain focused on the protection of life. To keep contributing to territorial development we have set a goal of 10% of total purchases of goods and services to be made from local suppliers and to develop at least one local productive community project. We will continue to develop our business in a responsible manner based on trust building, diversity, equality and inclusion aiming to be a reference regarding ethics and compliance and maintaining a human rights monitoring management system.

We have developed this vision on our 2023 Sustainability Report paving the way for the work we will continue to develop in 2024 and towards 2028. I invite you to read it and learn in detail each of the advances and the goals we have set to continue building a sustainable future.

**Orlando Cabrales Segovia**  
CEO

*subcontractors, contractor employees, and staff), reinforcing our position of zero tolerance for human rights violations.*

### Our management is recognized

The year 2023 was a year of great achievements for us. We met our business goals, while demonstrating with facts that we are a company committed to ethics, the environment and our people.

Responsible management made us worthy of important awards. Among those, we have been included in Bloomberg’s Gender Equality Index for our work on equality and wage parity, inclusive culture and policies against sexual harassment.

In addition, we have been recognized for the fourth consecutive year including 2024 recognition as one of the most ethical

**On the governance front, in 2023 we continued to work consistently in the promotion of a culture based on values and ethics, to further consolidate our position as integrity influencers.**

Committed to timely and efficient due diligence processes on sustainability matters, including human rights, we identify our risks and impacts, giving continuity to the action plan established through the framework of the Guiding Principles on Human Rights and Business, and approving our policy from the highest corporate level. *This ensures its application in all Company relationships (partners, suppliers, contractors,*



# Building a Sustainable Future

GRI 2-22 / 2-23 SASB EM-EP-530a.1



03





# Frontera's Culture

Our culture is guided by core values of respect, integrity, sustainability, and commitment. These values are interconnected with associated principles such as diversity, equity, inclusion, consistency, responsibility, and caring for life and the environment. Inspired by universal principles like human rights, they shape the expected behavior in our activities, which we express concretely through our interactions with people, environment, and business opportunities linked to sustainability.

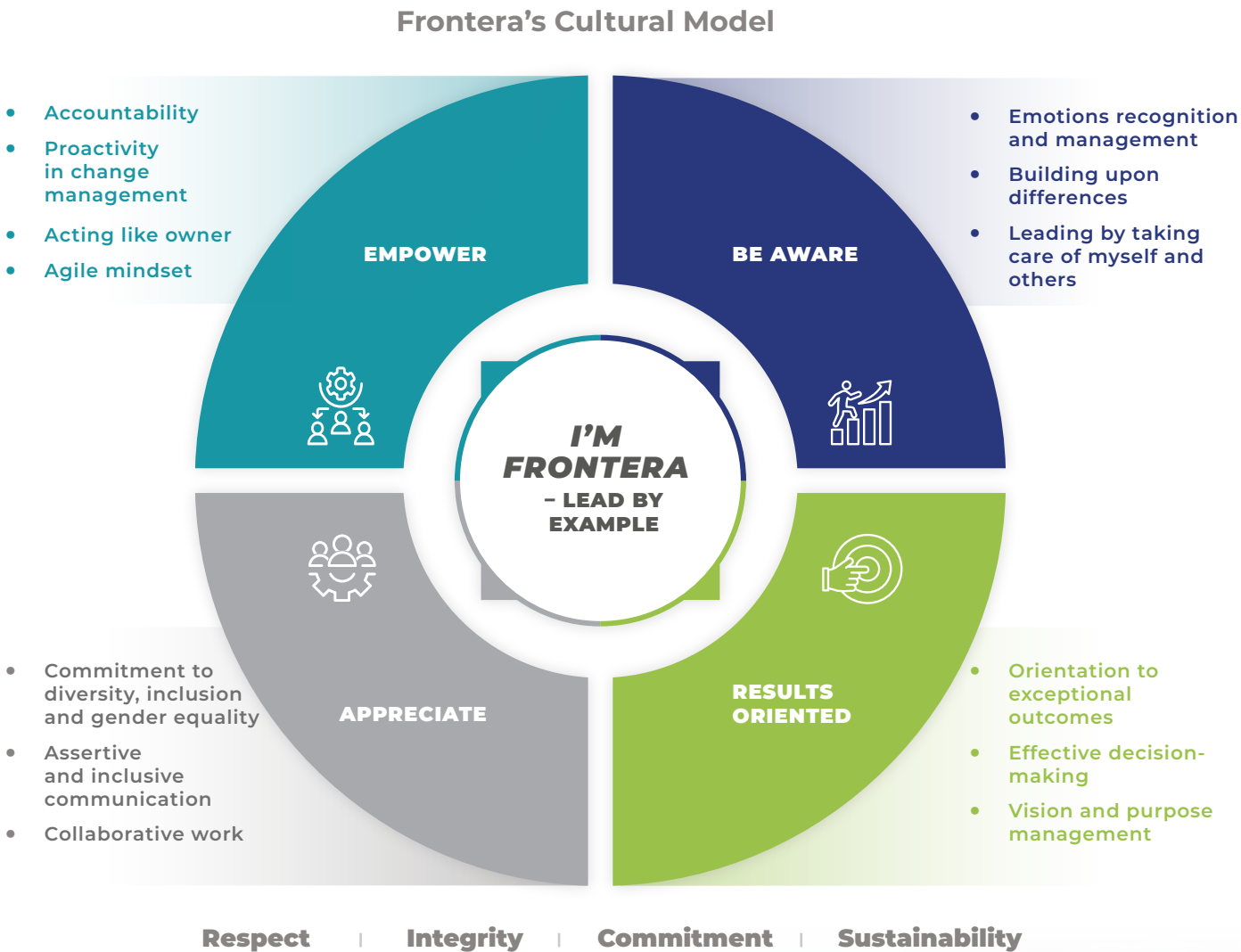
# Sustainability Strategy

Sustainability, as one of Frontera's strategic pillars, enables the company to provide ongoing value to its various stakeholders, including investors.

Based on the Materiality Analysis carried out in the 1st quarter of 2023, we built a mid-term (5 years) strategy focused on the comprehensive management of risks and impacts, for the different sustainability matters, by applying a due diligence approach in human rights management, recruitment, care of life, respect for diversity, environmental protection, preservation of resources, strategic, empathic and value relationships, ethical behaviour and corporate compliance, all of which are supported within our political

framework<sup>6</sup>, considering our territorial, sectorial context and the relationships that derive from it, based on which each of the people who are part of Frontera interact under the values of integrity and transparency.

6. To learn about the corporate policy framework, visit <https://www.fronteraenergy.ca/es/corporategovernance/> and read Frontera Energy Corp's sustainability policy.



Inspired by universal principles like human rights, they shape the expected behavior in our activities.



# Corporate governance and decision-making structure

GRI 2-2/ 2-6

Frontera has a solid organizational structure that supports the achievement of business goals. It guides us in setting the right parameters to take into account in the strategic decision-making process and urges us to protect the interests and expectations of our investors and shareholders at all times in the promotion of fair and efficient capital markets. In each action, our structure encourages the creation of value for all parties, thus maintaining the competitiveness and improvement of our profile in both national and international markets. Along the same line, sustainability matters are addressed in decision-making by following the environmental, social and profitability framework that shapes compliance with the sustainability policy at the different Company levels.

Level	Position	Goal
Executive	Board of Directors - Corporate Governance, Nominations, and Sustainability Committee	To give recommendations to the Board of Directors regarding the creation, monitoring and evaluation of policies, the governance structure, the allocation of financial budgets for compliance with control processes, and matters related to the achievement of strategic goals, the progress on sustainability strategy and risk management, including human rights and climate-related risks on a regular basis during the year.
	Board of Directors - Compensation and Human Resources Committee	To determine the compensation of the CEO and monitor the compensation of other senior executives, in addition to following Frontera's compensation policy and employee incentive programs.
	Board of Directors - Audit Committee	To ensure the integrity of the internal financial control system, as well as the Company's strategic risk management system.
Senior Executive	Executive Committee	On behalf of the CEO, to allocate resources, give recommendations and follow up to the different teams of the Company to ensure compliance with strategic and sustainability goals.
Middle Management	Management Committees	To plan, design, and follow up strategic plans, and define and/or adjust tactical actions aimed at ensuring the implementation and compliance of policies for the achievement of goals, by effectively following the different corporate processes.
Other Employees	Specialists/ professionals/ analysts/ operators	To perform operational and tactical tasks aimed at meeting corporate goals and developing innovative, cross-sectional and effective processes to report any risk of non-compliance with targets and policies.

Our structure encourages the creation of value for all parties, thus maintaining the competitiveness and improvement of our profile in both national and international markets.





# Comprehensive risk management

**GRI** 2-25 / 2-24/ 201-2/ 11.2.2 / 3-3

**SASB** EM-EP-420a.4 / EM-EP-540a.2 / EM-EP-210b.1 / EM-EP-510a.2

## Risk identification and management process

Frontera has implemented a comprehensive Enterprise Risk Management – ERM - and Internal Control System at all levels of the Company. This system is primarily supported by the risk management cycle outlined in the international standard ISO 31000:2018 to achieve organizational objectives, as well as the COSO 2013 framework to develop its Internal Control System to the highest international standards.

Our Risk Management Policy and Frontera’s internal guidelines within the ERM framework include: (i) identification of strategic and macro-process risks; (ii) assessment and categorization of risks and establishing key risk indicators; (iii) definition of key risk mitigation plans and controls; and (iv) ongoing assessment, risk monitoring and mitigation plans and controls.

In this context, Frontera monitors the management of strategic and macro-process risks, including information security, HSEQ (Health, Safety, Environment, and Quality), compliance, sustainability, among others.

Strategic risk management at Frontera considers the organizational view of the threats criticality that can significantly affect the achievement of strategic objectives.

Regular updates are based on analysis of internal and external contexts, perspectives on industry risk landscapes, and the Company’s strategic priorities.

Matters monitored at this level ensure that the Company is oriented toward safe operations, effective production, preparation regarding political and/or regulatory environment and change management.



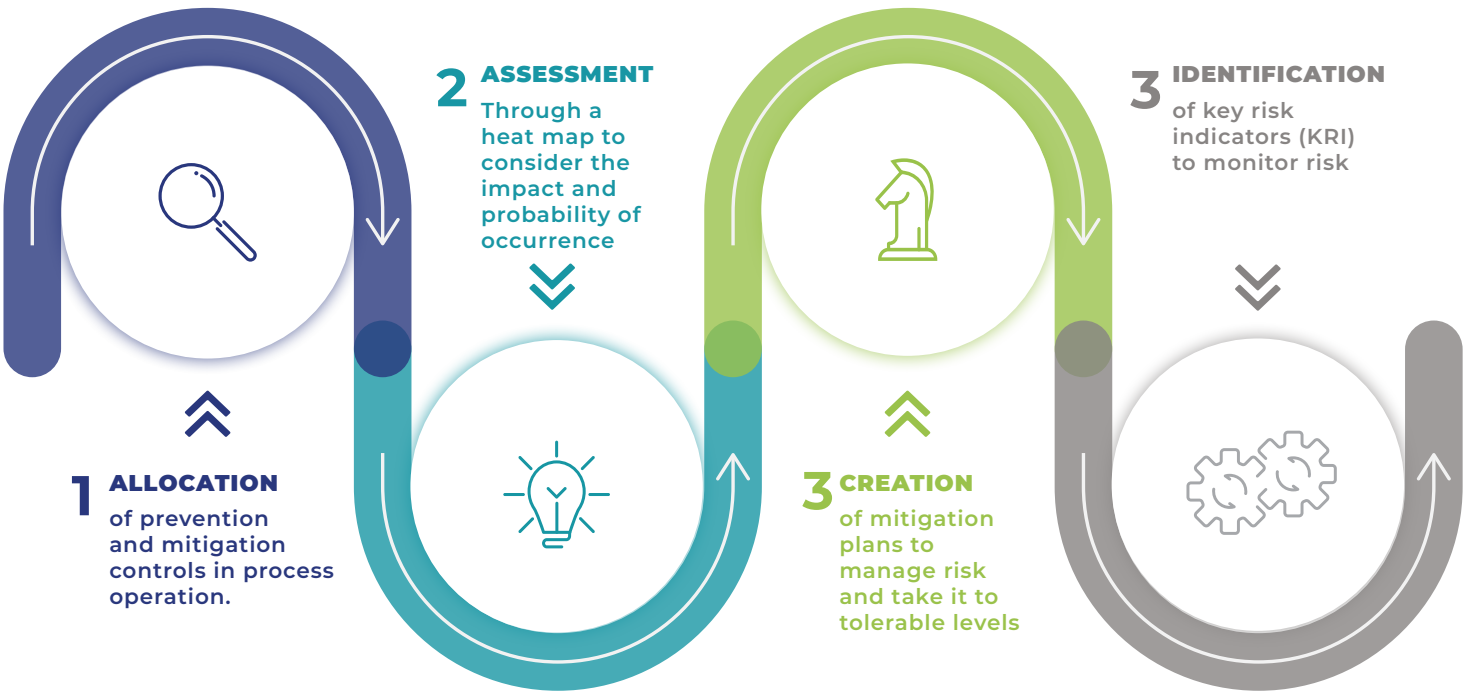
7. Corporate Human Rights Policy

## Sustainability due diligence system

Our commitment to respect human rights<sup>7</sup> determines, among other things, the way in which we develop the management system to deliver on this commitment in practice. In this regard, we apply the UN Guiding Principles on Business and Human Rights as the reference for implementing a due diligence system capable of identifying, assessing, preventing, mitigating, being accountable for and redressing the negative impacts on

Regular updates are based on analysis of internal and external contexts, perspectives on industry risk landscapes, and the Company’s strategic priorities.

internationally recognized human rights, specifically those that may be involved in the various links of our business activity.



For this reason, and considering that, in July 2022, the United Nations welcomed the recognition by the General Assembly that a clean, healthy and sustainable environment is a human right, our human rights due diligence system is integrated in the environmental approach of our operations. As a consequence, we recognize that due diligence is the essential process for the enjoyment of rights, thus effectively enabling Frontera's sustainability, strengthening business relationships, and promoting the economic and social development of our stakeholders.

**In 2023, we started implementing our due diligence system based on the Guiding Principles, under an approach involving continuous improvement in the management of the following general components:**

- Identification and assessment:** We identify the negative actual and potential impacts that may be generated in our value chain and prioritize them based on their relevance<sup>8</sup> and the type of connection<sup>9</sup> with our activity.
- Integration:** We establish appropriate actions to prevent and mitigate potential and actual impacts, respectively, on human rights, by designating responsible people and allocating the necessary resources.

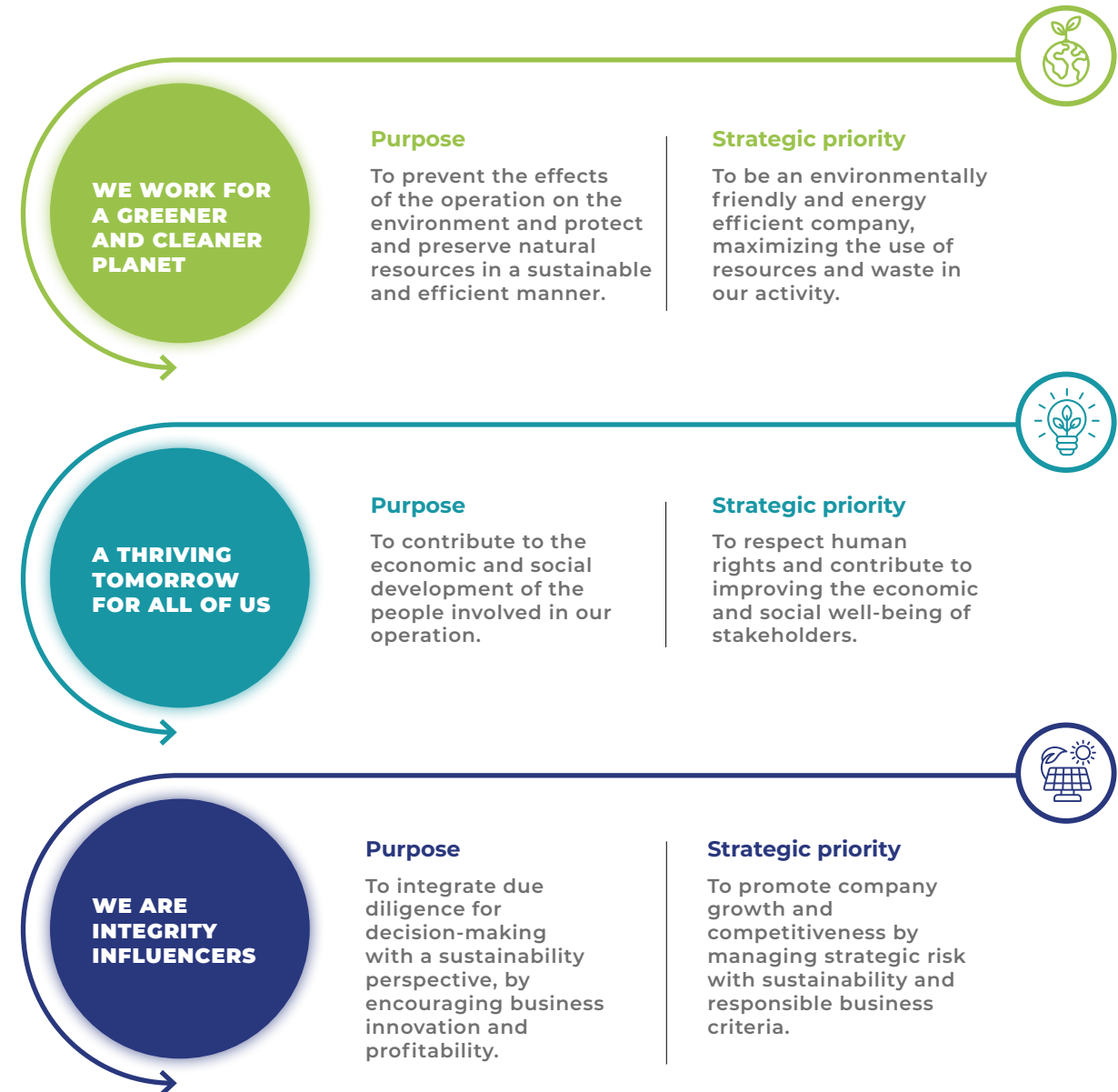
8. Relevance: impact assessment by severity, scope and reparable nature.  
9. Connection: identified type of relationship in which the Company may cause, contribute or be related to the impact.

- Monitoring:** We develop specific performance indicators related to the functioning of the due diligence system, which are also intended to be useful for decision-making.
  - Communication:** We explain how we address any actual and potential impact on our operations, by showing the fulfilment of our commitment to respect human rights.
  - Complaints mechanism:** We have effective complaint and grievance mechanisms with capacity to deal with possible negative impacts on human rights that may be reported by any interest group.
- We understand that oil and gas are crucial to ensure a fair and robust energy transition, that is why our sustainability strategy is at the heart of the business and includes three strategic

priorities covering the most urgent material sustainability matters and directly impacting Frontera's purpose of delivering high output levels in a cost-efficient and human right-respectful manner, ensuring solid cash flows, increasing asset value, incorporating a continuous improvement approach, and creating opportunities for permanent growth in the short-, mid- and long-run.

Therefore, our sustainability strategy seeks to materialize through different programs presented throughout this report, with specific KPIs that monitor continuous improvement in a 5-year projected timeline, with annual context reviews that allow us to effectively tailor processes and plans.

We understand that oil and gas are crucial to ensure a fair and robust energy transition, that is why our sustainability strategy is at the heart of the business and it is also focused on water management and minimizing impact of our activities.



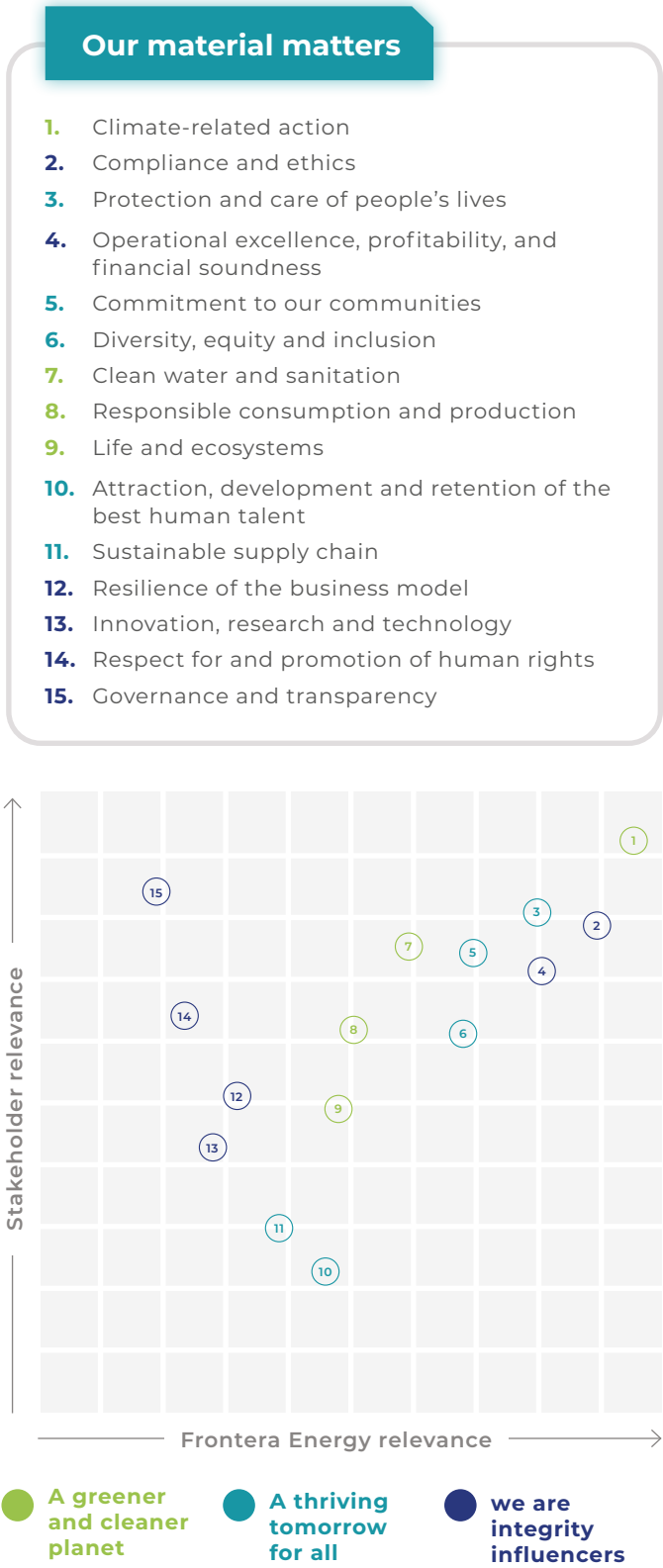


# Materiality Analysis

GRI 3-1/3-2

Ensuring a sustainable future involves working with our stakeholders to create value in the short-, mid- and long-run. As part of our relationship, management and reporting exercise, in the 1st quarter of 2023, we updated our materiality matrix, under the double impact methodology, in order to identify the matters we should focus on in the coming years; to do so, we evaluate the opportunities and risks to which the Company exposed to and which affect not only the operation but also our internal and external stakeholders.

Based on the guidelines established by the GRI and SASB, we carry out the materiality analysis process following these four stages: i) identification of impacts, based on matters relevant to the Company, the sector and the environment; ii) evaluation and prioritization of identified matters and impacts, in consultation with different stakeholders (employees, suppliers, community, authorities, regulation bodies, unions); iii) triangulation of impacts and key matters with stakeholders; and iv) matrix validation, thus obtaining the 15 top matters. We have aligned these material matters to the SDGs to report our contribution to the global development agenda, and integrated them into the business model management by responding to the corporate strategy under the guidelines of the corporate policy framework and strengthening the management of corporate risks and stakeholders' expectations. This analysis applies to FY 2023 and 2024.





Indicator	Performance 2023	Target 2023
<b>Diversity, equity and inclusion<sup>11</sup></b>		
Improved performance indicators on diversity-, equity- and inclusion-related matters	6	_12
Female Operators hired		
Occupational segregation index	0.025	_13
Wage segregation index	0.036	_14
To learn more, go to page 34		
<b>Protection and care of people's lives:</b>		
TRIR - Total recorded incident rate	0.47	0.74
To learn more, go to page 39		
<b>Commitment to our communities:</b>		
Number of beneficiaries	94,875	_15
To learn more, go to page 44		
Number of blocks where the "Mobilizing Woman" program was implemented	2	2
To learn more, go to page 48		
<b>Sustainable supply chain</b>		
Increased purchases of local goods and services Direct purchases of goods and services from local suppliers	73.3 MUSD	55 MUSD
To learn more, go to page 41		

11. Regarding diversity, equity and inclusion, Frontera set the goal of reaching the "Excellent" category in Great Place to Work by 2023, by obtaining a performance of better in-house rating, since they are now in the "Very outstanding" category, just one step behind the "Excellent" one.

12. By 2022, the position of oil and gas well operator was not held by any woman.

13. By 2022, the occupational segregation index closed at 0.03

14. By 2022, the wage segregation index closed at 0.056

15. The goal for 2023 was to increase the scope and impact of social investment projects; by 2022, 73,101 people were impacted in the areas directly influenced by our operations in Colombia, Ecuador, and Guyana.

16. In Frontera, cybersecurity materiality is represented by loss of information or money due to a cyber attack.

17. By 2023, a qualitative target in which Frontera committed itself to maintaining the timely and efficient supply of diluent for the company's mixtures and power generation fuel was additionally established and it was fully met.

Indicator	Performance 2023	Target 2023
<b>Compliance and ethics</b>		
Percentage of progress made regarding the plan for the improvement of ethics and compliance culture (Ethisphere)	100%	100%
To learn more, go to page 51		
<b>Resilience of the business model</b>		
Percentage of the 2023 plan for linking risks and sustainability opportunities in operational risk management for critical macro processes that has been fulfilled	100%	100%
To learn more, go to page 15		
Rate of material cybersecurity incidents <sup>16</sup>	0	0
To learn more, go to page 57		
<b>Respect for and promotion of human rights</b>		
Percentage of the initial human rights due diligence diagnosis in Frontera's operations that has been fulfilled	100%	100%
To learn more, go to page 50		
<b>Innovation, research and technology</b>		
Cost reduction as a result of innovation projects implemented	34.7 MUSD	30 MUSD
To learn more, go to page 56		
Number of environmental innovation initiatives implemented	4	6
To learn more, go to page 56		
Number of agile projects consolidated with the Coach Agile tribe	25	25
To learn more, go to page 56		
<b>Operational excellence, profitability and robustness<sup>17</sup></b>		
Average output	40,919	40,000 boe/d
Transportation cost	11.2	\$10.5/boe - \$11.5/boe
Capital expenditure	442.7	\$385 MM - \$455MM
To learn more, go to page 54		

We are integrity influencers

# Strategic priorities for the next 5 years

For the next five years we have established nine work fronts based on the three strategic priorities.



Strategic priority	Work program/ Target
To be an environmentally friendly and energy efficient company, maximizing the use of resources and waste in our activity.	<b>Climate action 2024</b> <ul style="list-style-type: none"><li>Neutralize 50% of the scope 1 and 2 emissions of the Company through carbon credits from both regulated and voluntary markets.</li><li>Establish a climate change plan based on the pillars of energy efficiency, energy resource management, reduction of CO<sub>2</sub> emissions, and methane emissions, using the 2019 baseline for Scopes 1 and 2.</li></ul>
	<b>Clean water and sanitation 2028</b> <ul style="list-style-type: none"><li>Reduce the extraction of water from surface and underground sources by reusing production water.</li><li>Calculate the water footprint.</li></ul>
	<b>Responsible consumption and production 2028</b> <ul style="list-style-type: none"><li>Implement the circular economy plan.</li></ul>
	<b>Life and ecosystems 2028</b> <ul style="list-style-type: none"><li>Fulfilling the It.org's pledge plan and thus contributing to the protection of wildlife habitat in the 'Llanos Orientales' Colombian region.</li></ul>
To respect human rights and contribute to improving the economic and social well-being of stakeholders.	<b>Protection and care of people's lives 2028</b> <ul style="list-style-type: none"><li>Maintain or improve health and safety indicators (TRIR) for employees and contractors in Colombia and Ecuador operations, according to the IOGP<sup>18</sup> indicators.</li><li>Maintain the target of zero operational not-contained spills of more than one barrel.</li></ul>
	<b>Diversity equity and inclusion 2008</b> <ul style="list-style-type: none"><li>Improve Diversity Equality and Inclusion performance (segregation index) indicator for 10 suppliers.</li></ul>
	<b>Commitment to our communities 2008</b> <ul style="list-style-type: none"><li>Maintain the social incidents affecting production as a result of Frontera Energy operation below 16%.</li></ul>
To promote company growth and competitiveness by managing strategic risk with sustainability and responsible business criteria.	<b>Sustainable supply chain 2028</b> <ul style="list-style-type: none"><li>Increase or maintain the percentage of purchases of local goods and services by 10%, including indirect purchases through main contractors.</li></ul>
	<b>Comprehensive risk management 2028</b> <ul style="list-style-type: none"><li>Strive to be a role model for ethical behavior and compliance throughout the value chain and market.</li><li>Maintaining a rate of 0 material incidents in cybersecurity.</li><li>Ensure that all requests, complaints, and claims related to human rights are promptly addressed and resolved, achieving a 100% management rate.</li></ul>

18. International Association of Oil and Gas Producers



# We work for a greener and cleaner planet

GRI 3-3 / 11.2.1 / 201-2 / 11.2.2



04





At Frontera, we are committed to leading actions in favor of the environment and playing an active role in the care of the planet. To this end, we operate our business responsibly by generating value to the environment through the improvement of the soil, the maintenance of water and air quality, and the preservation of flora and fauna in the different ecosystems near our areas of operation thus guaranteeing a greener and cleaner future for generations to come.

Recent climate changes have affected populations, territories, species, and production systems; this has increasingly driven different countries and companies to work on the identification, assessment, prevention, adaptation, and mitigation of the effects of climate change on life, ecosystems, business, and society in general.

We are aware of the risks that these circumstances represent for our operation and the impact that we may have on the ecosystem and the territory. We have developed our environmental plan in line with the Sustainability strategy<sup>19</sup>, allowing us to implement actions that strengthen resilience and adaptation to climate change in our operation, the energy efficiency processes in which the Company works, and the circular economy model as a tool for generating corporate value.

19. Review page 13 of this report to reference the political commitment and the due diligence process implemented in sustainability matters.

## Environmental strategy

In order to continue building a sustainable future, we established a 5-year strategy through which we can contribute to a greener and cleaner future. This strategy focuses part of our actions on monitoring compliance with the ISO 14001 framework and other international standards to prevent, manage, adapt, and mitigate the effects of climate change on our operation. We also seek to contribute to the protection and preservation of ecosystems, biodiversity, and natural resources and prevent the effects of the operation on the environment and the surrounding communities.

In order to implement the strategy, a cycle of continuous improvement has been developed that allows us to carry out planning that involves stakeholders and favors the establishment of periodic monitoring indicators.

Our strategy is materialized through the implementation of four environmental programs: **Climate action, Life and ecosystems, Responsible consumption and production, Water and sanitation**. The basis for the development of these programs are materiality analysis, viability and environmental compliance requirements, environmental impact analysis, and environmental needs.

To have and environmentally friendly and energy-efficient activity by maximizing the use of resources and waste in our operation.

» **Our commitment:** We work for a greener and cleaner planet.

» **Our purpose:** To prevent the effects of the operation on the environment and protect and preserve natural resources in a sustainable and efficient manner.









# Climate action

GRI 11.1.1 / 3 - 3 / 305-5 / 11.2.1 / 11.2.3

SASB EM-EP-110a.3 / EM-MD-110a.2

Our climate action initiatives are based on four key pillars. These pillars enable us to identify and assess our environmental impact, particularly related to greenhouse gas emissions. Additionally, they help us continuously identify opportunities for emission reduction in our operations.

-  **Reduce CO<sub>2</sub> emissions through cleaner energy use and generation**
-  **Management of fugitive emissions and methane venting**
-  **Cleaner transport**
-  **Energy efficiency**

In 2023, we carried out actions that provided us with a clear knowledge route to make decisions that contribute to both environmental sustainability and business success. As a result, we made progress in the following actions:

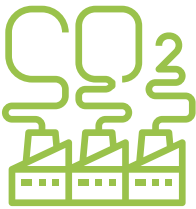
1. Voluntary third-party verification of greenhouse gas (GHG) emissions reporting from January 1 to December 31, 2022. The verification had a reasonable assurance level for scope 1 and scope 2 emissions

- and limited assurance level for scope 3 emissions. As a result, the validation body recognized that emissions are correct and a fair representation of reported emissions. We will conduct this process biannually.
2. Measurement of fugitive emissions and venting that occur in the fields of operation.
  3. Definition of environmental performance KPI in addition to the carbon footprint, such as the rate of emissions per barrel produced estimated from the Company's carbon intensity per barrel, calculated at 36 kg CO<sub>2</sub> eq.
  4. A diagnosis of emission reduction opportunities in all fields to identify a potential GHG reduction.
  5. Construction of the Ikotía solar farm in the CPE-6 field, which has an installed generation capacity of 7.85 MW, which prevents the emission of 8,200 tons of CO<sub>2</sub> per year.
  6. Implementation of energy efficiency actions by optimizing the allocation of rotating and generation equipment.
  7. We continued with the Clean Transportation program, an initiative to modernize the operation's vehicles with green technologies to reduce greenhouse gas emissions compared to diesel vehicles. The purpose of this program is to reduce the carbon footprint of transportation by up to 40%, reduce fine air particles by more than 95%, and reduce noise by up to 40%. In 2023, 332 Kbls were transported in natural gas vehicles, which accounts for 256.6 green kilometers and a reduction of 183.7 kg of CO<sub>2</sub>.

In 2023, we carried out actions that provided us with a clear knowledge route to make decisions that contribute to both environmental sustainability and business success.

8. Analysis of the strategic risk of climate change in the operation.
9. In 2023, we participated for the fifth consecutive year in the CDP Climate Change survey, achieving an improved rating from C to B-.

In this way, we manage the commitment to contribute to a low carbon economy, mitigating the environmental impacts and climate effects of our activities.



# Climate action metrics

GRI 302-2 / 11.1.3 / 305-1 / 11.1.5 / 305-2/ 11.1.6/ 305-3/ 11.1.7

SASB EM-EP-110a.1 / EM-EP-110a.2 / EM-MD-110a.1

By 2022, the scope 3 emissions measurement was verified following the GHG protocol for categories C1 (purchased goods and services) and C11 (use of sold products), which accounts for an increase in total 2023 emissions compared to the data reported in previous years that did not include this verification.

By 2023, estimated emissions increased compared to previous years due to the management of greater water volumes, which involved a higher energy expenditure, in addition to the implementation of the rigorous process for emission calculation implemented in the fields of operation, which made it possible to identify non-quantified emission sources. In 2024, the 2019 emissions inventory will be verified, as a base year, thus observing the performance improvements of recent years.

20. This figure changed from that reported in the 2022 report (434,631 tons of CO2) thanks to the advanced verification process.

21. This figure changed from that reported in the 2022 report (41,464 tons of CO2) thanks to the advanced verification process.

## GHG emissions (tons CO<sub>2</sub> eq)- Colombia

	2021	2022	2023
Scope 1 emissions: direct emissions from operations	485,673	590,129	689,482
Scope 1 emissions: mobile sources	-	34,866	44,621
Scope 1 emissions: stationary sources	-	444,243 <sup>20</sup>	524,171
Scope 1 emissions: venting	-	96,365	101,057
Scope 1 emissions: flares	-	5,708	11,761
Scope 1 emissions: fugitive emissions	-	8,947	7,871
Scope 2 emissions: indirect emissions from purchased electricity (derived from grid)	45,434	41,732 <sup>21</sup>	54,278
Scope 3 emissions: other indirect emissions (emissions from product use) <sup>22</sup>	32,214	9,038,404	8,296,081
Total emissions	563,451	9,670,265	9,039,841

## GHG emissions (tons CO<sub>2</sub> eq)- Ecuador<sup>23</sup>

	2021	2022	2023
Scope 1 emissions: direct emissions from operations	-	81,012	65,652
Scope 1 emissions: mobile sources	-	858	5,021
Scope 1 emissions: stationary sources	-	-3,840	4,766
Scope 1 emissions: venting	-	-3	0
Scope 1 emissions: flares	-	754	55,807
Scope 1 emissions: fugitive emissions	-	874	58
Scope 2 emissions: indirect emissions from purchased electricity (derived from grid)	-		
Scope 3 emissions: other indirect emissions (emissions from product use)	-	292,629	297,936
Total emissions	-	373,641	363,588

## Total atmospheric emissions (ton CO<sub>2</sub> eq) (Colombia and Ecuador) and significant emissions

GRI 3-3/ 11.3.1

SASB EM-MD-120a.1 / EM-EP-120a.1 / EM-EP-110a.2 / EM-MD-110a.1

COLOMBIA - Scope 1 and 2	2022	2023
CO <sub>2</sub> emissions	521,868	631,370
CH <sub>4</sub> emissions	531	107,669
NO <sub>2</sub> emissions	927	1,958
HFC emissions	-	2,762

ECUADOR - Scope 1 and 2	2022	2023
CO <sub>2</sub> emissions	79,694	63,008
CH <sub>4</sub> emissions	1,305	2,599
NO <sub>2</sub> emissions	13	45
HFC emissions	-	-

22. There was an increase in emissions in 2022 compared to 2021 because during 2023, Frontera Energy hired with Ruby Canyon Environmental, Inc. to conduct a third-party voluntary verification of the Greenhouse Gas (GHG) emissions report for the period from January 1 to December 31, 2022. The report was conducted under operational control, based on reporting criteria from the Greenhouse Gas Protocol (2004) – Corporate Standard for Accounting and Reporting. It includes the following GHGs: carbon dioxide (CO2), methane (CH4), nitrous oxide (N2O), and HFC. Other greenhouse gases were excluded as they were not part of Frontera Energy's operational boundaries. Emission sources for Scope 1 include combustion from fixed and mobile sources, process emissions, and fugitive emissions. Scope 2 emissions are from electricity consumption, and Scope 3 emissions include categories related to acquired goods and services and product use. The verification had a reasonable level of assurance for Scope 1 and 2 emissions and a limited level of assurance for Scope 3 emissions.

23. By 2021, there was no operation in Ecuador.



## Intensity of GHG emissions

GRI 305-4 / 11.1.8

	2021	2022	2023
Total production (boe)	18,618,519	17,696,731	17,964,647
Field emissions (ton CO <sub>2</sub> eq)	563,019	679,092	743,760
GHG emission intensity (ton CO <sub>2</sub> eq/boe)	0.030	0.038	0.041

We recognize the contribution in the reduction of emissions implied by being connected to the National Interconnected System (SIN) of energy.



GRI 305-7 / 11.3.2 / 416-1 / 11.3.3

We carry out scheduled and random monitoring of different operation fields in Colombia, obtaining results for particulate matter (PM2.5, PM10), sulphur dioxide (SO<sub>2</sub>), and nitrogen dioxide (NO<sub>2</sub>) within the limits set in Resolution 2254 of 2017 of the Ministry of Environment and Sustainable Development of Colombia. In this regard, the precautionary principle for compliance with the regulations would not establish effects on the health of our neighboring communities.

Likewise, in the operations in Ecuador, the air quality and the compounds that alter it are monitored on a permanent basis, with an operation that complies with authorized levels established by Official Register no. 387 of Ecuador, dated November 4, 2015, Ambient Air Quality Standard or Immission Level, Book VI, Annex 4, Number 4.1.2.

## Electric and thermal energy generated by type of source (Colombia and Ecuador)

GRI 302-1 / 11.1.2

	2021	2022	2023
Gas (mcf)	1,852,853	1,425,125	1,266,883
Crude oil (gal)	10,007,773	5,543,976	6,425,902
Fuel oil (gal)	25,554,116	29,412,269	30,993,109
Biodiesel (gal)	767,421	1,474,676	2,426,355
Solar (GWh)	-	-	0.224

## Energy purchased by origin and use (MWh)<sup>24</sup>

GRI 302-1 / 11.1.2

	2021	2022	2023
Field operations: power purchased from utilities based on operations location. In Colombia, our purchases AES Chivor and ENEL.	271,881	377,385	314,146
Field operations: power generated by fuel <sup>25</sup>	632,689	597,117	743,885

We recognize the contribution in the reduction of emissions implied by being connected to the National Interconnected System (SIN) of energy, and the sustainable impact that this action has on the Company's energy matrix. Therefore, our work is focused on expanding our connection to the SIN in the areas where we operate.

24. Data reported for Colombia only.  
25. Includes all the sources reported.



Energy intensity: consumption of electric and thermal energy in and out of the fields, including administrative offices

GRI 302-3 / 11.1.4 / 302.2/11.1.3

	2021	2022	2023
Total production (boe)	18,618,519	17,696,731	17,964,647
Total energy consumption (MWh)	904,570	974,502	1,058,031
Intensity (MWh/be)	0.048	0.055	0.059

Frontera has made steady progress towards consolidating compensation actions. These include the process of neutralizing emissions from the purchase of REDD+ carbon credits executed in different areas of Colombia and voluntary market carbon credits under VCS<sup>26</sup>, with which we managed to neutralize 50% of our scope 1 and 2 emissions.

Likewise, we captured CO<sub>2</sub> with our preservation, restoration, and reforestation activities within the framework of the Life and ecosystems program and we prevent emissions associated with the transport, treatment, and disposal of waste with their reduction.

	2021	2022	2023
Percentage of neutralized emissions	41%	50%	50%

26. Verified Carbon Standard (VCS)

We launched the **Ikotía solar farm** in December 2023, which in Sikuani language means rays of sunshine that generate energy; the solar farm provides 11 GW/year to our CPE-6 crude oil production block.

Solar farm - Ikotía: Rays of sunshine that generate energy (in Sikuani language)

SASB EM-EP-420a.3

In 2021, we carried out the environmental, social, and economic analysis to implement our first photovoltaic power generation project in CPE-6. Since then, we have worked towards introducing the use of renewable energy in the operation. Therefore, we launched the Ikotía solar farm in December 2023, which in Sikuani language means rays of sunshine that generate energy; the solar farm provides 11 GW/year to our CPE-6 crude oil production block. We invested approximately US\$13 million in almost 16,800 solar panels grouped and installed in 402 photovoltaic tables.

During the construction of this project, the workforce was 60% female in the municipality of Puerto Gaitán, thus contributing to our commitment to promote energy by helping diversity and inclusion in the hydrocarbon industry and to the development of women in the region and their role in mobilizing the local economy.

2024 goal

Neutralize 50% of the Company's scope 1 and 2 emissions through regulated and voluntary market carbon credits.



Establish a climate change plan based on the pillars of energy efficiency, energy resource management, and reduction of CO<sub>2</sub> and methane emissions from the 2019 baseline for scope 1 and 2 emissions.



Clean water and sanitation

GRI 3-3 / 11.6.1 / 303-4 / 11.6.5 / 303-2 / 11.6.3 / 303-1 / 11.6.2

SASB EM-EP-140a.2

The protection of water resources has become an increasing priority for everyone, given the drastic changes in the global climate in recent years. In this sense, Frontera’s operation seeks at all times to make efficient use of water through processes that favor the protection of nearby watersheds by implementing reforestation and preservation processes through the Life and Ecosystems program and the recirculation of the resource within the operation. In addition to introducing technologies to improve fluid treatment process, thus improving water quality, and having the possibility to reuse it in other operational activities, such as the preparation of drilling sludge, feeding fire systems, and hydrating pathways to counteract particulate matter in the summer.

As a result of these innovations, we managed to reduce the volumes of water collection from surface sources or underground aquifers. These improvements contribute to the preservation of environmental water sources and to the mitigation of conflicts associated with water and water security for future generations.

Following the commitment we established in our sustainability strategy of ZERO produced water discharges to bodies of water. In 2023, the Company eliminated 100% of its discharges to surface water sources, focusing its water management strategy on the treatment and injection of water into the subsoil and implementing industrial symbiosis and water reuse projects.

Meanwhile, domestic water captured from roofs in the fields is used to clean common areas and thus reduce our water footprint.

These actions help us focus on circulating water in different processes. By 2023, **45%** of the operational requirements were met by water recirculation.

Clean water and sanitation metrics

Clean water and sanitation

GRI 302-2 / 11.1.3 / 305-1 / 11.1.5 / 305-2 / 11.1.6 / 305-3 / 11.1.7

SASB EM-EP-110a.1 / EM-EP-110a.2 / EM-MD-110a.1

Water extraction by supply source	2021 m³/year	2022 m³/year	2023 m³/year
Total water demand in Colombia	264,570	248,940	248,351
Groundwater	176,518	157,593	161,953
Surface water	81,099	79,807	76,394
Water supply system	5,086	6,842	9,380
Other	1,867	4,698	64
Total water demand in Ecuador	421	17,086	29,207
Groundwater	-	-	-
Surface water	-	-	15,946
Water supply system	-	-	13,261
Other	-	-	-

Total water consumption by type of use in Colombia

GRI 303-5 / 11.6.6

SASB EM-EP- 140a.1

	2021 m³/year	%	2022 m³/year	%	2023 m³/year	%
Industrial: concrete repair, hydrostatic testing, road maintenance, boiler operations, well drilling, and maintenance and fire-fighting systems	55,070	21%	59,695	24%	57,121	23%
Domestic: provision for showers and toilets in camps, cleaning facilities and laundries	209,500	79%	189,245	76%	191,230	77%



# Total water consumption by type of use in Ecuador

GRI

303-5 / 11.6.6

SASB

EM-EP- 140a.1 Water consumption

	2021 m³/year	%	2022 m³/year	%	2023 m³/year	%
<b>Industrial:</b> concrete repair, hydrostatic testing, road maintenance, boiler operations, well drilling, and maintenance and fire-fighting systems	-	-	-	-	27,948	96%
<b>Domestic:</b> provision for showers and toilets in camps, cleaning facilities and laundries	-	-	-	-	1,259	4%

## SAARA: Water that sows life

Since 2021, Frontera began the feasibility analysis of SAARA (water use for agricultural reuse system), which, in 2023, consolidated part of its operation by processing an average of 125,000 barrels of water per day, irrigating approximately 400 hectares of oil palm crops for biodiesel generation and employing more than 140 local people in oil palm crops.

During the process, produced water is received from Frontera’s Quifa field and Ecopetrol’s Rubiales field; it is processed through a filtration system and undergoes a “reverse osmosis” treatment in which salts and other components are removed from the water, making its physico-chemical characteristics suitable for use in agricultural irrigation of agroforestry crops, thus reducing our water footprint in the treatment plant and the regions neighbouring our operation.

In 2023, SAARA consolidated part of its operation by processing an average of **125,000** barrels of water per day.



## SAARA

Through this project, the Company seeks to:

Reduce **105,000**

tons of CO<sub>2</sub> per year as of 2026, when the full capacity of SAARA is expected to be working.



### » Water treatment:



By 2025, **400,000+** barrels of water per day.

Irrigation capacity:

**3,000** hectares.



Strengthening of biological corridors in the area, with crop hectares being part of the connectivity corridors that contribute to the mobility and feeding of different animal species.

### Goals:

**2024**

A minimum of water recirculation of 45% to meet operational needs.



**2028**

Reduce the extraction of water from surface and groundwater sources by reusing produced water.



Estimation of the water footprint.

# Circular economy (Responsible consumption and production)

GRI 3-3/11.5.1

We are convinced that the economic and management model based on circularity generates permanent value for the environment, society, and the Company. In addition to being a tool that allows us to manage the impact of operations on the ecosystem, it not only considers waste valuation as resources but also water resource reuse, the impact on energy efficiency projects, emission reduction, and even strengthening community relationships and value chains.

In 2023, we formulated our circular economy strategy, which involved enhancing competencies and fostering an understanding of key concepts. To achieve this, we launched a training program comprising 13 modules, 35 sessions, and a total duration of 70 hours, with active participation from 286 employees. Additionally, we conducted an operational and corporate assessment related to circularity. Although the findings are still under analysis, it's crucial to note that this diagnostic process will inform the roadmap for strengthening our circular economy strategy at Frontera. We see this strategy as an enabler for achieving our company's objectives in areas such as responsible production and consumption, emissions reduction, clean water, and sanitation. Furthermore, it holds the potential to drive local economic mobilization and foster innovative business models in the future.

GRI 306-1/11.5.2

Some of the most outstanding actions we have conducted in our operations include:

- Use of water-based drill cuttings for the adaptation of internal pathways in the fields.
- Sustainable provision: supply of garments that are delivered to an allied third-party to generate more textiles based on the supply from different fields (heavy district, light district, and operation in Ecuador).

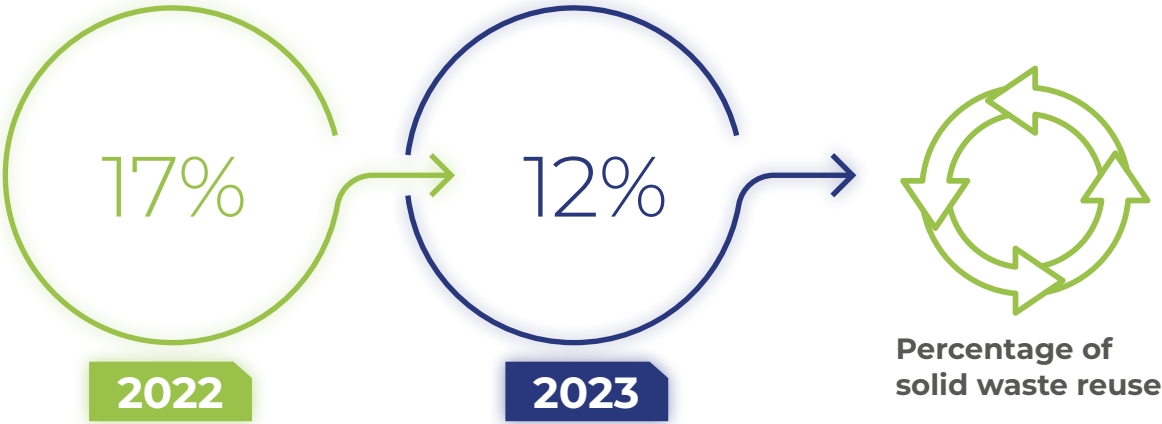
We have also influenced our contractors to generate their own actions, including:

- Using tires for making mats to be used in drilling work tables.
- Transforming plastics into eco-friendly parts.



# Reuse of solid waste

GRI 306-2/11.5.3



Frontera's environmental strategy places comprehensive waste management at its core. This approach involves operational and organizational measures to optimize waste utilization and treatment, progressively reducing the volume of waste destined for final disposal (such as landfills). Our commitment is in line with the principles of the circular economy.

In 2023, our total waste generation amounted to 16,662 tons. Of this, 6,738 tons were classified as hazardous waste, while 9,924 tons were non-hazardous. Notable hazardous waste categories included oily sludges, hydrocarbon-contaminated materials, used lubricating oil, and hydrocarbon-contaminated soils. Among non-hazardous waste, significant contributors included water-based drilling cuttings, organic waste, general refuse, and scrap metal.

Our hazardous waste recycling rate in 2023 (excluding oily sludges) reached **33%**, while the non-hazardous waste recycling rate

In 2023, our total waste generation amounted to **16,662** tons. Of this, **6,738** tons were classified as hazardous waste, while **9,924** tons were non-hazardous.

stood at **48%**. Key success factors include recycling scrap metal in the steel industry and managing rubber-insulated cables and organic waste.

To track waste quantities across Frontera, we utilize the **IRIS** software tool. IRIS facilitates comprehensive waste management by evaluating both hazardous and non-hazardous waste, identifying improvement opportunities, and maintaining essential documentation to support our waste management efforts.



# Waste metrics

## Managed waste (tons)

GRI 306-3 / 11.5.4 / 306-4 / 11.5.5 / 306-5 / 11.5.6

	Operation	2021	2022	2023
<b>Hazardous waste:</b> includes batteries, grease, oil filters, paint, solvents, used oil, and others	Colombia	61,432	9,037	6,718
	Ecuador	2,141	2,715	6.5
Ordinary or inert waste	Colombia	654	1,350	706
	Ecuador			8.3
<b>Organic waste:</b> food scraps	Colombia	534	963	712
	Ecuador			0.3
Recyclable materials	Colombia	35.8	1.1	581
	Ecuador	-	-	1.7
Materials reused to generate biodiesel (tons)	Colombia	0	-	0.5

Of the 100% of the waste generated in the operation, opportunities are sought to **recover organic solid waste and ordinary waste**, hand in hand with contractors, as well as ordinary waste.

The vast majority of hazardous waste is disposed in compliance with regulations, except for some that are being reused in operation processes, following circularity pilots, after being physically or chemically treated to prevent toxicity to the environment or people.

## Reuse of drill cuttings

In order to make use of the drill cuttings stored in the areas of debris and excavation material management (ZODME), which are product of the drilling wells in operation, in 2023, as a pilot test, we paved an internal pathway of the field of operation using these cuttings mixed with stones and sand from the path to check their resistance, quality, and environmental and mineral parameters. This pilot pavement will continue being tested during 2024, since it is an alternative for the management of this waste and may benefit the environment, once regulatory approvals are met with the environmental authority to expand the use of it.



The vast majority of hazardous waste is disposed in compliance with regulations, except for some that are being reused in operation processes.



This pilot pavement will continue being tested during 2024, since it is an alternative for the management of this waste and may benefit the environment.

### Goals:

#### 2024

15% reduction of waste generated in the operation through projects with a circular economy approach.



#### 2028

Implement a circular economy plan.





## Life and ecosystems

GRI 3-3 / 11.4.1/  
304-1 / 11.4.2 SASB EM-EP-160a.1/  
EM-MD-160a.1

Showing responsibility towards the environment implies being empathetic with the environment and our neighboring communities, establishing a balanced use of ecosystem services in the regions where we operate. At Frontera, we know that the places where we operate are regions with a high ecosystem value given their biodiversity. This is why we strive through the actions we carry out within the framework of the program and our environmental commitments to preserve and promote natural restoration, protect and preserve the natural heritage of the environment, and contribute to the knowledge about the regional biodiversity.

## Life and ecosystem metrics

GRI 304-4 / 11.4.5

Frontera established an investment strategy of no less than 1% and forest compensation. The purpose of this strategy is to achieve a greater environmental and social impact while coordinating investments focused on habitat recovery of the lowland Tapir etc. (*Tapirus terrestris*), howler monkey (*Alouatta seniculus*), and jaguar (*Panthera onca*).

**In 2023, we initiated the reinforcement of natural coverages through the execution of Conservation Agreements signed with landowners across the Casanare and Meta departments. As a result:**

- We've increased the size of natural forest patches by 45.46 hectares to enhance connectivity. Through forest enrichment using native species, we strategically located these patches across several municipalities in the Meta and Casanare departments, actively involving land-owning families in restoring degraded areas.



**we focused our efforts in 2023 on promoting biodiversity competencies within the territory.**

- Our efforts to boost natural coverage involved reforesting 556.5 hectares with native species. These initiatives cover multiple municipalities in Meta and Casanare, engaging landowners in our conservation goals.
- Reducing Anthropogenic Pressure (66 hectares) by isolating preserved areas within connectivity corridors for the lowland tapir, howler monkey, and jaguar, we've successfully mitigated human impact on 66 hectares of land.
- Promoting Sustainable Livelihoods (Livestock). We're committed to improving local livelihoods, particularly in livestock farming. Our sustainable practices include implementing mixed forage banks, living fences, and shaded nuclei.
- We've allocated 6.9 hectares to agroforestry systems with native species, supporting conservation efforts and providing locally beneficial fruit resources.

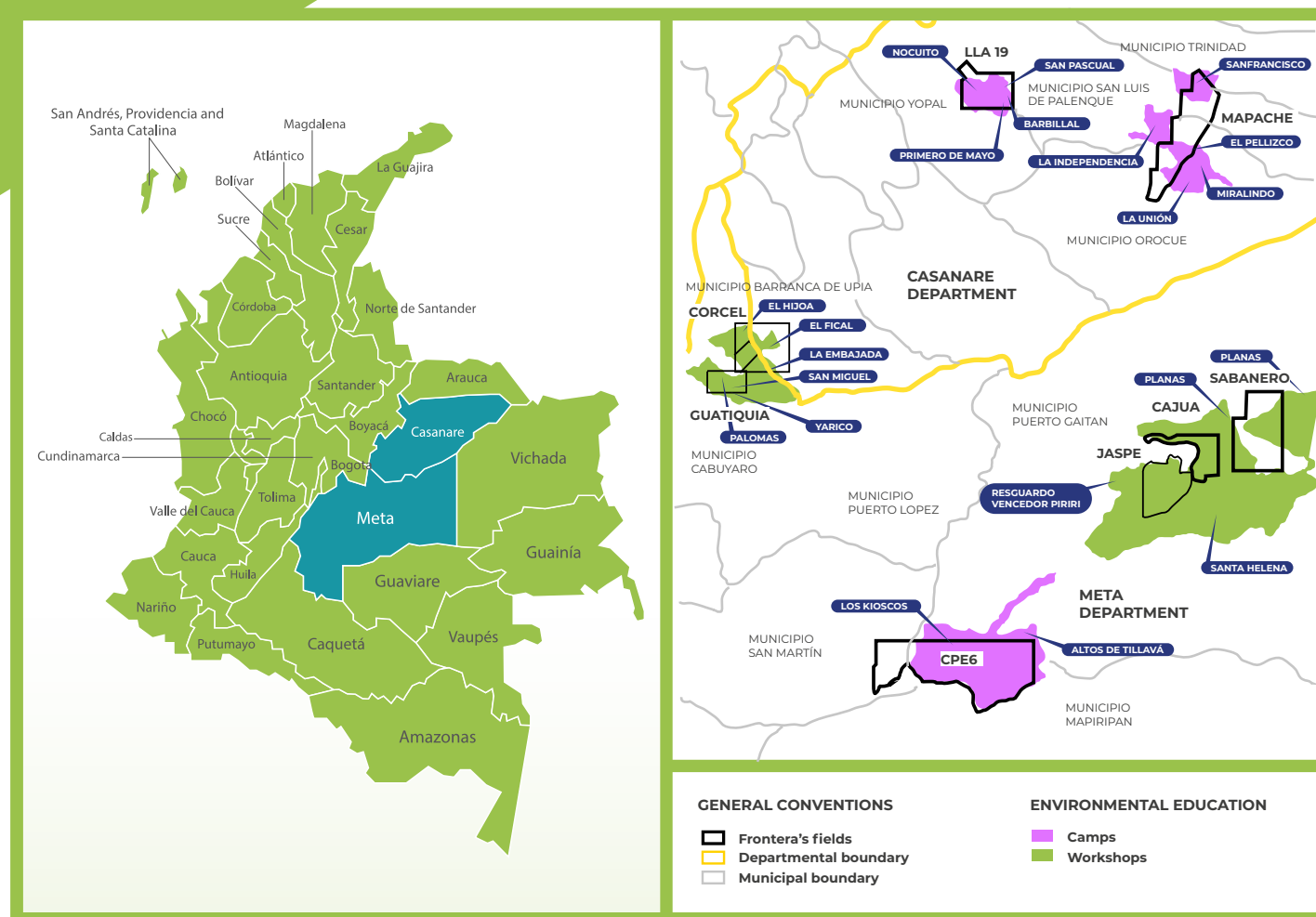
In addition, we contribute to the conservation of environmentally significant areas through land acquisition. In 2023, Frontera collaborated with Parques Naturales de Colombia to establish the declaration route for the Serranía de Manacacías, the country's 61st protected area. The company handed over 1,000 hectares, which supported this major environmental milestone for the country and contributed to conserving the life cycles of important wildlife and plant species.

## We contribute to the conservation of environmentally sensitive areas by acquiring land.

To further protect natural resources and ecosystems, we focused our efforts in 2023 on promoting biodiversity competencies within the territory. We designed and implemented the program 'Conectando Huellas', aimed at generating and disseminating knowledge to encourage environmental care in the Meta and Casanare departments of Colombia through the following activities.

- We promoted five research projects related to fauna and flora for species of significance within our territory. These included migratory birds (such as the tiger heron and sandpipers), species threatened to varying degrees (such as the Orinoco goose, giant otter, pink dolphin, and lowland tapir), and forest species with potential for sustainable development in collaboration with local communities (such as the floramarillo, açai, and zancona palm). These initiatives were carried out through territorial NGOs. The outcomes of these projects will be disseminated among the communities and presented in various forums, including conferences and indexed journals.





- We built recreational-educational spaces in 22 villages in seven municipalities in the areas of influence of our blocks, where more than 300 children and youngsters participated in workshops and environmental camps, where they learned about ecosystems, biodiversity, environmental problems, species of regional flora and fauna, and care for local bodies of water, thus contributing to the care of the environment and generating a green economy thinking about the realization of sustainable enterprises and activities that, in addition to preserving resources, are seen as productive economic activities..

These activities will be further carried out in 2024 so as to strengthen the biodiversity strategy, which we hope to share with stakeholders in 2025. In doing so, we will contribute to disseminating the knowledge that is being developed in the territories of our operations together with the local communities.

GRI 304-2 / 11.4.3

Within the framework of the 1% environmental compensation investment, we managed to purchase the land for the approval route of the Manacacías Park, thus contributing 1,000 hectares of the more than 68,030 hectares that make up the Serranía de Manacacías Natural Park, a protected area established at the end of 2023 and protected area number 61 of the National Park System of Colombia, located in the municipality of San Martín de los Llanos in the department of Meta.

## Preserved and protected areas (cumulative hectares)

GRI 304-3/11.4.4 / 304-2 / 11.4.3

2017	2018	2019	2020	2021	2022	2023
975	1,129	1,512	1,546	2,310	4,057	5,737

As a result, in addition to exceeding the goal we had set to preserve and protect 1,000 new hectares, we have also joined efforts in fulfilling the commitment to preservation and restoration that we acquired by joining the 1t.org movement, promoted by the World Economic Forum (WEF).

### Goals:

**2024**

**Total of 6,554 hectares sown, protected, and preserved.**



**2028**

**Fulfilling the 1t.org's pledge plan and thus contributing to the protection of wildlife habitat in the 'Llanos Orientales' Colombian region.**



27. Biological science that studies the relationship between climatic factors and the biological cycles of living beings.

These activities will be continued in 2024 to reinforce the biodiversity strategy.

- We carried out four participatory monitoring projects with the community associated with regional wildlife inventories through citizen science tools and research on phenology<sup>27</sup> and spreading of native forest tree species with preservation potential. In addition to these projects, we have signed Preservation Agreements, incentives, and tenders that encourage the participation and appropriation of resources among participating families.
- Along the academia and NGOs, we developed seven master's theses by undergraduate and master's students from Universidad Distrital Francisco José de Caldas, Universidad Pedagógica y Tecnológica de Colombia, and Universidad Nacional de Colombia to promote biodiversity research in the departments of Meta and Casanare and support the training of our future professionals.



# A Thriving Tomorrow for All

GRI

3-3 / 11.11.1 / 11.12.1 / 11.13.1 / 11.16.1 / 11.17.1 / 11.18.1



05

**FRONTERA**  
ENERGY



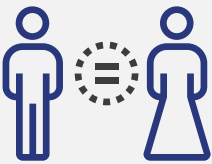
Establishing and maintaining long-term value relationships with stakeholders is a priority. We recognize that attracting, developing and retaining the best talent adds great value to the operation development. We are convinced that territories, when given the chance, are strengthened and become environments of peace. Therefore, we value the impact generated by our suppliers in the commercial activity and development of the areas where we operate. This impact allows us to contribute to the welfare of neighboring communities and promote diversity and equality at all times.



## Governance

On the basis of the governance and decision-making structure outlined in the sustainability strategy and the due diligence system on human rights, we have made a political commitment to strengthen the relations with our stakeholders and conduct operations that are respectful of human rights, focusing on diversity, equality and inclusion. Respecting and promoting the exercise of human rights is our duty and responsibility, but also a lever to generate trust and ethical of building trust and ethical coherence in our employees and suppliers, enabling us to perform our daily activities smoothly and build long-term relations based on dialogue, respect and empathy in our operational contexts.

**We have made a commitment to strengthen the relations with our stakeholders and conduct operations that are respectful of human rights, focusing on diversity, equality and inclusion.**



## Relationship Strategy

The implementation of the relationship strategy called “Generating Empathy with the Environment” gives the company the possibility to strengthen its relationships with stakeholders in the territory, based on trust building and dialogue. This allows us to maintain the social license to operate seamlessly and to carry out business activities. For us, it is essential to generate closeness with our stakeholders, adapting to changes in the environment and making a positive impact in the territories where we operate, as we play a very important role in fostering their economic reactivation and social development. Being good neighbors and allies for direct influence areas have resulted in zero blockades affecting the operation attributable to us and the building of a culture that permeates the organization.

On this basis, we have defined an approach plan that meets the expectations of the parties, with the objective of constantly promote the creation of mutual value in relations and strengthen the efforts that help achieve business goals.

The work plans established with each of these stakeholders are based on the following principles:

1. Development of trust and closeness
2. Compliance with agreements
3. Efficiency and transparency in processes
4. Constant and open communication
5. The clear understanding of these principles ensures value generation for all.

### » Our commitment:

We contribute to social progress and promote diversity, equality, and inclusion.



» **Our purpose:** We contribute to the economic and social development of the people involved in our operation.

For us, it is essential to generate closeness with our stakeholders, adapting to changes in the environment and making a positive impact in the territories where we operate

We are accountable to our employees

GRI 3-3 / 11.10.1 / 11.11.1

Employees are the Company's driving force and their well-being if of the utmost importance. Therefore, we have developed plans of attraction, well-being, development and talent retention, which ensure the protection of life, a personal and professional balance, competitiveness and the strengthening of skills and competences on a permanet basis, so that their roles at Frontera are aligned with their life purpose, promote family and individual development, and meet the highest work quality standards.

In 2023, for the third year running, we have been awarded the Great Place to Work certification. In addition, we significantly raised our score, approaching excellence.

We know that our actions reflect our decisions. That is why we are constantly working to make the oil and gas industry a diverse, equitable, inclusive and equal sector in terms of access to opportunities. We focus on fair treatment and respect for labor rights and human rights. Consequently, the relationship with our employees is based on Frontera's cultural model.

In 2017, we began a cultural transformation to make Frontera a competitive company where people feel happy. In 2023, we worked to implement an "Employee Value Proposition" and enhance engagement to be better aligned with our goals. This is a statement we make as a company, which brings together and represents the unique and differentiating reasons why people prefer us over other companies as a place to work. This statement translates into our talent strategy in order to create unique working experiences, for example, through the development of technical careers.



Human talent metrics

GRI 2-7 / 202-2 / 11.11.2 / 11.14.3

Number of payroll employees by job category and gender	Women	Men	Total
Executive/senior management, CEO, vice presidents and directors reporting directly to the CEO	2	6	8
Middle management/general management, directors and senior managers	3	18	21
Supervisor/first line management	24	52	76
Groups of specialists, senior leaders, coordinators, supervisors and specialists related to the core of the business	94	136	230
Other employees	136	298	434

New hires and turnover

GRI 401-1/11.10.2

New hires	2021	2022	2023
Total number of people	160	112	62
Total payroll percentage	15%	10%	9%



In 2017, we began a cultural transformation to make Frontera a competitive company where people feel happy.



Moves and turnover by gender

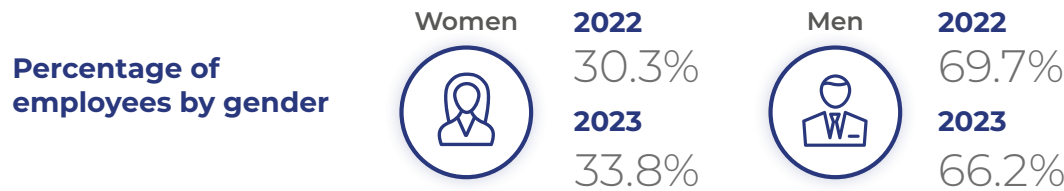
Number of people by gender and move	Gender	Horizontal moves	Temporary appointments	Turnover
2021	Women	3	4	19
	Men	24	3	25
2022	Women	3	5	38
	Men	11	49	58
2023	Women	8	1	31
	Men	22	60	52

	2021	2022	2023
Number of people who left the Company voluntarily or because of dismissal, retirement or death in service	122	92	162
Total employee turnover rate	11.3%	8.1%	22%
Voluntary employee turnover rate	2.5%	3.7%	3.4%

Diversity in governance body and employees

GRI 405-1 / 11.11.5

Number of employees by age and gender - 2023	21 to 30 years	31 to 40 years	41 to 50 years	51 to 60 years	Over 60 years old
Women	24	120	86	25	3
Men	26	155	225	91	11



Proportion of women in staff	2021	2022	2023
Proportion of women in total staff (as a percentage of total staff)	32%	30%	33.8%
Proportion of women in all management positions, including junior, middle and senior management (as a percentage of total management positions)	30%	27%	27%
Proportion of women in junior management positions, including first management level (as a percentage of total junior positions)	36%	36%	40%
Proportion of women in senior management positions, a maximum of two levels below the executive director (as a percentage of total senior management positions)	22%	21%	30%
Proportion of women in managerial positions in income-generating functions (as percentage of total directors)	11%	11%	33%
Proportion of women in science, technology, engineering and mathematics (STEM) positions (as a percentage of total STEM positions)	38%	38%	31%

In 2023, we worked to implement an “Employee Value Proposition” and enhance engagement to be better aligned with our goals.



Training and development

GRI 404-1/11.10.6/ 404-2 /11.11.4

Canada, Colombia, Ecuador and Peru	2021	2022	2023
Total number of training hours	30,360	31,902	39,722
Number of in-person and remote training hours	23,258	25,530	34,955
Number of virtual training hours (e-learning)	5,608	6,372	4,767
Number of persons trained	797	855	767
Percentage of coverage	95%	96%	100%
Total investment (in dollars)	\$209,839	\$530,043	\$518,752
Average investment in training per employee (\$)	\$263	\$620	\$676

Technical careers

As part of our commitment to promote employee training and development, the competency-based technical career development project ensures that Frontera's core employees have the necessary skills to operate systems or areas in a safe, reliable and responsible manner.

We followed a linear approach, which included the definition and identification of the need to develop employee competencies based on operational requirements. Then, we created a skill development pathway, which includes assessment of technical competencies, identification of labor gaps and efficient knowledge management.



Average training hours by job category and gender

GRI 404-1/ 11.10.6/ 404-2 /11.11.4

Employee category/ gender	2021		2022		2023	
	Women	Men	Women	Men	Women	Men
Executive/senior management	10	8	15	17	16	28
Middle management/ general management	20	20	7	33	71	79
Supervisor/first line management	38	32	45	38	71	66
Specialist groups	33	35	40	47	65	62
Other employees	36	40	30	35	51	38

Technical skills assessment	2021	2022	2023
Number of updated profiles	29	5	46
Number of competences	42	12	72
Number of assessed persons	72	35	53

Over the years, we have proposed five technical career pathways and assessed more than **299** people who fit the model and take advantage of training and mentorship spaces to acquire and certify competencies.





Number of employees subject to performance evaluation

GRI 404-3

Job category	2021		2022		2023	
	Women	Men	Women	Men	Women	Men
Executive/senior management	2	6	2	4	2	3
Middle management/general management	5	21	6	27	3	20
Supervisor/first line management	25	49	25	55	22	50
Specialist groups	86	155	107	157	91	133
Other employees	137	311	137	327	129	289
Total	255	542	277	570	247	495

GRI 2-8

Number of persons by employment contract type and gender	Gender	Payroll	Tempo-rary	Interns	Colombia	Other countries (Canada, Ecuador)	Total of employees by gender
2021	Women	317	13	28	306	11	317
	Men	766	39	33	749	17	766
2022	Women	278	28	55	331	12	343
	Men	577	73	29	765	24	789
2023	Women	259	12	28	323	11	334
	Men	508	28	29	689	18	707

Our wage segregation index is highly competitive in the hydrocarbon industry, as it ranks below the 0.12 index in Colombia and the 0.31 index in the mining and energy sector.

GRI 405-2 / 11.11.6

	2020	2021	2022	2023
Wage gap index	0,035	0,050	0,056	0,036
Occupational segregation index	0,0300	0,0200	0,0300	0,0265

Freedom of association and collective bargaining: labor relations

GRI 2-30

Over the years, we have worked closely with our employees and the organizations representing them to foster a meaningful dialogue oriented to constantly improve living and working conditions. We have taken steps to strengthen employees´ skills and enhance communication with them, in addition to paying attention to their interests and challenges, respecting their rights and promoting their welfare, whether they are direct employees or contractors and subcontractors.

In Frontera we respect the right of association by ensuring that our workers can voluntarily and freely join a trade union of their choice. As a result of our commitment to respect and real dialogue with workers' representatives, in 2023, 92% of our employees were affiliated to one of the



two unions: Union of Workers of the Oil and Energy Industry of Colombia (UTIPEC)<sup>28</sup>, and Workers' Union (USO).

With most of our employees affiliated to UTIPEC, in 2019 we signed a Collective Labor Agreement with them, which undergone various updates and modifications for our employees' benefit. We have also built an effective and respectful relationship with them based on dialogue, which allows us to channel our efforts to solve problems, propose improvements and follow up on the commitments for the benefit of employees, the Company and the society in general. In the last four years, the free affiliation and disaffiliation from these unions have remained stable, with membership rates between 82% and 91% of our total employees.

	2021	2022	2023
Percentage of employees unionized in UTIPEC/total employees	82%	88%	88%
Percentage of employees unionized in USO/total employees	7%	5%	4%

GRI 401-2 / 11.10.3 / 401-3 / 11.10.4 / 11.11.3

With the conviction that non-salary compensation models not only offer competitive salaries, but also improve the well-being of employees, we do everything we can to give them peace of mind.

28. UTIPEC is an alternative trade union of the Colombian energy sector, which is affiliated to the General Labor Confederation (CGT).

Social benefits



Life insurance

Policy for employees with coverage in all countries.



Health insurance

Medical insurance services for 100% of employees in all countries of operation. In Colombia, we offer prepaid medicine services through Colsanitas or Sura, whereas in Canada and Ecuador this service is provided through Manulife and BMI, respectively.



Disability and/or incapacity insurance

Life insurance policy also provides disability and/or incapacity coverage to 100% of employees.



Maternity and paternity leave

Maternity, Colombia: 18 weeks/possibility to work 100% remotely until the baby is 6 months old. Canada 50 or 76 weeks/12-week wage assistance. Ecuador: 12 weeks/paternity leave: Colombia: 2 weeks/Canada: 40 or 69 weeks (shared between parents)/Ecuador: 10 days. In 2022, 23 employees enjoyed these benefits.



Exequial policy

Funeral insurance that covers the worker in case of death and their immediate family group.



Contributory savings programme

Contribution of up to 7% of the employee's monthly salary to a voluntary pension fund in which the company takes charge of 100% of the employee's contribution.



Extralegal vacation days

Each employee is entitled to one (1) additional extra-legal vacation day for each year of seniority, up to ten (10) years of seniority. Up to ten (10) years of seniority.



Educational family support

Provides monthly support to help cover educational expenses for the children of employees. This assistance applies to various educational levels, including elementary and secondary education, high school (grades ten and eleven), technical or technological education, and university studies (undergraduate, postgraduate, master's, and doctoral programs).



Hybrid Work Scheme and Flexible Schedule

We have implemented a hybrid work scheme where employees spend 50% of their time at home and 50% in the office. Attendance is scheduled by teams. Additionally, we offer a flexible work schedule where, for in-person days in which people can start their workday between 6:30 am and 8:30 am and finish according to their entry time.

Wellbeing perception indicators	2021	2022	2023
Percentages Work-life balance	84%	84%	87%
Percentage of perception of Fair and respectful treatment	95%	96%	98%



# Life first

GRI 3-3 /11.9.1

While the economic welfare of employees is important, their life and overall wellbeing are top priorities in our operation. Therefore, we make every effort to protect and take care of them in all the activities involved in the oil and gas exploration and production processes. The health and safety of our employees and the environment are key priorities that make up our value proposition and guide our actions.

GRI 403-1 /11.9.2 / 403-4 / 11.9.5

SASB EM-EP-320a.2

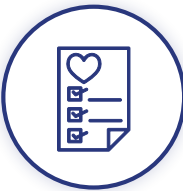
Over the years, we have taken steps to make caring for life a commitment shared by all. Therefore, our management and occupational safety system reflects this commitment by promoting six key elements for efficiency:

1. We comply with to HSEQ policy, corporate support policies and functional guidelines.
2. We establish a culture of care the implementation of our cultural model, which establishes that we are all accountable for our actions and lead by example.
3. We effectively manage the risks identified in the due diligence.
4. We continuously evaluate our efficiency in prevention and protection actions.
5. We verify the effectiveness of the system.

6. We provide spaces for dialogue to identify opportunities for improvement through COPASST.

GRI 403-5 /11.9.6 / 403-7/ 403-3 /11.9.4/ 403-6/11.9.7

With a vision of caring for life, Frontera has developed a Preventive and Occupational Medicine program that contributes to the prevention of diseases, not only at work but also in life, and encourages the promotion of healthy habits among employees, based on risks identified in the performance of their duties:



Annual medical check-up



General practitioner available on site



Tetanus and yellow fever vaccination day



Breastfeeding Family Friendly Room



Annual health week, promoting healthy lifestyles



Active linkage to the emergency plan

Under the premise of permanently finding opportunities for improvement and growth through the health and industrial safety plans, we are constantly implementing actions and programs to protect the life and wellbeing of our employees.

We make every effort to protect and take care of them in all the activities involved in the oil and gas exploration and production processes.

# Early incident management

GRI 403-2/ 11.9.3/EM-EP-540a.1

In our management model, we implement a plan to contain oil or hazardous substance spill incidents. This plan provides step-by-step instructions to be followed in the event of an incident in order to work in collaboration with third parties and environmental authorities and manage the situation appropriately. The first containment measure can be implemented responsibly by any employee who observes the incident or event that may lead to an incident.



Number of spills not contained (> 1 bbl)

GRI 306-3 (2016)/ 306-3 /11.8.2 /11.8.1 / 3-3 SASB EM-EP-160a.2 / EM-MD-160a.4

	Target	Performance	Percentage improvement
2021	3	2	67%
2022	2	0	100%
2023	2	0	N/A

As we know that our operations can have adverse impacts on both the ecosystem and life, we work hard to protect infrastructure and monitor the processes we execute to be good tenants of the planet. Therefore, in 2023 there were no significant oil spills in any of our operations.

Corporate industrial safety indicators<sup>29</sup>

GRI 403-9/ 11.9.10 / 403-10 SASB EM-EP-320a.1 / EM-MD-540a.1

Employees and contractors	2021	2022	2023
LTIFR - Injury frequency rate with time lost from work or disability	0,57	0,46	0,08
TRIR - Total recorded incident rate	1,70	0,82	0,47
VIFR - Vehicle incident frequency rate	0,00	0,05	0,05
Death rate	0	0	0

29. Reported rates include indicators for direct Frontera employees and contractors.

30. The International Association of Oil & Gas Producers

Goals:

2024

Improve health and safety indicators.

Maintain non-contained spills of more than one barrel at zero.



2028

Maintain or improve health and safety indicators (TRIR) for employees and contractors in Colombia and Ecuador operations. Goal according to IOGP indicators<sup>30</sup>.

Maintain the target of zero operational not-contained spills of more than one barrel.



We work hard to protect infrastructure and monitor the processes we execute to be good tenants of the planet.



# We are responsible in our business relations

GRI 3-3 / 11.14.1 / 413-2 / 11.15.3

Ensuring a responsible business that creates value requires a work process articulated between Frontera and the companies that provide services in the value chain. At Frontera, we are convinced that sustainability should be an essential pillar of work in the relationship with all our stakeholders, especially with our suppliers and contractors, since we all should act in a manner respectful of human rights in the territories where we operate and, at the same time, strengthen the social, cultural and economic development of the parties concerned, supporting our business model in a context of strong, efficient and competitive growth.

**Over the years, we have set up mechanisms that help us integrate sustainability into our business relationship with contractors. In this sense, we have promoted competitiveness, quality of service and an operation that preventively manages identified risks based on:**

This integration is implemented through our Critical Contractor Management Plan, which seeks to ensure the compliance of both contractors and subcontractors with the Sustainability Policy and the Corporate Social Responsibility requirements of Frontera, at the earliest stage of the contractual relationship.

This plan is based on the implementation, evaluation, improvement and follow-up of the criteria established in the Social Responsibility and Real Estate Management agreement annex, which must be met by the Contractors classified by Frontera as critical, due to their potential impacts on stakeholders and the complexity of the contexts in which they operate. The plan involves subcontractors that are part of this supply chain.

In accordance with this annex, the contractor must designate a person responsible for meeting the described criteria and for developing the criteria described in it and

developing their Social Responsibility Plan, which should include a high-level political commitment; enforcement and control mechanisms; a social investment plan; a procedure for processing and resolving stakeholder requests, complaints and grievances; and strategies for meeting other criteria set out in the annex, such as hiring local labor. These requirements will be met by the Contractor and will be subject to audits to assess the level of compliance carried out by external professionals financed by Frontera.

The Critical Contractor Management Plan is part of our human rights due diligence, which will be updated and expanded to include

the identification, evaluation and integration of impacts in 2024, taking into account the findings of the first human-right risk analysis conducted in 2023.

**In accordance with this annex, the contractor must designate a person responsible for meeting the described criteria and for developing their Social Responsibility Plan.**

- 1

Informed decision-making
- 2

Competitive prices as a result of a free market
- 3

Involvement of local enterprises in the supply chain without sacrificing quality
- 4

Transparent and ethical management and conduct
- 5

Management of environmental and social matters
- 6

Preventive management of occupational health and safety



# Social metrics

GRI 2-16 / 2-26

As part of the monitoring process, we have evaluated, through labor audits and the Public Employment Service, performance and compliance with the criteria and requirements set out in the contractual annex. Additionally, we have evaluated the relevance of the programs implemented for employee welfare and human talent management, as a way to promote labor rights within our supply chain.

**Based on open and transparent communication, we were able to respond in a timely manner to the requirements and queries of suppliers and contractors in 2023.**

The number of such requirements and queries decreased in comparison to previous years, as a result of a permanent and clear dialogue, training courses and action plans derived from audits, which allow the implementation of a continuous improvement process for each related contractor or subcontractor.

Management of enquiries and complaints	2021	2022	2023
Total number of questions and complaints	352	340	366
Number of questions and complaints resolved	158	109	295
Number of questions and complaints ongoing	194	231	71

## In 2023 we have taken the following measures:

### » Audits:

A total of **546** were performed

**224** of which relate to labor matters

**322** to Public Employment Service.

### » Subcontractors audited:

A total of **129** subcontractors were audited.

### » Contractors audited:

A total of **161** contractors were audited,

**76** of which belong to the Growth and light crude district, and our subsidiary Petrosud, and the remaining

**85** belong to the heavy crude district.

## As a result

**413** action plans were implemented



**188** to Public Employment Service

**225** related to labor matters

We were able to respond in a timely manner to the requirements and queries of suppliers and contractors in 2023.





Frontera Pro

GRI 203-2 / 11.14.5 / 413-1 / 11.15.2

To drive economic inclusion and improve the productivity and competitiveness of local businesses in the regions where we operate, we have strengthened our local supplier program and taken it to the next level to ensure:

- 1. The closing of labor gaps through value creation, developing and strengthening technical skills with the collaboration of local businesses of the territories where we operate.
- 2. The creation of opportunities to contract goods and services provided by local enterprises.
- 3. The effective coordination between entrepreneurs.
- 4. The creation of synergies for regional development.
- 5. The mitigation of risks inherent in the operation, which we can be managed jointly with suppliers and contractors.
- 6. The involvement of local labor.

With this program, we have achieved a greater involvement of local companies in our supply chain and a greater amount of purchases to local suppliers.

This has been facilitated by internal strategies of service segregation by area, training processes that have increased the competitiveness of local companies, and strategies of participation implemented by said companies in the processes of contracting goods and services of Frontera, such as local inter-business consortiums.

Type of goods offered	(%)2021	(%)2022	(%)2023
Transport	18%	29%	18,5%
Civil Works	18%	18%	25%
Catering Casino	8%	4%	4%
Accommodation/ food	14%	15%	11,4%
Environmental services	-	11%	10%
Social support	-	4%	1%
Machinery rental and maintenance	-	-	5%
Health services	-	-	2,5%
Other	42%	20%	22,5%

Number of suppliers by company size

Year	Company Size	#Of Suppliers
2021	SME	293
	BIG	558
2022	SME	381
	BIG	526
2023	SME	526
	BIG	452

31. Small and Medium - Sized enterprise according to Colombian law.  
32. Large sized enterprises.

Proportion of expenditure in local suppliers

Year	Amount of purchases from local suppliers (millions of dollars)	Percentage of purchases from local suppliers/ total purchases
2021	39.9	9%
2022	51.3	8%
2023	73.3	9%

Amount of purchases from suppliers according to company size (millions of dollars)

Company Size	2021	2022	2023
SMEs <sup>31</sup>	74.8	168.8	270.3
Large <sup>32</sup>	360.0	447.65	510.9
TOTAL	434.8	616.45	781.2

Goal:

2028

Improve or maintain local goods and services purchases by 10%, including indirect purchases through main contractors.

# We are responsible and preserve our environment

GRI 3-3 / 11.14.1 / 11.15.1

We are aware that we are responsible for managing the impacts of our operations, especially in the territories where we are present.

Thus, in line with our Human Rights Policy, we create continuous and transparent dialogue scenarios, which strengthen our bond with communities and local authorities. Our purpose is to develop relationship strategies based on the due diligence framework, knowing and developing actions that promote and respect the social, cultural, economic and environmental conditions of communities.

Our first human rights risk analysis conducted in 2023 identified two general risks related to communities. Though they showed a low rate, they require that we:

- 1. Align our actions with stakeholder expectations more precisely.
- 2. Strengthen institutional articulation in the territory.

In accordance with the above, in 2024 we will work to strengthen relationships with local authorities and communities in the areas of operation, with an aim to provide information and more effectively target impact management, planning and disclosure of the scope and limitations of our participation as partners in territorial development.

On the other hand, we will apply the results of the due diligence on human rights to the supply chain, encouraging responsible business conduct and promoting the implementation of practises oriented to the respect of human rights.

Another important finding of the human rights due diligence is the need to respond in a timely manner to different concerns, complaints or claims of groups of interest, be aware of them and identify those related to possible human rights violations.

During 2023, we received 326 questions, request, claims, and complaints from communities and attended and resolved 96.3%, of which 0% required some kind of remediation action by the Company.

GRI 2-26 / 11.15.4



Our Social Investment Plan is based on different types of investment and social investment lines, which are managed and evaluated according to “Genpathy” guidelines, our strategic relationship management model.

Of these 326 questions, request, claims, and complaints managed in 2023, none of them were associated with human rights violations.

GRI 203-1/11.14.4/ 11.17.1

As a fundamental part of our commitment to sustainable development and the promotion of human rights, during 2023, we implemented our social investment plan oriented to the communities where we operate.

We recognize that the economic and social growth of communities is crucial to the enjoyment of rights; therefore, we implement **activities** and **projects** designed to address their most pressing needs.







Types of social investment:

We have two types of social investment: on the one side, voluntary investment, which involves specific approaches to address territorial challenges in order to improve the quality of life and promote the development and wellbeing of communities. On the other side, mandatory arising from contractual and regulatory liabilities specific to our sector and area of operations.

Both types of social investment play an important role in our commitment to sustainable development and the wellbeing of the communities where we operate. Regardless of their typology, we always maintain an approach of evaluation and continuous improvement to maximize our impact, bring about positive changes and strengthen our relationships with all our stakeholders.



Investment framework:

Voluntary investments:



Strategic Social Investment Plans:

Activities and projects that we design and prioritize in direct collaboration with communities, based on the identification of their most relevant development needs, which are addressed in partnership with hydrocarbon companies, local municipal authorities and neighborhoods the fields in which we are partners.



Relationship Fund:

Activities that seek to meet specific and low-cost needs of high community interest, related to health, food security, environment, improvement of conditions of community spaces, recreation, sports, and health.

Mandatory investments:



Community Benefit Programs:

investments aimed at reducing extreme poverty within the framework of contracts and agreements signed with the National Hydrocarbons Agency (ANH).



Social Compensation - Ecuador:

social investment agreed with communities of the area of direct influence, determined by the environmental authority during the exploration phase and in compliance with the Environmental License and Environmental Management Plan.



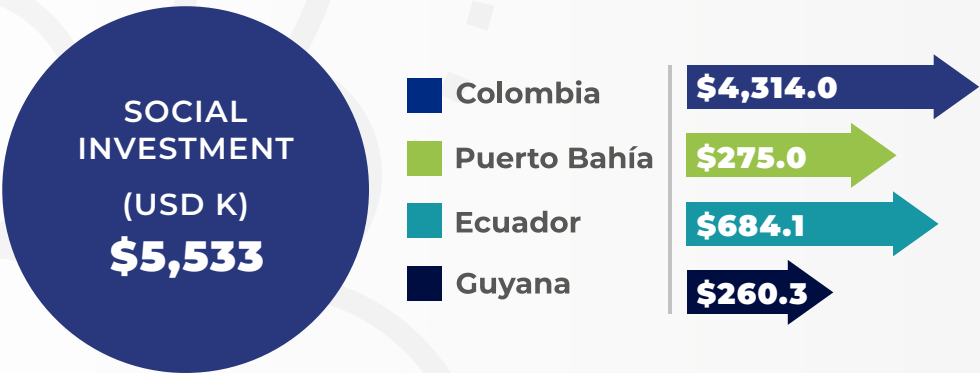
Environmental Management Plans (PMA):

actions aimed at preventing, mitigating, correcting or compensating for the social impacts and effects caused by the development of a project, work or activity, which have been identified in a social evaluation. They are made in compliance with the socioeconomic requirements of environmental licenses issued by the National Environmental Licensing Authority (ANLA).



Prior consultation:

projects and commitments established through agreements in the context of prior consultations with the ethnic communities present in the territories where we operate, with the aim of respecting and strengthening their worldview and forms of organization for the improvement of their quality of life.





## Social investment lines:

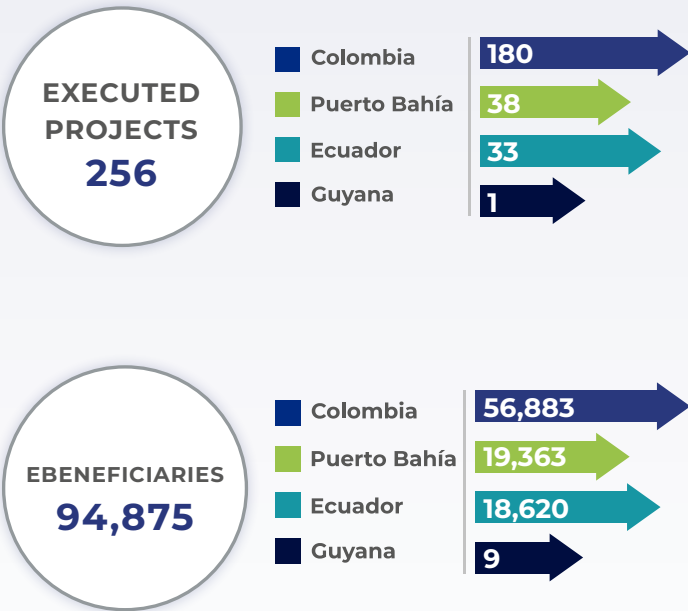
Our investment framework is integrated into the four programmatic lines established by the Executive Social Investment Committee, the highest control body of the Company's social investment:

- 1. Education:** contribute to the access to quality education, as a foundation for building a sustainable future.
- 2. Quality of life:** promote basic health services and infrastructure, as strategic factors that contribute to eliminating poverty.
- 3. Inclusive economic development:** we provide opportunities for productivity and entrepreneurship, as a driving force for the socio-economic and autonomous development of communities.
- 4. Ethnic development:** respect and recognize cultural differences, as the backbone of dialogue, consultation and assertive relationship with our stakeholders.

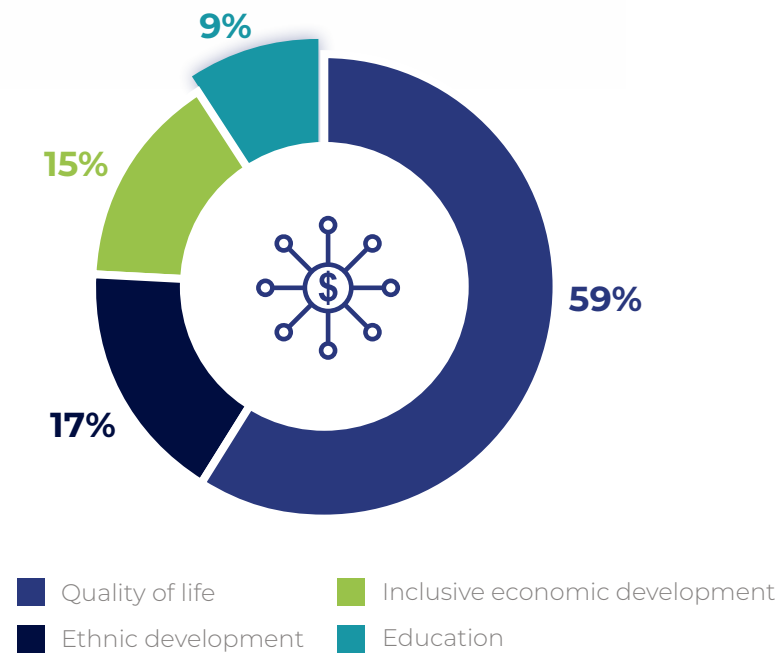


Through these four lines of investment we seek to catalyse the growth and autonomy of communities, strengthen their productive and resilience capacities, and promote efficient resource management, thus contributing to the sustainable development of the region.

### Projects by country of operation



### Projects by social investment line



## Strategic approach - Genpathy:

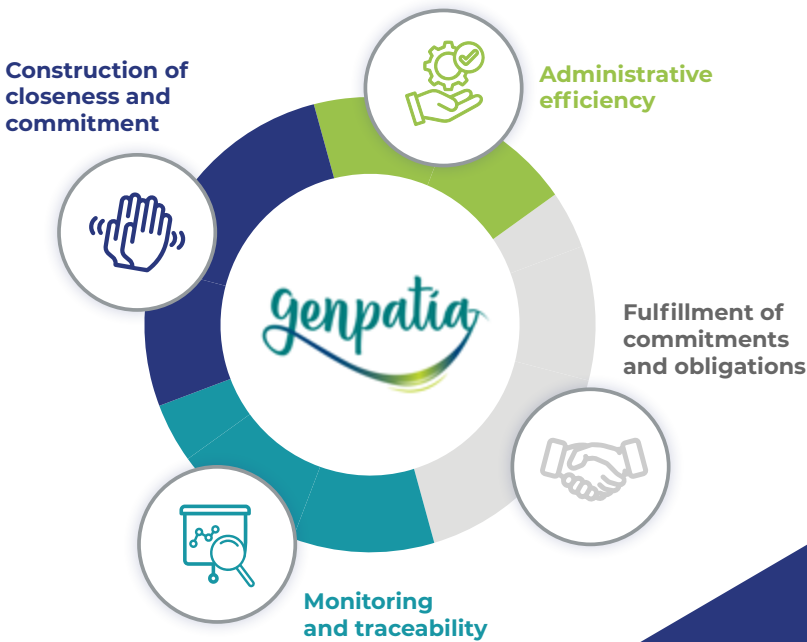
The structure of our relationship strategy is reflected in the four processes that make up our Genpathy model, on the basis of which we work daily to successfully manage our social investments and the engagement with communities.

Each of our social investment projects is managed under this strategic approach, allowing us to strengthen transparency, be more precise in responding to community needs, and achieve optimal resource execution that maximizes expected impact at the collective level.

In addition to and as an integral part of the Genpathy model, in Colombia and Ecuador,

we developed 179 activities with the support of 29 contractors, benefiting 41,653 people directly and more than 2,200 indirectly. These activities focused at improving the local conditions of community spaces, sports and recreation, agricultural development, cultural strengthening, food security and environmental protection, among others.

These activities are additional to the programmatic projects that make up the 4 lines of social investment, as they have a reduced scope and arise as a rapid response to specific and non-structural needs, which are identified in our daily contact with communities.







# Our social investment projects

## Education:

**Literacy:** we developed a literacy program for senior adults in the villages of Santa Helena, Rubiales and Puerto Triunfo. There were 120 students in the classroom, 46 of which were able to obtain a bachelor’s degree.

**Educational infrastructure improvement:** we made building improvements in the school of Vereda Filadelfia, Pijiño del Carmen, Magdalena, so that students could enjoy a better school environment.

Operation: **Colombia**

Number of beneficiaries:  
**120** students  
**46** graduates (**6** indigenous)

Total investment  
value: **\$ 220,000 dollars**

## Inclusive economic development:

**Mujer Movilizadora (Mobilizing Woman):** this program integrates our different socioeconomic strengthening projects by developing competencies and skills in women from our areas of influence. The program has five work dimensions to ensure a transformative experience that enhances their economic mobilization and promotes equal opportunities.

## Quality of life:

**Housing improvement:** we contributed to the improvement of housing conditions by intervening in sanitary structures, food safety systems and hydraulic and protection networks, such as floors, ceilings and walls. These improvements enhance the health conditions and quality of life of impacted communities.

**Community development:** we provided technical and financial support in the implementation of community projects aimed at contributing to the development that communities need and wish to achieve in their territories. Major projects were focused on the access to drinking water and basic sanitation, and on the improvement of public infrastructure.

Operation: **Colombia - Ecuador**

Number of beneficiaries **1,410** in housing improvement and **38** in community supports

Total investment  
value: **\$2.96** million dollars

**Crece con Frontera (Grows with Frontera):** we provided technical skills training to 44 women to enable them to perform activities in the hydrocarbon sector, contributing to closing employment gaps. 24 women graduated as Oil and Gas Well Operation Technicians and 15 were employed in different companies. By the end of the year, 20 women started their training in the training phase.





For the third consecutive year, we supported 60 indigenous women of the Sikuani ethnic group.

Frontera has extended invitations to other companies to join the practical learning program, which commenced in Q1 2024. Of this group of 20, 12 women participate with us, while the remaining 8 are employed by other companies.



**Mujeres al volante (Women behind the wheel):**  
we covered 105,970 km with 9 women drivers. In 2024, we will continue the training of women to develop their technical-mechanical skills, defensive driving skills and traffic regulation and road safety knowledge, to enable them to drive vehicles as a formal occupational activity.

**Mujeres emprendedoras (Women entrepreneurs):**  
we trained 16 women, one of whom has a disability in processes and parameters to work collaboratively in clothing workshops and perform several tasks, such as clothing design and dressmaking, as well as management,

marketing and distribution tasks for the production and sale of industrial equipment.

**Mujeres étnicas (Ethnic women), ANIDAR:**  
for the third consecutive year, we supported 60 indigenous women of the Sikuani ethnic group, belonging to the Vencedor Pirirí and La Campana Indigenous reservations, strengthening their handicraft vocation and community life project, developing business and leadership skills in order to promote and market their handicrafts made from moriche palm fiber and cumare.

Operation: **Colombia**

Number of beneficiaries: **60** women

Total investment value: **\$747,000 dollars**

**Ethnic development:**

**Agricultural production courses:**  
in partnership with SENA, we delivered three agricultural production courses for the management and establishment of yucca brava and dulce in the native savannah, with an aim to strengthen the income model and the supply of products the Vencedor Pirirí, Domo Planas and La Campana, reservations.

**Cultural strengthening:**  
we developed various projects and activities with ethnic communities in compliance with the agreements signed in the prior consultation, to promote and respect the

exercise of their rights as indigenous peoples, based on free participation in matters affecting or concerning them as a result of our operations in the territory.

Operation: **Colombia**

Number of beneficiaries: **90** participants, **3** hectares sown

Total investment value: **\$1.08** million dollars

We delivered three agricultural production courses for the management and establishment of yucca brava and dulce in the native savannah

Goal:

**2028**

Maintain the social incidents affecting production as a result of Frontera Energy operation below 16%.





We are integrity influencers

Escanea el siguiente código QR  
para acceder al manual  
Scan the following QR code  
to access the manual



Reto No.7  
Usando cualquier operación  
Matemática, pero Solo 4 Números 4,  
¿Cómo llegas a obtener  
Como resultado  
Tus respuestas Solo a: at



07

FRONTERA  
ENERGY



We are driven to be integrity influencers in all our actions with stakeholders, including the value chain. This is why Frontera's culture guides our actions in all business relationships, basing them on our values: integrity, dedication to our work and commitment to our stakeholders, sustainability and respect.

We are convinced that our culture and the comprehensive risk and impacts management constitute the key axis of our sustainability strategy, guiding compliance with the highest standards of integrity and the adoption of ethical and corporate best practices.



### Integrity strategy:

Recognizing that integrity is one of our main values that supports our sustainable management, we incorporate the following pillars in our operations:

- **Transparency and accountability:** We maintain open and transparent communication with all our stakeholders, providing detailed information regarding our economic, operational and ethical practices.
- **Preventive Ethical and Human Rights Risk Management:** We have specific due diligence processes aimed to identify, assess and manage ethical and human rights risks in our direct and value chain operations.
- **Negative impact management:** We manage our complaints, claims and reports procedures actively and effectively, by identifying irregular situations as soon as possible, taking appropriate corrective and remedial measures in cases where we have a negative impact.

- **Evaluation and continuous improvement:** We conduct periodic evaluations of our sustainability strategy in order to identify areas of improvement and opportunities that strengthen our capabilities for achieving objectives.

## Respect for and promotion of human rights

GRI 2-22 / 2-23

SASB EM-EP-530a.1

Acting within a due diligence framework allows us to act in accordance with our duty to respect the rights of all those involved and affected by our operations, in addition to maintaining a transparent and effective relationship with government entities, as well as with civil society organizations and our value chain.

In 2023, we began the deployment of our human rights due diligence system described in our sustainability strategy (p.13). The structural and methodological actions that we initiated to this end and to implement respect for human rights were:

### 1. Corporate commitment:

On December 5th, our Board of Directors approved the Corporate Human Rights Policy, which determines how we should conduct operations along the value chain, thus strengthening the legitimacy of our activities, both directly and through our business partners. Our policy is an internal reference point for our stakeholders and ourselves; it promotes the interaction and generation of operational processes and policies that

support our commitment to respect the rights contained in the Universal Declaration of Human Rights and the ILO Fundamental Conventions that include, among others, the Forced Labour Convention (No. 29), the Convention on the Abolition of Forced Labour (No. 105), the Minimum Age Convention (No. 138) and the Convention on the Worst Forms of Child Labour (No. 182). The Board of Directors instructed the Corporate Governance, Nominations and Sustainability Committee to ensure compliance with the policy.

### 2. Human rights due diligence processes:

We mapped our main policies and operational processes related to respect for human rights and affect our direct activities and those of our value chain, identifying their strengths and weaknesses to align them with the Guiding Principles on Business and Human Rights. We also conducted a first analysis of human rights risks with the support of an ally, which identified internal and external factors from which we have established lines of action for 2024. These actions will be focused on giving continuity to risk analysis and deepening the necessary knowledge throughout our operations, both direct and indirect, to understand more accurately, specific risks according to our operational contexts.

### 3. Complaints and claims

#### procedures that are sensitive to rights:

We are aware that, despite implementing enforcement and control procedures to ensure our commitment to respect human rights, negative impacts can occur throughout our operations. For this reason, together with our initial analysis of human rights risks, we have analyzed our complaints and claims mechanism and identified necessary improvements regarding procedural adjustments. In 2024, we will update our mechanism to improve its effectiveness, considering the criteria set out in the United Nations Guiding Principles. Thus, we seek to ensure our due diligence based on real claims, and to strengthen it as a preventive mechanism that can identify early warnings and avoid conflicts.

### 4. Human Rights training activities:

With the purpose of strengthening the culture of respect for human rights as part of our principles and values, in 2024, we will design a training plan for our employees and contractors detailing Frontera's commitment to human rights and providing concepts to carry out critical tasks under the due diligence approach.





# Human rights metrics

By 2023, our operations remained free from any instances of forced or compulsory labor as well as child labor, aligning with the criteria set out in the ILO core labour standards included in our Corporate Human Rights Policy.

We ensure all employees and contractors are thoroughly briefed on the approval of this policy, elucidating its objectives, scope, and guidelines. It is imperative to underscore that this commitment seeks to ensure the effective management of human rights risks through the deployment of more active actions in our operations.

## Compliance and ethics

GRI

3-2 / 11.20.1 / 2-25 / 11.20.2

SASB

EM-EP-510a.2

For three consecutive years, we were recognized by the Ethisphere Institute as one of the world's most ethical companies, as a result of the high performance results obtained in the rigorous evaluation of our Ethics and Compliance, Ethical Culture, Corporate Responsibility and Citizenship, Governance, Compliance Risk Management, Leadership and Reputation programs.

In September 2023, we promoted and carried out the Frontera Compliance Meeting: Business Integrity, which was a space for

Goal:

2028

Ensure that all requests, complaints, and claims related to human rights are promptly addressed and resolved, achieving a 100% management rate.

awareness, information and analysis on the challenges and opportunities that ethical practices and compliance entail, and how these are key tools for building a sustainable business culture. Recognized experts in ethics and compliance participated in the meeting, leading discussions, talks and workshops aimed at suppliers, allies, special guests and representatives of companies and organizations in our industry.

The recognition granted by Ethisphere, and our leadership in the Frontera Compliance Meeting the first Officials gathering from the oil and gas industry, our participation and leadership in collective action initiatives at regional, national and international levels, the external positioning of Frontera's best practices in ethics and compliance through the endorsement of entities such as Alliance For Integrity and the Center for International Private Enterprise (CIPE), consolidates our culture of integrity and promotes it as a benchmark in the industry.

Our ethics and compliance system has structured prevention, detection, response, monitoring, and continuous improvement

processes to ensure all instances of stakeholder engagement following local and proprietary regulations, such as the corporate code of conduct and ethics, and the best practices in place in all jurisdictions where Frontera operates.

We manage ethics and compliance risks independently and support the establishment of a culture based on values and principles which serves as a foundational pillar of our corporate strategy. Our structure is defined according to the Company's risks, size, industry, and jurisdictions; it has a Chief Compliance Officer (CCO) and a team dedicated to the management of these matter.

- ////////////////
- 1. Compliance Officer:** area's leader appointed by the Board of Directors, and regularly report to the Chairman of the Audit Committee on the progress in the execution of the annual ethics and compliance program. The CCO leads decision-making on compliance matters, with the support of the Ethics Committee, which presides.
  - 2. Ethics Committee:** provides support and guidance to the CCO. The Ethics Committee is led by the CCO and among its active members are the Chief Executive Officer (CEO), the Chief Financial Officer (CFO), the General Counsel & Secretary, and the Senior Manager of Internal Audit, with the permanent participation of the Director of Human Talent.

We strongly believe that a culture of strong integrity is the fundamental pillar for mitigating compliance risks. For this reason, we have established a group of "Compliance Ambassadors" within our ethics and compliance model. These middle management officials have been trained in key ethics and compliance matters to constantly encourage their teams to make value-based decisions, resolve ethical dilemmas, and prevent compliance risks. It aims to facilitate the adoption of our integrity culture throughout the Company.

The Compliance Ambassadors are part of our awareness, communication and training program driving the preventive compliance strategy. The program includes targeted actions segmented by risk factors.

In 2023, we significantly enhanced our awareness, communication and training program by delivering over **3,000 hours** of talks to employees, contractors and other stakeholders. Our primary focus was to raise risk awareness and knowledge of risk prevention related to money laundering, international bribery and data privacy, among others.

# Ethics metrics

GRI 2-15

Each year, our employees make a declaration of conflicts of interest, which allows us to warrant and strengthen the knowledge and understanding about how to manage any conflicts of interest in the performance of their daily work.

We are committed to reinforcing understanding and adherence to our Code of Conduct and associated policies. This includes, among others, policies aimed at preventing risks such as money laundering, terrorist financing, proliferation of weapons of mass destruction, financing, bribery, and conflicts of interest among our employees and their immediate supervisors. We provide continuous support to our Ethics and Compliance team, empowering them to effectively navigate ethical dilemmas in alignment with our corporate values.

In 2023, all our payroll employees participated in the conflict of interest survey. Out of the total responses, 90 employees disclosed one or more conflicts of interest. These conflicts were thoroughly analyzed, prioritized, and managed to mitigate the potential ethical risks.

Disclosure of conflicts of interest	2021	2022	2023
Number of employees reporting a conflict	247	280	90
Number of conflicts of interest declared	513	545	118

This demonstrates a continued positive trend in the disclosure of conflicts of interest.

GRI 2-16 / 2-26

The process of handling complaints is carried out with absolute confidentiality and accuracy in accordance with the provisions of the law and internal policies, respecting at all times the presumption of innocence of those involved and the protection of the complainant, within the framework of the complaints management procedure, which includes the analysis of the root causes of the cases submitted. This allows identifying opportunities for improving the company's processes, including focused training and process redesign. Sanctions and other measures are also taken where necessary.

## Statistics, trends and lessons learned from the cases are spread anonymously in different internal and external scenarios as an exercise in transparency.

Our complaints management process has a continuous improvement approach towards the Company's processes, and establishes in all cases a management plan for investigations that are reported to the Audit Committee as part of the highest governing body.

In 2023, 87 complaints were received on the ethics line, 71 cases were closed, 15 cases were confirmed, 21 cases were not confirmed, 13 complaints did not have merit, and 22 cases were transferred to other areas.

Matters handled	Number of	%
Closed without merit (includes absent employees)	13	18%
Unsubstantiated	21	30%
Substantiated	15	21%
Transferred to other areas	22	31%
Matters handled	71	100%

Characterization of complainants	2020	2021	2022	2023
Percentage of anonymous complaints	44%	45%	40%	68%
Percentage of identified complaints	56%	55%	60%	32%

GRI 205-2 / 11.20.3

Frontera has embraced a value-based compliance approach, which has demonstrated its effectiveness through the results of the external survey of interest groups, internal integrity culture survey, and the results of the ethics section of the Great Place to Work survey. These findings indicate that our organization focuses on values as the main driver for ethical conduct.

### Stakeholders Survey

In 2023, for the fourth consecutive year we conducted a perception survey of ethics and compliance culture among stakeholders. We invited suppliers, customers, partners, authorities, banks, insurance companies,

among others. The increasingly satisfactory results provide evidence that Frontera's ethics and compliance program is continually being enhanced.

### Some results

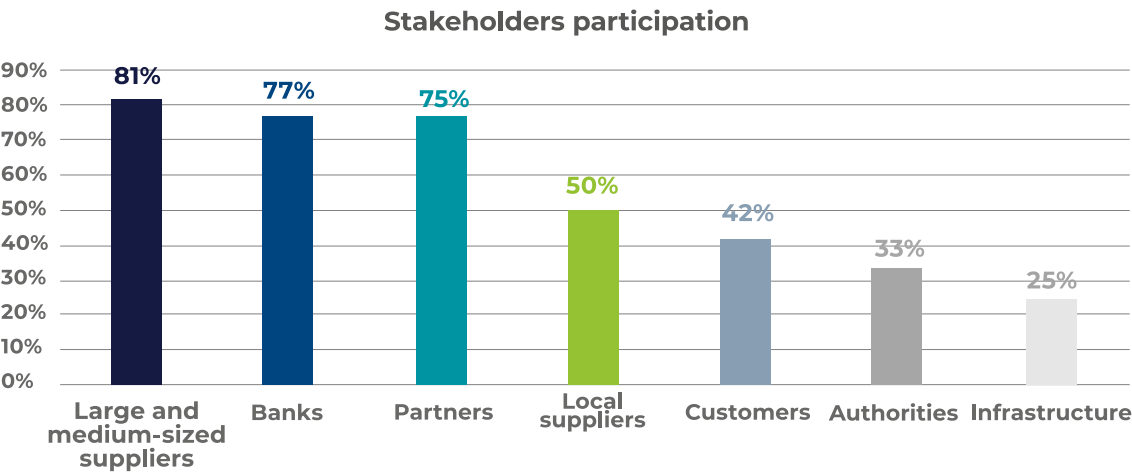
We invited 173 third parties, 114 of whom responded to the survey, that is 66%. The number of third parties invited to participate in the survey was increased by 22%, aiming to gain a more comprehensive understanding of the perception of ethical conduct in Frontera's operations.





# The most significant increase in participants occurred in the group of large and medium suppliers, which rose from 72 to 96 participants

The distribution of stakeholder participation is as follows:

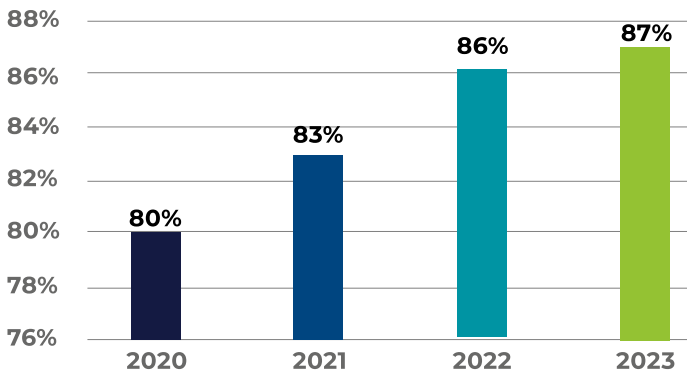


## The survey includes:

- i. 18 closed questions designed to gauge respondents' opinions on the ethics and compliance program. These questions asked participants to indicate whether they "Strongly agree," "Neither agree nor disagree," or "Strongly disagree" with various statements.
- ii. Four open-ended questions inviting respondents to provide further comments and feedback.

**87%** of respondents "Strongly agree" with the statements in the survey. This positive response indicates a widespread perception of satisfaction with Frontera's ethics and compliance program, reflecting positively on the company's overall business development. This perception marks an increase since 2021.

% Positive responses "Strongly agree"



## Integrity Culture Survey

In 2023, the Integrity Culture Survey was launched. This is a biannual, voluntary, anonymous survey. Its purpose is to assess employees' perception regarding (i) Frontera's conduct in the daily activities of the company from an ethical and compliance perspective and (ii). the level of maturity of our ethics and compliance system.

The questions aimed to evaluate the effectiveness of the relevant elements of our ethics and compliance system: leadership tone, expectations, standards, corporate ethical policies and procedures, compliance program management, communication, education and training, ethics line, open communication and discourse practices, management of measures and consequences and, importantly, perception about the behavior of middle management. We were pleased to find that most of the questions were answered favourably by **89%** of the respondents.

This means that in Frontera our people believe that we have a solid corporate governance framework and that our values are mirrored in our daily actions.

The highest rated questions (**above 95%**) show a clear understanding of Frontera's ethical expectations for all employees, and the responsibility and best practice of reporting by the ethics line or to the supervisor any fraud event information or any event that could have a negative impact on operations.

## Goal

**2028**

Strive to be a role model for ethical behavior and compliance throughout the value chain and market.



**Compliance risks prevention and detection:** We have defined processes for the detection, analysis and reporting of suspicious operations to the UIAF (Intelligence and Financial Analysis Unit) of Colombia, control of payments to Politically Exposed Persons (PEP) and control of cash transactions and its reporting to UIAF when applicable.

In accordance with applicable legislation and best practices, we have a robust third-party due diligence process for risk prevention of money laundering, terrorist financing, proliferation of weapons of mass destruction financing, transnational bribery, corruption, among others.

**In 2023, we carried out more than 1,289 due diligence processes.**



Operational excellence, profitability and robustness

GRI 3-3 / 201-1 / 11.14.2 / 11.21.1 / 11.21.2 SASB EM-EP-420a.1

Our corporate strategy aims to create value for shareholders by generating production, cash flow and reserves in our main operations in Colombia. We also seek continuous operational improvements throughout our business, recognition and business growth by developing self-sustaining infrastructure, advancing our development and exploration portfolio in Colombia, Ecuador and the coasts of Guyana, the shareholders' capital return and the expansion of our corporate-wide compliance and sustainability record.

Operational and financial metrics

Despite the natural decline of the production of light and medium crude oil and conventional natural gas typical of the mature fields we operate, our overall production remained stable from one year to another thanks to the growth of key assets.

Production <sup>33</sup>	2021	2022	2023
Total production <sup>34</sup> (boe /d)	37,818	41,382	40,919
Heavy crude oil (boe/d)	19,326	21,441	23,359
Light and medium crude oil (boe/d)	17,218	17,274	14,856
Conventional natural gas production (boe/d)	5,022 (mcf/d) or 881 (boe/d)	9,741 (mcf/d) or 1,709 (boe/d)	6,042 (mcf/d) or 1,060 (boe/d)
Natural gas liquids (boe/d)	393	958	1,644

Operational and financial results

In Frontera we know that delivering solid financial and operational results is important for business sustainability. In 2023, the financial and operational results were aligned to the annual guidance plan.

As a result, we successfully concluded the year with an EBITDA of \$467.2 million and met our regulatory and contractual commitments.

Production by type of hydrocarbon:	2021	2022	2023
Heavy crude oil	51%	52%	57%
Light and medium crude oil	46%	42%	36%
Conventional natural gas	2%	4%	3%
Natural gas liquids	1%	2%	4%

Operational results	2021	2022	2023
Total production <sup>35 36 37</sup> (boe/d)	37,818	41,382	40,919
Oil and gas sales (\$/boe)	67	92	73
Loss on risk management contracts <sup>38</sup> (\$/boe)	(4)	(1)	(1)
Royalties <sup>39</sup> (\$/boe)	(3)	8	(3)
Net sales realized price <sup>40</sup> (\$/boe)	59	83	69
Cost of production <sup>41</sup> (\$/boe)	(11)	(12)	(13)
Transportation costs <sup>42</sup> (\$/boe)	(10)	(10)	(11)
Operating netback <sup>43</sup> (\$/boe)	37	60	45

33. Production figures are reported for Colombia and Ecuador.

34. Boe stated using the 5.7 to 1 Mcf/bbl Colombian conversion standard, as required by the Colombian Ministry of Mines and Energy.

35. See more information related to Company Performance until 2023. In our Annual Information Form <https://www.fronteraenergy.ca/content/uploads/2024/03/FEC-YE2023-AIF-.pdf>, Management Discussion & Analysis document <https://www.fronteraenergy.ca/content/uploads/2024/03/Frontera-MDA-Q4-2023-Filing-version.pdf> and Consolidated financial statements <https://www.fronteraenergy.ca/content/uploads/2024/03/Frontera-FS-Notes-FY-2023-Filing.pdf>.

36. It represents W.I. production before royalties and total volumes produced from service contracts.

37. Boe has been expressed using the 5.7 to 1 Mcf/bbl conversion standard required by the Colombian Ministry of Mines & Energy.

38. The references to heavy crude oil, light and medium crude oil combined, conventional natural gas and natural gas liquids in the table above and elsewhere in this Sustainability Report refer to the types of heavy crude oil products, light and medium crude oil combined, conventional natural gas and natural gas liquids, respectively, as defined in National Instrument 51-101 - Standard of Disclosure for Oil and Gas Activities ("NI 51-101").

39. Supplementary financial measure (as defined in NI 52-112). See "Non-IFRS Measures" in the "Legal Notices" section of this Sustainability Report.

40. Supplementary financial measure (as defined in NI 52-112). See "Non-IFRS Measures" in the "Legal Notices" section of this Sustainability Report.

41. Non-IFRS ratio (equivalent to a "Non-GAAP ratio", as defined in NI 52-112). See "Non-IFRS Measures" in the Legal Notices section of this Sustainability Report.

42. Supplementary financial measure (as defined in NI 52-112). See "Non-IFRS Measures" in the "Legal Notices" section of this Sustainability Report. Data presented include net production costs plus net energy costs.

43. Supplementary financial measure (as defined in NI 52-112). See "Non-IFRS Measures" in the "Legal Notices" section of this Sustainability Report.



Financial results	2021	2022	2023
Oil and gas sales <sup>44</sup> (thousands of dollars)	815,793	1,105,503	905,249
Gain (loss) on risk management contracts (thousands of dollars)	(49,119)	(14,733)	(9,903)
Royalties (thousands of dollars)	(32,572)	(94,709)	(36,949)
Net sales <sup>45</sup> (thousands of dollars)	725,329	996,061	858,397
Net income (net loss) <sup>46</sup> (thousands of dollars)	628,133	286,615	200,949
Per share - basic (\$)	6	3.16	2.27
Per share - diluted (\$)	6	3.08	2.19
General and administrative (thousands of dollars)	52,134	55,063	53,907
Operating EBITDA <sup>47</sup> (thousands of dollars)	378,179	641,877	467,219
Cash provided by operational activities (thousands of dollars)	327,380	620,479	411,794
Capital expenditure <sup>48</sup> (thousands of dollars)	314,257	417,563	442,734
Cash and cash equivalents – unrestricted (thousands of dollars)	257,504	289,845	159,673
Restricted cash short and long-term <sup>49</sup> (thousands of dollars)	63,321	23,202	30,300
Total cash <sup>50</sup> (thousands of dollars)	320,825	313,047	189,973
Total debt and lease liabilities <sup>51</sup> (thousands of dollars)	560,135	511,552	536,822
Consolidated total indebtedness (excluding unrestricted subsidiaries) <sup>52</sup> (thousands of dollars)	416,883	407,808	430,170
Net debt (excluding unrestricted subsidiaries) <sup>53</sup> (thousands of dollars)	207,578	178,534	318,092

44. Non-IFRS ratio (equivalent to a "Non-GAAP ratio", as defined in NI 52-112). See "Non-IFRS Measures" in the Legal Notices section of this Sustainability Report.

45. Supplementary financial measure (as defined in NI 52-112). See "Non-IFRS Measures" in the "Legal Notices" section of this Sustainability Report.

46. Supplementary financial measure (as defined in NI 52-112). See "Non-IFRS Measures" in the "Legal Notices" section of this Sustainability Report.

47. Supplementary financial measure (as defined in NI 52-112). See "Non-IFRS Measures" in the "Legal Notices" section of this Sustainability Report.

48. Supplementary financial measure (as defined in NI 52-112). See "Non-IFRS Measures" in the "Legal Notices" section of this Sustainability Report.

49. Supplementary financial measure (as defined in NI 52-112). See "Non-IFRS Measures" in the "Legal Notices" section of this Sustainability Report.

50. Capital management measure (as defined in NI 52-112). See "Non-IFRS Measures" in the Legal Notices section of this Sustainability Report.

51. Capital management measure (as defined in NI 52-112). See "Non-IFRS Measures" in the Legal Notices section of this Sustainability Report.

Our operational and financial performance in 2023 is attributed to an exceptional team executing the strategy, added to the effort made in the different business activities to protect the interests of stakeholders, optimizing the available resources and, at all times, ensuring to maintain a status of excellence and efficiency in the processes of exploration, production, digital transformation, transport, marketing, development, and business growth.

### Business strategy

At Frontera, guided by the principle of operational excellence, we approach transport, supply, and trade matters with a focus on cost optimization. Our aim is to ensure greater corporate revenues by implementing innovative and creative operational and business strategies. In doing so, we protect the interests of stakeholders while leveraging and optimizing the resources available for business development.

#### In 2023:

- The Company's sales volumes were distributed 91% to the international market and 9% to the local market.
- This led to an additional profit of about \$9.8 million from sales in the local market, for bunker producers and power generation companies.
- We introduced new blends into the power generation market. The Company was able to improve the valuation of its refined and heavy crude oil products.
- The Company took advantage of Puerto Bahia's facilities to generate custom blends based on market needs.

Some of the actions we develop on different areas for cost optimization are:

#### Oil pipelines and dilution

2023, presented important challenges around the transport of crude oil and products due to the different roadblocks. We overcame these challenges thanks to our ability to adapt and negotiate.

As a result, the company managed to avoid production shutdowns by securing additional capacity in oil pipelines and tanker logistics, as well as increasing access points to oil pipelines.

#### The loss of 47,925 barrels of crude oil, fuel oil and natural gasoline was also avoided as a result of our continuous measurement control management.

Likewise, we managed to maintain the record of 2,162 days without accidents at the Guaduas station and the OGD operation.

- The Company leveraged the operational flexibility of the Guaduas Station and it has positioned it in the market as a "boutique station" which offers an off-spec crude discharge and treatment service so that it may meet the minimum quality and specifications to join the pipeline systems.

52. "Unrestricted subsidiaries" as of December 31, 2023 include CGX Energy Inc. ("CGX"), which is listed on the TSX Venture Exchange trading under the symbol "OYL", Frontera ODL Holding Corp, including its subsidiary Pipeline Investment Ltd. ("PIL"), Frontera BIC Holding Ltd. and Frontera Bahia Holding Ltd. ("Frontera Bahia"). ("Frontera Bahia") including its subsidiary Sociedad Portuaria Puerto Bahia S.A. ("Puerto Bahia"). On April 11, 2023, Frontera Energy Guyana Holding Ltd. and Frontera Energy Guyana Corp. were designated as unrestricted subsidiaries.

53. "Unrestricted subsidiaries" includes CGX Energy Inc. ("CGX"), listed on the TSX Venture Exchange trading under the symbol "OYL", Frontera ODL Holding Corp. including its subsidiary Pipeline Investment Ltd. ("PIL"), Frontera BIC Holding Ltd., and Frontera Bahia Holding Ltd., including its subsidiary Sociedad Portuaria Puerto Bahia S.A. ("Puerto Bahia").

Land transportation

As stated in the 2022 sustainability report, the Company obtained the ISO 39001:2012 certification for the internal and external transportation of hydrocarbons, fluids, dry cargo and people. During 2023, the Company was audited regarding this certification; this audit resulted in zero non-conformities, as well as a demonstration of continuous improvement and maturity of the system.

In 2023, Frontera implemented the road safety management system to control 1,600 vehicles and 2080 drivers and to help in the prevention of deaths and injuries related to traffic accidents. This module focuses on document control, physical inspection of vehicles and driver training.

We transported 12,400,000 BIs of crude oil and 9,100,000 BIs of fluids, and carried out 5,900 dry cargo services. All this with a saving of 1.1 million dollars thanks to the optimization of land transport operations. The crude oil overland transport operation covered 42.8 million kilometers, equivalent to 1,069 laps around the world.

The land transportation operation was run with 30% of local transportation carriers, through constant improvement work with these companies to reach Frontera’s supply and HSEQ standards.

Energy strategy

By refining light crude oil for fuel generation, Frontera minimized its fuel purchases, thanks to an agreement with a local refinery located in the Llanos area.

The Company also saved \$0.39 million through the purchase of CO2 credits against the payment of Carbon Taxes.

By 2024, we will continue working to achieve greater optimizations, maintain our operational excellence and guarantee the optimal conditions of operation and transport of crude oil, under the highest safety standards, achieving minimum emissions to the environment.

Reserves  EM-EP-420.a.1

Composition of the reserve portfolio:	2021	2022	2023
Heavy crude oil	62%	64%	64%
Light and medium crude oil	27%	22%	23%
Natural gas	7%	9%	8%
Natural gas liquids	4%	5%	5%

In 2023, Frontera added 4.2 MMboe of 2P gross reserves, for a total 2P gross reserves of 164.1 MMboe, and a reserve life index of 11.4 years.

Business model innovation, research and resilience

Everyday, the hydrocarbon industry faces significant challenges in their operations to find more efficient processes and ensure energy sustainability. Thus, innovation, research and resilience are essential in business development and in their efforts to secure, adapt and transform operational processes.

Innovation, research and resilience metrics

At Frontera, through the Agile Transformation Office (ATO), we centralize our innovation efforts, aiming to develop more efficient and sustainable solutions in the exploration, production and transport of hydrocarbons throughout the Company.

In 2023 through the processes carried out within the ATO we achieved:

- \$34.7 million in savings identified by employees and realized through 267 initiatives, with 467 employees participating. Additionally, we managed to realize \$61.3 million dollars in other benefits (cash generation, avoided costs and reduction of liabilities).
- We optimized 58,500 man-hours through the implementation of 24 initiatives, affecting 9 areas of the company.
- We developed 4 environmental projects based on FronteraLab challenges in order to capture initiatives that contribute to environmental challenges.
- We implemented the "Ruta del Innovador" (Innovative Route), a series of workshops that strengthen the creative spirit of our employees to suggest and implement new initiatives.

In 2023, Frontera implemented the road safety management system to control 1,600 vehicles and 2080 drivers and to help in the prevention of deaths and injuries related to traffic accidents.





We have developed a model of adaptation and agile recovery against the different circumstances presented to us in the operation, such as price fluctuation, changes in energy demand, regulatory changes, among others, so that we can respond in a timely manner to these circumstances, protect the business, be sustainable as well as give a preventive and permanent management of strategic risks.

- We are constantly looking for and applying new technologies that facilitate the extraction of crude oil in declining wells or with geological difficulties for production.
- We implemented cleaner energy sources such as natural gas and solar energy in our energy matrix.
- We researched and developed pilots to efficiently manage our waste, and generate value from them for our stakeholders and partners in our operation.
- We continuously work together in order to maintain the operation 365 days a year.

Cybersecurity

SASB EM-EP-540a.2

With innovation developments, new challenges in risk management appear. According to the 2023 Global Risks Report of the World Economic Forum, Cybersecurity is one of the top 10 risks with the greatest potential impact on a global scale, due to its advanced growth in recent years.

At Frontera, we are committed to being a digital company with controlled risks. This means understanding the different dynamics

on which we have been strengthening our computer security and information security management system, based on four principles that allow us to strengthen our resilience in this regard:

1. Reinforcement of the culture surrounding cybersecurity.
2. Use information and the media that support it in a safe and adequate manner, ensuring integrity and confidentiality.
3. Identify and assess the different threats and vulnerabilities to which information may be exposed, including industrial control systems.
4. Protect the network infrastructure, copyright and intellectual property.

During 2023, we applied these four principles to our digital and technological processes, focusing on a proactive prevention strategy and continuous improvement through the following actions:

- Automation risk assessment with the support of an expert entity whose results are being managed in a 2024 action plan.
- Phishing simulations to identify and manage employee susceptibility levels to digital deception.
- Penetration tests to computer systems through the practice of ethical hacking to identify and secure possible vulnerabilities.
- Training in cybersecurity aimed at our employees to strengthen the culture of security within the company.

Thanks to the Cybersecurity Plan, we were able to demonstrate the responsiveness of our systems to withstand the multiple cyber attacks received in 2023, and we have not generated any material incidents of risk for the operation.

Timely management of the issues we identify as a potential weakness and transforming them into an opportunity for our operations strengthens our resilience model as we have explained in transportation, cybersecurity, energy efficiency, operational waste utilization and reuse of water processes.

Goal

2028

Maintain a zero rate of material incidents in cybersecurity



## Transparent communication

GRI 2-29

With the purpose of consolidating strong and lasting relationships, we understand the importance of publicly stating our commitments and progress, while communicating our decision-making cornerstones, aimed at building relationships of trust with our stakeholders, acting with integrity, commitment, respect, and sustainability, according to our Culture and Leadership Model.

**We are systematically accountable to our stakeholders, through various channels.**

### Shareholders and bondholders:

Website for filing information on Canadian public companies [www.sedarplus.com](http://www.sedarplus.com), Extractive Sector Transparency Measures Act (ESTMA), Consolidated Financial Statements and Management's Discussion and Analysis (MD&A) (quarterly and annual), sustainability report (annual), Frontera's website, annual shareholders' meeting, disclosure of financial results, regularly scheduled meetings.

### Employees:

Frontera's website, Puerto Bahia's website, email, corporate events, Soy Frontera employee intranet, Annual Sustainability Report, regularly scheduled meetings with employees led by our senior better known as Front Talks, events scheduled by the Corporate University, Compliance Ambassadors' meetings, integrity culture survey, conflict of interest survey, gifts and invitations reporting tool, Frontera's social media, ethics channels, SPPB business coffee.

### Trade unions:

Regularly scheduled meetings, Annual Sustainability Report, ethics channels, regular occupational well-being and employee relations meeting, perception survey on ethics and compliance matters.

### Suppliers and contractors:

Regularly scheduled meetings, email, Annual Sustainability Report, ethics channels, perception survey on ethics and compliance matter, contractor forums.

### Buyers:

Regularly scheduled meetings, Annual Sustainability Report.

### Joint ventures partners:

Extractive Industries Transparency Initiative (EITI), Annual Sustainability Report, ethics channels, perception survey on ethics and compliance matters.

### Neighboring communities (rural and ethnic):

Town crier Frontera Escucha Program (Frontera Listens), press releases<sup>54</sup>, regularly scheduled meetings, Frontera's social media, Annual Sustainability Report, ethics channels, community service office, newsletters, community supervisor/monitor.

### Local workforce:

Town crier Frontera Escucha Program (Frontera Listens), press releases, regularly scheduled meetings, Frontera's social media, Annual Sustainability Report, Public Employment Service platform.

<sup>54</sup>. Communication channel used by Puerto Bahia with the surrounding communities.

<sup>55</sup>. National authority to which Puerto Bahía is accountable.

### Unions:

Regularly scheduled meetings, Frontera's website, Annual Sustainability Report, email, participation in round tables or workgroups on specific topics.

### Local and national government:

EITI, regular reports to the authorities (ANH, ANLA, Ministry of the Interior, DIAN, ANI,<sup>55</sup> Transportation Superintendence), regularly scheduled meetings, Annual Sustainability Report, perception survey on ethics and compliance matters.

### Civil society (NGOs and general public):

Regularly scheduled meetings, Frontera's website, Annual Sustainability Report, Puerto Bahia's website.

### Analysts and industry:

Frontera's website, regularly scheduled meetings, Annual Sustainability Report.

### Mass media:

Regularly scheduled meetings, Frontera's social media, press releases.

### Banks/insurance companies:

Consolidated Financial Statements and Management discussion and analysis (MD&A) (quarterly), regularly scheduled meetings, Annual Sustainability Report, perception survey on ethics and compliance matters.

### Academia:

Annual Sustainability Report, scheduled learning exchange meetings.





# Legal Advisories



08



# Legal advisories

## Standards and frames of reference

This Sustainability Report (this “Report”) contains forward-looking information within the meaning of Canadian securities laws. Forward-looking information relates to activities, events or developments that Frontera believes, expects or anticipates will or may occur in the future. Forward-looking information in this Report includes, without limitation, statements regarding the Company’s corporate strategy, guidance, reserves information and sustainability objectives in the areas of environmental, social and governance, future investments, our business plans, 2024 initiatives and objectives, new areas of operations, supplier development, social investment matters, environmental stewardship matters (including the climate change action plan), safety and risk management matters, local development matters, corporate culture and human talent matters, and the Company’s exploration and development plans and objectives. All information other than historical fact is forward-looking information. In particular, statements relating to “reserves” are deemed to be forward-looking information since they involve the implied assessment, based on certain estimates and assumptions, that the reserves described exist in the quantities predicted or estimated and that the reserves can be profitably produced in the future.

Forward-looking information reflects the current expectations, assumptions and

beliefs of the Company based on information currently available to it and considers the Company’s experience and its perception of historical trends, including expectations and assumptions relating to commodity prices and interest and foreign exchange rates; the current and potential adverse impacts of pandemics, epidemics or outbreaks of an infectious disease in Colombia, Canada or worldwide, including the recent COVID-19 pandemic, including any associated policies around business restrictions; actions of the Organization of Petroleum Exporting Countries (“**OPEC+**”) and the impact of the Russia-Ukraine conflict and the Israel-Hamas conflict, and the expected impact of measures that the Company has taken and continues to take in response to these events; expectations regarding the Company’s ability to manage its liquidity and capital structure and generate sufficient cash to support operations, capital expenditures and financial commitments; the performance of assets and equipment; the Company’s ability to achieve the increased oil and water handling capacity at Quifa; the availability and cost of labor, services and infrastructure; the execution of exploration and development projects; the receipt of any required regulatory approvals and outcome of discussions with governmental authorities; the success of the Company’s hedging strategy; and the impact and success of the Company’s ESG strategies.

Although the Company believes that the assumptions inherent in the forward-looking information are reasonable, forward-looking information is not a guarantee of future performance and accordingly undue reliance should not be placed on such information. Forward-looking information is subject to a

number of risks and uncertainties, some that are similar to other oil and gas companies and some that are unique to the Company. The actual results may differ materially from those expressed or implied by the forward-looking information, and even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on, the Company. The Company’s annual information form dated March 7, 2024, its annual management’s discussion and analysis for the year ended December 31, 2023 (“MD&A”), and other documents it files from time to time with securities regulatory authorities describe the risks, uncertainties, material assumptions and other factors that could influence actual results and such factors are incorporated herein by reference. Copies of these documents are available without charge by referring to the Company’s profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). All forward-looking information speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking information, whether as a result of new information, future events, or results or otherwise. Furthermore, information contained in or otherwise accessible through the Company’s website does not form part of this Report and is not incorporated by reference into this Report.

## Non-IFRS and Other Measures

This Report contains various “non-IFRS financial measures” (equivalent to “non-GAAP financial measures”, as such term is defined in National Instrument 52-112 - *Non-GAAP*

*and Other Financial Measures Disclosure* (“NI 52-112”)), “non-IFRS ratios” (equivalent to “non-GAAP ratios”, as such term is defined in NI 52-112), “supplementary financial measures” (as such term is defined in NI 52-112), and “capital management measures” (as such term is defined in NI 52-112), which are described in further detail below and do not have standardized IFRS definitions. The Company’s determination of these non-IFRS financial measures may differ from other reporting issuers and they are therefore unlikely to be comparable to similar measures presented by other companies. Furthermore, these financial measures should not be considered in isolation or as a substitute for measures of performance or cash flows as prepared in accordance with IFRS. These financial measures do not replace or supersede any standardized measure under IFRS. Other companies in our industry may calculate these measures differently than we do, limiting their usefulness as comparative measures.

The Company discloses these financial measures, together with measures prepared in accordance with IFRS, because management believes they provide useful information to investors and shareholders, as management uses them to evaluate the operating performance of the Company. These financial measures highlight trends in the Company’s core business that may not otherwise be apparent when relying solely on IFRS financial measures. Further, management also uses non-IFRS measures to exclude the impact of certain expenses and income that management does not believe reflect the Company’s underlying operating performance. The Company’s management also uses non-IFRS measures in order to



facilitate operating performance comparisons from period to period and to prepare annual operating budgets and as a measure of the Company's ability to finance its ongoing operations and obligations. Non-IFRS financial measures included in this Report include operating EBITDA, capital expenditures, net sales and operating netback. Supplementary financial measures included in this Report include production cost per boe and transportation cost per boe. Capital management measures included in this Report include total cash. These measures are described in further detail below, and under the heading "Non-IFRS and Other Financial Measures" in the MD&A which is incorporated by reference into this Report.

### Operating EBITDA

EBITDA is a commonly used non-IFRS financial measure that adjusts net (loss) income as reported under IFRS to exclude effects of income taxes, finance income and expenses, and depletion, depreciation and amortization expenses. Operating EBITDA is a non-IFRS financial measure that represents the operating results of the Company's primary business, excluding the following items: restructuring, severance and other costs, post-termination obligation, payments of minimum work commitments and certain non-cash items (such as impairments, foreign exchange, unrealized risk management contracts and share-based compensation) and gains or losses arising from the disposal of capital assets. In addition, other unusual or non-recurring items are excluded from operating EBITDA, as they are not indicative of the underlying core operating performance of the Company. Since the three and six

months ended June 30, 2022, the Company changed the composition of its operating EBITDA calculation to exclude certain unusual or non-recurring items as post-termination obligations and payments of minimum work commitments, which could distort future projections as they are not considered part of the Company's normal course of operations. Please refer to the reconciliation of net income to Operating EBITDA contained on page 27 and 28 of the MD&A.

### Capital Expenditures

Capital expenditures is a non-IFRS financial measure that reflects the cash and non-cash items used by a company to invest in capital assets. This financial measure considers oil and gas properties, plant and equipment, infrastructure, exploration and evaluation asset expenditures which are items reconciled to the Company's Statement of Cash Flows for the period. Refer to the reconciliation in the "Capital expenditures" section on page 28 of the MD&A.

### Net Sales

Net sales is a non-IFRS financial measure that adjusts revenue to include realized gains and losses from risk management contracts while removing the cost of any volumes purchased from third parties. This is a useful indicator for management, as the Company hedges a portion of its oil production using derivative instruments to manage exposure to oil price volatility. This metric allows the Company to report its realized net sales after factoring in these risk management activities. The deduction for dilution costs and cost

of purchases is helpful to understand the Company's sales performance based on the net realized proceeds from its own production net of dilution, the cost of which is partially recovered when the blended product is sold. Net sales also exclude sales from port services, as it is not considered part of the oil and gas segment. Refer to the reconciliation in the "Sales" section on page 14 of the MD&A.

### Operating Netback and Oil and Gas Sales, Net of Purchases

Operating netback is a non-IFRS financial measure and operating netback per boe is a non-IFRS ratio. Operating netback per boe is used to assess the net margin of the Company's production after subtracting all costs associated with bringing one barrel of oil to the market. It is also commonly used by the oil and gas industry to analyze financial and operating performance expressed as profit per barrel and is an indicator of how efficient the Company is at extracting and selling its product. For netback purposes, the Company removes the effects of any trading activities and results from its midstream segment from the per barrel metrics and the effects attributable to transportation and operating costs of any realizes gain or loss on foreign exchange risk management contracts. Refer to the reconciliation in the "Operating Netback" section on page 13 of the MD&A.

### Production Costs

**Production costs mainly include lifting costs, activities to develop in the blocks, and processes to put the crude oil and gas**

**in sales condition. Production cost per boe is a supplementary financial measure that is calculated using production cost divided by production (before royalties). A reconciliation of this calculation is provided on page 31 of the MD&A. ]<sup>55</sup>**

### [Transportation Costs

**Transportation costs include all commercial and logistics costs associated with the sale of produced crude oil and gas such as trucking and pipeline. Transportation cost per boe is a supplementary financial measure that is calculated using transportation cost divided by net production after royalties. A reconciliation of this calculation is provided on page 32 of the MD&A. ]<sup>56</sup>**

### Consolidated Total Indebtedness and Net Debt

Consolidated Total Indebtedness and Net Debt are used by the Company to monitor its capital structure, financial leverage, and as a measure of overall financial strength. Consolidated Total Indebtedness is defined as long-term debt, plus liabilities for leases and net position of risk management contracts, excluding the Unrestricted Subsidiaries. This metric is consistent with the definition under

55. Note to draft: MD&A discloses Production costs (excluding energy cost), net of realized FX hedge impact, and production cost (excluding energy cost), net of realized FX hedge impact per boe. Frontera to confirm if "Production costs" disclosure herein should be made consistent with MD&A.

56. Note to draft: MD&A discloses Transportation costs, net of realized FX hedge impact, and transportation costs, net of realized FX hedge impact per boe. Frontera to confirm if "Transportation costs" disclosure herein should be made consistent with MD&A.

the Indenture (as defined in the MD&A) for the calculation of certain conditions and covenants. Net Debt is defined as consolidated total indebtedness less cash and cash equivalents. Both measures are exclusive of non-recourse subsidiary debt and certain amounts attributable to the Unrestricted Subsidiaries. Refer to the reconciliation in the “Consolidated Total Indebtedness and Net Debt” section on page 34 of the MD&A

### Oil and Gas Information Advisories

For the year ended December 31, 2023, the Company's reserves were evaluated by DeGolyer and MacNaughton ("D&M"), in accordance with the definitions, standards and procedures contained in the Canadian Oil and Gas Evaluation ("COGE") Handbook maintained by the Society of Petroleum Evaluation Engineers (Calgary Chapter), National Instrument 51-101 - Standards of Disclosure for Oil and Gas Activities ("NI 51-101"), and CSA Staff Notice 51-324 and are based on the Company's 2023 year-end estimated reserves as evaluated by D&M in their report dated February 12, 2024, with an effective date of December 31, 2023 (the "Reserves Report"). D&M is an independent qualified reserves evaluator as defined in NI 51-101. Additional reserves information as required under NI 51-101 is included in the Company's statement of reserves data and other oil and gas information on Form 51-101F1, which is available under the Company's profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). The reserves information contained in this Report has been prepared in accordance with NI 51-101, but only presents a portion of the disclosure required thereunder. All comparative percentages

are between the years ending December 31, 2022 and 2023, unless otherwise noted and are based on the Company's 2023 year-end estimated reserves as evaluated by D&M in the Reserves Report. All reserves presented are based on forecast pricing and estimated costs effective December 31, 2023 as determined by the Company's independent reserves evaluators. Actual oil and natural gas reserves and future production may be greater than or less than the estimates provided in this Report. There is no assurance that forecast prices and costs assumed in the Reserves Report, and presented in this Report, will be attained and variances from such forecast prices and costs could be material. The estimated future net revenue from the production of the disclosed oil and natural gas reserves in this Report does not represent the fair market value of these reserves.

The estimates of reserves for individual properties may not reflect the same confidence level as estimates of reserves for all properties, due to the effects of aggregation. In addition, possible reserves are those additional reserves that are less certain to be recovered than probable reserves. There is a 10% probability that the quantities actually recovered will equal or exceed the sum of proved plus probable plus possible reserves. Reported production levels may not be reflective of sustainable production rates and future production rates may differ materially from the production rates reflected in this Report due to, among other factors, difficulties or interruptions encountered during the production of hydrocarbons.

### Boe Conversion

The term “boe” is used in this Report. Boe may be misleading, particularly if used in isolation. A boe conversion ratio of cubic feet to barrels is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. In this Report, boe has been expressed using the Colombian conversion standard of 5.7 Mcf: 1 bbl required by the Colombian Ministry of Mines and Energy. All production volumes are expressed before royalties unless otherwise stated. Some figures presented are rounded and data in tables may not add due to rounding.







[www.fronteraenergy.ca](http://www.fronteraenergy.ca)

